



Years of Service
Chamber of Commerce
Cayman Islands ★ 1965-2015

ANNUAL REPORT 2015

Chamber Champion ADVOCATES 2015:

Cayman National Corporation

Dart Cayman Islands

EisnerAmper Cayman

FLOW

Kirk Freeport Ltd.

Chamber Champion ADVISORS 2015:

Home Gas Ltd.

Mourant Ozannes

Chamber Champion STEWARDS 2015:

Butterfield Bank (Cayman) Limited

Caribbean Utilities Company, Ltd.

Cayman Islands Yellow Pages

Davenport Development Ltd.

Deutsche Bank (Cayman) Ltd.

Island Heritage Insurance Company, Ltd.

Rawlinson & Hunter

RE/MAX Cayman Islands

Walkers

ABOUT THE CHAMBER OF COMMERCE

The Cayman Islands Chamber of Commerce is the largest not-for profit organisation representing businesses, associations and individuals operating in the Cayman Islands with a membership base of 581 Corporate and 62 Associate members collectively employing 17,744 residents from every major industry sector.

Celebrating our 50th Year of Service, the Chamber's main objectives are: To promote and protect the trade, business, commerce, agriculture, industries and manufacturers and public welfare in the Cayman Islands; To consider, discuss and take action on questions directly or indirectly relating to or affecting such trade, business, commerce, agriculture, industries and manufacturers and public welfare in the Cayman Islands; To collect and disseminate information concerning business and the public welfare; To promote, approve or oppose legislation and other measures affecting business and the public welfare; To act as arbitrators or set up machinery for arbitration in commercial disputes.

“The Cayman Islands Chamber of Commerce supports, promotes and protects business and community success.”

The Chamber has a distinguished history of assisting its members and the wider community to maintain an environment that promotes economic prosperity and social harmony. Many programmes and services have been introduced to ensure that the Cayman Islands is recognised as a world class location to live and conduct business.

The Chamber initiates and supports programmes and services and speaks out on issues that help members to increase profitability, productivity and performance. The Professional Development and Training Centre, Employee Assistance programme, Junior Achievement, Better Business Council, Chamber Pension Plan, Cayman Crime Stoppers, Mentoring Cayman, Leadership Cayman, CayShop, Careers, Education & Training Expo, SME Workshops and Earth Day as well as regular trade missions provide members and the community with exceptional programmes that benefit business and the wider community.

The Chamber's leadership (a Council of 12 elected individuals from among the membership) includes some of Cayman's top business leaders and entrepreneurs who work collaboratively to fulfill the objectives of the organisation. They are supported by a professional staff with many years experience in not-for-profit management, economic development, programme and event coordination, fundraising and public advocacy.

CHAMBER OF COMMERCE ANNUAL REPORT 2015



Message from the President

As the leading advocate for the business community, the Chamber has had an active and eventful year. The Chamber Council promoted the benefits of economic growth, jobs creation, fiscal and public sector reform and opposed or sought amendments to ill-conceived policies and legislation that could lead to increase costs and red tape for businesses and the wider community.



We served on key advisory committees and submitted recommendations and observations to Cabinet Ministers and Government officials either in person or in correspondence and reports. We navigated the tumultuous waters of politics and interacted with elected and public sector leaders at the annual Legislative Luncheon to ensure that they were aware of the Chamber's positions on the proposed George Town Revitalisation project, Cruise Berthing, Labour reform and the Project Future report. We recommended a list of conditions that we felt should be considered by Government before agreeing to grant any concessions to international developers.

We celebrated the Chamber's 50th anniversary by presenting Mr. Cardinall DaCosta, the sole living founder of the organisation, with an honorary membership at his 80th birthday celebration in March. It was my privilege to present him with this recognition. He remains an active supporter of the organisation and calls the office regularly to express his views on the key issues.

The Chamber's success is based on this active involvement and interaction between the membership and the Council and Staff. All members are urged to express your views on the issues and to respond to our surveys. Your opinion guides the Council as we set policies that will enhance the quality of life and make the Cayman Islands an attractive and competitive place to conduct business.

In closing, I would like to acknowledge the hard work of my fellow volunteer Councilors as well as the Staff who implement the policies, programmes and activities of the organisation.

A handwritten signature in blue ink, which appears to read 'Barry Bodden'.

Barry Bodden
President, 2015

CHAMBER OF COMMERCE ANNUAL REPORT 2015



Message from the Chief Executive Officer

The administrative team (Kerry Pratt, Trisha Meyerhoff, Nikita Durrant and Nicola Burke) worked diligently to implement the policy decisions and plan of work approved by the elected Council and to support and promote the interests of the membership and the wider community. Much of this work was done behind the scenes so the following reporting statistics may surprise you – it certainly surprised us!

Keeping members informed about legislative and public policy issues, activities, programmes and benefits remained a top priority. The newly designed website (www.caymanchamber.ky) attracted 84,203 unique visitors sessions from 175 out of the 196 countries in the world. 58.8% of these sessions were new visitors. A community calendar was added to the website which allows local organisations to post events for free. 213 e-blasts were distributed including 41 with promotional messages from members. The office processed 82,810 emails which does not include the 50,636 messages that were blocked by the spam filter.

Three BE INFORMED sessions were hosted at the Chamber's offices in Governors Square. 214 persons attended to receive information about various subjects from invited guest speakers. 280 members and guests interacted with elected and official members of Government at the Legislative Luncheon at the Ritz Carlton, Grand Cayman in September and to hear the Premier deliver his annual address.

The office organised 84 promotional, networking and educational events and activities which does not include committee and administrative meetings. The Professional Development and Training Centre conducted 57 training courses and workshops with 486 attendees benefitting from the sessions. Four Fraud Prevention, Counterfeit Currency and Identify Theft workshops were held in partnership with the Cayman Islands Monetary Authority, the Royal Cayman Islands Police Service and the United States Secret Service. 103 persons attended the workshops.

The Ministry of Financial Services, Commerce and Environment awarded the Chamber the contract in the last quarter of the year to deliver workshops for small to medium sized enterprises (SMEs). Three free workshops were presented addressing such topics as strategies to improve debt collection, social media tips and financing options for SMEs. These workshops attracted more than 129 attendees.

CHAMBER OF COMMERCE ANNUAL REPORT 2015



Message from the Chief Executive Officer

In an effort to further assist SMEs, the Chamber continued to participate in the European Union funded initiative “Strengthening the Development of Small and Medium Enterprises of the Overseas Countries and Territories in the Caribbean Region” (COSME). The Chamber serves on the Stakeholders Group. Two staff members attended a grant writing workshop in Aruba in November and organised two local workshops for SMEs. CAYSHOP Business Expo was held in the Arts and Recreation Centre in Camana Bay in October and attracted more than 40 SMEs.

Networking is an important membership benefit. Members hosted five Business After Hours events with nearly 900 persons attending. The office also organised two membership orientation sessions and two speed networking events which were attended by 62 members. And, for the first time, the annual Chamber Charity Golf Classic was postponed twice due to inclement weather. The tournament has been rescheduled to April 2016.

Secretarial support was provided to the Chamber Pension Plan and the Cayman Crime Stoppers programme. Various organisations were provided affordable and accessible rental space for their meetings and training activities including the Cayman Cancer Society, Cayman Hospice Care, Cayman Islands Veterans Association, Royal Cayman Islands Police Service, Cayman Renewable Energy Association, Junior Achievement Cayman Islands, Cayman Islands Society of Professional Accountants, Cayman Islands Bankers Association and the YMCA Cayman.

The fifth class of Leadership Cayman graduated in June and Mentoring Cayman, a partnership with the Ministry of Youth, matched up 38 business and government leaders with high school students for the 13th year.

Community activities included the annual Careers, Education and Training Expo for high school, college and school leavers in February and the Earth Day Roadside Cleanup in April and the Christmas Cleanup in early December. These activities attracted numerous corporate sponsors and thousands of volunteers.

Overall, 2015, the Chamber’s 50th anniversary year, will be remembered as an active and productive year for all stakeholders in fulfilling the Chamber’s mission to support, promote and protect the interests of the membership and the wider community. Thanks for your support!

Wil Pineau, CCE
Chief Executive Officer



2015 Chamber Council

President

Barry Bodden
(Island Paving (1985) Ltd.)

President-Elect

Paul Pearson
(Davenport Development Ltd.)

Vice President

Kyle Broadhurst
(Broadhurst LLC Attorneys-at-Law)

Immediate Past President

Johann Moxam
(Merrill Lynch Bank & Trust Company
(Cayman) Ltd.)

Treasurer

Wayne Cowan
(Strategic Risk Solutions)

Secretary

Colin Reid
(Bodden Holdings Ltd.)

Councillors:

Paul Byles
(First Regents Bank & Trust)

Lucy Georgakopoulos-Tibbetts
(Mail Boxes Etc.)

Christopher Kirkconnell
(Kirk Freeport Ltd.)

Steve McIntosh
(CML Offshore Recruitment Ltd.)

Derrington (Bo) Miller
(Wastewater Purification Systems Ltd.)

Gary Rutty
(Burger King, Popeyes, Comfort Suites)

ADVOCACY

Strong advocacy is one of the main reasons why businesses join the Chamber of Commerce. By pooling the collective voices of business and community leaders, the Chamber is able to represent the views and express the concerns of the membership with a unified voice in government discussions and public forums.

Advocating the positions and concerns of the membership is a primary responsibility of the Chamber's leadership in fulfilling the organisation's mandate. The Chamber Council consulted regularly with the membership in 2015 and communicated positions and spoke with a strong voice on issues that were identified as critical for business and community success.

Chamber activities in support of our key objectives:

- Conducted membership surveys on the top issues to be addressed by the Chamber Council and state of business, and utilised the results in public policy positions and in discussions with Government officials and business leaders;
- Shared key advocacy positions on Chamber social media networks;
- Prepared and released public statements on the sanctions against the Cayman Compass, Cruise Berthing, George Town Revitalisation, Labour Relations Bill and Pension Changes;
- Continued to participate in the European Union funded initiative "Strengthening the Development of Small and Medium Enterprises of the Overseas Countries and Territories in the Caribbean Region" (COSME);
- Organised the Legislative Luncheon with more than 280 persons attending including the majority of official and elected members of the Legislative Assembly, Ministers and Her Excellency the Governor;
- Participated in consultative meetings and submitted recommendations on matters of significant importance to the membership.



Chamber leadership with members of the Legislative Assembly at the Legislative Luncheon in September.



Reps. From the U.S. Secret Service, De La Rue, CIMA and RCIPS at the Fraud Prevention seminar in November.

ADVOCACY

HIGHLIGHTS: Representation

The Chamber continues to serve on several appointed and advisory positions on Government appointed committees, authorities, Government owned companies and Non-Governmental Organisations. These include: Port Authority, Cayman Turtle Farm, Daylight Savings Time Implementation Committee, Chamber Pension Plan, Junior Achievement Cayman Islands, Vendors Policy Committee, Public Authorities and Government Companies Review Committee, Project Future Steering Committee, E-Government Steering Committee, Designated Non-Financial Business and Professions Working Group, Data Protection Committee, Copyright Protection Framework Committee, National Older Persons Steering Committee and National Technical and Vocational Advisory Council. The Chamber also meets and works closely with the Royal Cayman Islands Police Service and the Cayman Islands Monetary Authority. The Chamber is regularly invited to serve on other advisory and consultation groups as the need arises. Representation on these bodies allows the Chamber Council to influence policy making and decisions at a national level and to provide direct feedback from the membership.

HIGHLIGHTS: Chamber Luncheon—George Town Revitalisation—April 2015

The Hon. D. Kurt Tibbetts, OBE, JP unveiled the proposed plans to revitalise George Town at a membership luncheon at the Wharf Restaurant on Thursday, 30th April 2015. Also discussed was the Builders Bill and other legislation to regulate the construction industry. The Chamber Council has been a strong advocate for revitalising George Town and submitted a list of recommendations for consideration in previous years. A total of 136 members attended this session, and were able to review the plans and ask questions following the presentation.

HIGHLIGHTS: Legislative Luncheon – September 2015

All elected and official members of Government were invited to attend the Chamber's Legislative Luncheon at the Ritz Carlton, Grand Cayman on 30th September. Sponsored by Cayman Islands Yellow Pages, the event attracted more than 250 members and was supported by more than 21 corporate sponsors. Legislators were seated at various tables with corporate sponsors. Premier, the Hon. Alden McLaughlin, Jr. delivered the keynote address and Chamber President Barry Bodden welcomed guests and set out the Chamber's advocacy agenda. The Chamber holds this event annually to maintain a positive working relationship with the Government.



The Legislative Luncheon brought members and Legislators together in an informal setting.



The Chamber hosts a luncheon with the Hon. D. Kurt Tibbetts to discuss plans for the George Town Revitalisation.

MEMBERSHIP BENEFITS



"BE INFORMED" sessions keep our members current on the latest topics.



Our 2015 Discount Card was distributed to almost 18,000 workers.



Speed Networking was introduced in 2015 and enjoyed by all.

When you join the Chamber you have immediate access to membership benefits that are intended to save you money and increase your business network and customer base.

Offering specials and discounts is one way of attracting new customers to your business. The Discount Card is a popular and free membership benefit that enables businesses to offer discounts and specials to Chamber members and their employees. The card is issued to more than 18,000 persons in the Cayman Islands marketplace.

Finding affordable meeting space is a challenge for many small businesses. The Chamber's offices in Governors Square provide members with an affordable option for meeting space for staff meetings, small conferences, product and sales demonstrations and receptions. Different seating configurations are available with maximum seating capacity of 80 persons in a theatre style. The Chamber's Professional Development and Training Centre utilises the space but members are able to book the room based on availability.

Members are encouraged to display their brochures in the lobby of the Chamber offices. We receive visitors (both local and overseas) on a daily basis who are eager to see what you have to offer!

Up-to-date Information is essential to the business community, and the Chamber strives to provide its Members with timely, accurate details of pertinent issues which will affect their organisations. Our BE INFORMED series does just that. This year Changes to the Labour Law, updates to the National Pensions Bill and the new Procurement Law were presented.



The Chamber's conference room rate starts at C\$50.00 per hour for our members. Our office pods are ideal for those who want the convenience of office facilities without the overhead.

COMMUNICATIONS



Maintaining good internal and external communications is essential for the Chamber's success. The Chamber utilises print, electronic, social media, public forums, a visitor's centre in Governor's Square and, most important, face-to-face meetings to share its various messages with the membership and key stakeholders. In 2015 actions were taken to introduce and improve existing communication tools.

- Introduced a totally redesigned www.caymanchamber.ky website;
- Partnered with chamber member fsh Design to produce updated social media templates and a 50th anniversary logo;
- Began preparations for a 5th Salary & Benefits Survey;
- Produced the updated Chamber 2015 Desktop Calendar;
- Actively pursued the use of Facebook, Twitter, Instagram and YouTube accounts;
- Sent 213 e-blasts of which 41 were from members;
- Maintained and updated content for Chamber websites, www.futureofcayman.com , www.leadershipcayman.ky , www.cayshop.ky and www.showmethemoney.ky



HIGHLIGHTS: Happy 50th Anniversary Chamber!



The Chamber partnered with member fsh Design to produce a logo to commemorate our 50th Anniversary year. The logo was used on all printed and electronic media and incorporated into newly-designed email templates. A new look was developed for our Facebook and Twitter accounts and postings made on a regular basis. Our Facebook account has 1,144 "Likes"!

HIGHLIGHTS: New and improved www.caymanchamber.ky

The internet and social media channels are important tools to share and communicate the Chamber's messages and information. In March 2015, the Chamber launched our new main website which greatly improved functionality (last update took place in 2003) that provides up-to-date information for the members, visitors, investors and persons relocating to the Islands. Members now have the ability to update their online listings and other pertinent data, as well as add/delete their own discounts. Enhanced listings can now display social media links and YouTube videos. With 84,203 unique visits from 175 out of 196 countries, our members are being seen!

COMMUNICATIONS



A special BE INFORMED session was held to alert members of the changes in the National Pensions Bill.



Without the continued involvement of our members, the Chamber would not be the success it is today.



Partnerships with Government and non-Governmental organisations allow our members to receive the best training on offer.



Programmes and Events are always well attended and a perfect time to expand your professional network.

HIGHLIGHTS: Membership Orientation & Speed Networking sessions

The Chamber launched Membership Orientation sessions where our Membership Relations Coordinator shares a brief presentation about the programmes, products and services that are available exclusively to members, while enjoying a catered lunch. Speed Networking was also introduced and provided the opportunity for members to introduce and showcase their business and themselves to other participants in a 5 minute time frame. The networking took place in a social environment with the prospect of creating and developing new business contacts and connections.

HIGHLIGHTS: The Chamber desktop calendar

For the seventh year the Chamber desktop calendar was designed and distributed to 2,500 individual members, putting Chamber events, programmes and public holiday dates right in front of the people who need them most. Requests for the calendar have grown each year as members continue to rely on this communications piece.



Ceremonial ribbon cutting at The Security Centre Business After Hours.



Meals on Wheels was the recipient of the LC2015 Class Project.



The first SME Workshop was launched in October 2015.



Election Observers from the UK made a point to stop by the Chamber offices.

PROGRAMMES & EVENTS

The Chamber continues to connect our members to the community through a variety of programmes and events. We do this by creating greater awareness of our members whilst providing an excellent way to give back to the community through education and self-improvement programmes, environmental awareness initiatives, educator and student appreciation awards, and fun high profile events. We also provide great networking opportunities as well as first class professional development programmes.

We have accomplished the following events and programmes this year:

- The Professional Development & Training Centre held over 50 training courses which benefitted over 400 participants;
- Introduced Ken Blanchard and Joy Baldrige courses to the Professional Development & Training Centre
- Organised successful Careers, Education & Training Expo (more than 30 member businesses/organisations participated)
- Graduated twenty five participants from the Leadership Cayman Programme;
- Organised successful Earth Day Roadside Clean-Up with almost 1,500 volunteers;
- Matched thirty eight students with member business leaders as part of the Mentoring Cayman Programme 2014—2015.;
- Organised five Business After Hours events in partnership with the Department of Agriculture, Cayman Automotive Leasing and Sales, Tomlinson Furniture, The Security Centre and Diamonds International;
- Organised a successful CayShop event at the ARC, Camana Bay;
- Coordinated four Fraud Prevention and Awareness seminars in Grand Cayman in partnership with the Cayman Islands Monetary authority, Royal Cayman Islands Police Service and the United States Secret Service and De La Rue ;
- Successfully organised the eighth Annual Legislative Luncheon at The Ritz Carlton, Grand Cayman.



Hundreds of students attended the 2015 Careers, Education and Training Expo.



The first Speed Networking session took place on 18th June 2015.



Wil Pineau, Hon. Wayne Panton and Barry Bodden pose for a picture with a representative from Ted Green Fragrances at CayShop.



PwC participated in the Earth Day Roadside Clean-up. Almost 1,500 volunteered to help keep Cayman clean and green.

PROGRAMMES & EVENTS

HIGHLIGHTS: SME Workshop Launched in 2015

Organised by the Chamber of Commerce in partnership with the Ministry of Financial Services, Commerce and Environment, these FREE after hours workshops are intended to provide micro, small and medium sized businesses with useful information that can help business owners and managers to improve all aspects of business. Leading professionals in all areas of small business support from operations, marketing and legal matters will participate in these workshops to help micro and small businesses to succeed. Sessions will focus on a number of areas that affect small businesses, such as regulatory matters, marketing, social media, banking and finance, business planning, human resources, debt collection and management

HIGHLIGHTS: Careers, Education, & Training Expo

The Career, Education & Training Expo 2015 held on Friday, March 13 was a superb line up of some of the most respected local businesses, educational institutions and government departments. Each booth at the UCCI Sir Vassel Johnson Hall was full of information on the particular business/organisation as well as available jobs, scholarship information and training and internship opportunities. Almost 750 students attended the Expo. This year, in addition to students from grades 9 – 12, the Event was open to grade 6 attendees.

HIGHLIGHTS: Earth Day Roadside Clean-up

The 2015 Earth Day Road Side Clean-Up was very successful. 30 sponsoring companies allowed the Chamber to distribute 1,000 t-shirts, 1,000 water bottles, 1,000 reusable bags and unlimited garbage bags to almost 1,500 volunteers. Everyone enjoyed a wonderful brunch at Tiki Beach following the event.



LC 2015 class members enjoy time in Cayman Brac.



Chamber staff and guests enjoy CayShop.



Hon. Tara Rivers at the Careers Expo.



Mentoring Cayman mentors and students attend the closing reception at the Governor's residence.



Cayman Automotive Leasing and Sales celebrated 10 years of service with a Chamber BAH.



LC 2015 class participant is hard at work!

PROGRAMMES & EVENTS

HIGHLIGHTS: Leadership Cayman

25 participants graduated from Leadership Cayman 2015. Now in its seventh year, 25 candidates will be embarking on this journey for 2016. This year's seminar topics included Media in our Community, Financial Services, Education & Workforce Development, Criminal Justice, Immigration, Cayman Islands Government, Human Services & Health Care, Sister Islands Perspective, Stay over & Cruise Tourism, Infrastructure & the Environment and Culture & Heritage.

HIGHLIGHTS: Mentoring Cayman

The Chamber of Commerce along with the Department of Community Affairs, Youth and Sports continued with the annual Mentoring Cayman programme. Thirty eight students were matched with mentors and were able to acquire new perspectives and broaden their horizons. Now in its 15th year, Mentoring Cayman is a youth development initiative that has assisted more the 400 high achieving students to become the next generation of business and community leaders.

HIGHLIGHTS: The Professional Development & Training Centre

The Chamber's Professional Development & Training Centre has been providing Chamber of Commerce members and their employees, as well as the wider community, with high quality and affordable training programmes, workshops, and seminars since 1995. Courses specialise in Customer Service, Business Essentials, Business Basics, Finance, and Supervision and Management. Over 450 members benefitted from 57 one and two-day courses held in 2015. The Centre introduced Ken Blanchard courses facilitated by Ms. Xenia Goddard as well as courses by motivational speaker Ms. Joy Baldrige.



Leadership Cayman Class of 2015.



Mentors & Students 2015.



The Professional Development & Training Centre trains hundreds of people a year.



The second SME Workshop focused on Marketing on a Budget and was facilitated by members of the Netclues! Team.



Treasurer's Report

I am pleased to be able to report that a review of the financial statements of your Chamber for the calendar year ended December 2014 shows a surplus for the year of \$21,739. This compares favorably with the previous year's recorded loss of \$20,933.

Turning to page 6 of the audited financial statements, you will note that total income at \$734,505 was lower by 12.7% from the previous year but total expenditure at \$712,766, was also lower by a larger margin of 17.2%.

As a result, Members' equity, as shown on page 5, increased to \$330,912 as at December 31, 2014 from \$309,173 as at December 31, 2013.

Financial highlights are as follows;

- Membership dues income for the year showed a small increase of 1.5% from 2013 at \$325,160. A good performance in view of the on-going economic hardships facing businesses in Cayman. Most satisfying is that our Membership retention rate remains stable at around the 93% level.
- Net programme income (after the deduction of programme expenditure) represented, at \$107,910, a decrease of \$23,245 over the previous year.
- Net income from training courses totaled \$27,470 which represented a decrease of \$6,812 over the previous year.
- Net fundraising (the RE/MAX Charity Golf Tournament) contributed \$16,777 to our net income compared to \$12,420 over the previous year.
- Net income from publications contributed \$10,262 to our bottom line compared to \$10,609 in the previous year.
- Rental income totaled \$49,280, similar to previous year.
- Salaries & benefits of Chamber staff decreased from \$332,378 in 2013 to \$289,245 in 2014.

2014 was certainly a successful year for your Chamber, not only from a financial viewpoint but also from the myriad of services and programmes that we continue to offer to our Members. The enthusiasm of your Council and the hard work and dedication of your CEO, Wil Pineau and our Chamber staff have all been exceptional. All have worked diligently & with great enthusiasm towards the aim of providing excellent service to our Membership and enhancing the reputation of our Chamber.

I would like to thank all of you, our members, for your continued support over this last year and I would encourage members to support the Chamber in its programmes, training courses, special events and fundraisers in 2016 so that we can fully re-establish the Chamber to its pre-eminent position in the Cayman Islands' business community.

In closing, two very big thank you's, to Wil and our Chamber staff for their dedication, hard work & enthusiasm and also to EisnerAmper, for providing us with a first class, pro bono audit.

A handwritten signature in dark ink, appearing to read 'Wayne Cowan', written over a light blue horizontal line.

Wayne Cowan
Treasurer

The Cayman Islands Chamber of Commerce

Financial Statements
for the
Year Ended December 31, 2014

**The Cayman Islands Chamber of Commerce
Financial Statements**

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INDEPENDENT AUDITOR'S REPORT

To the Council
The Cayman Islands Chamber of Commerce

We have audited the accompanying financial statements of The Cayman Islands Chamber of Commerce (the "Chamber"), which comprise the statement of financial position as at December 31, 2014, and the statements of comprehensive income/(loss), changes in members' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the Council, as a body. Our audit work has been undertaken so that we might state to the Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Chamber and the Council, as a body, for our audit work, for this report, or for the opinion we have formed.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibility (continued)

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Cayman Islands Chamber of Commerce as at December 31, 2014, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

EisnerAmper Cayman Ltd.

EisnerAmper Cayman Ltd.
Grand Cayman, Cayman Islands

November 24, 2015

The Cayman Islands Chamber of Commerce

Statement of Financial Position as at December 31, 2014 (Expressed in Cayman Islands Dollars)

	<u>Note</u>	<u>31 December</u> <u>2014</u> <u>\$</u>	<u>31 December</u> <u>2013</u> <u>\$</u>
Current Assets			
Cash and cash equivalents	3	314,900	312,590
Trade receivables		13,811	23,057
Prepaid expenses		8,535	4,690
		<u>337,246</u>	<u>340,337</u>
Non-Current Assets			
Property and equipment	4	35,465	81,468
Refundable deposits		1,000	1,000
		<u>36,465</u>	<u>82,468</u>
Total Assets		<u>373,711</u>	<u>422,805</u>
Current Liabilities			
Accounts payable and accrued expenses	5	10,877	45,747
Current portion of finance lease liability	6	325	3,836
Unearned revenue		31,597	64,049
		<u>42,799</u>	<u>113,632</u>
Total Liabilities		<u>42,799</u>	<u>113,632</u>
Equity			
Members' equity		330,912	309,173
Total Liabilities and Members' Equity		<u>373,711</u>	<u>422,805</u>

The financial statements were approved by the Chamber and authorized for issue on November 24, 2015 and are signed on its behalf by:

Board Member: Wayne Cowan

Board Member: Johann Moxam

The accompanying notes are an integral part of these financial statements.

The Cayman Islands Chamber of Commerce

Statement of Comprehensive Income/(Loss) For the year ended December 31, 2014 (Expressed in Cayman Islands Dollars)

	<u>Note</u>	<u>31 December</u> <u>2014</u> \$	<u>31 December</u> <u>2013</u> \$
Income			
Membership dues		325,160	320,279
Program income		220,536	307,603
Training courses		72,554	90,259
Rental income		49,280	51,596
Fundraising		30,350	33,621
Publications and mailing income		20,075	19,684
Administrative income		13,290	9,585
Membership functions		-	5,600
Website		1,250	2,350
Interest income		380	478
Donations		41	26
Other income		1,589	650
Total Income		734,505	841,731
Expenses			
Salaries and benefits	9	289,245	332,378
Program expenses		112,626	176,448
Rent		122,710	129,111
Training expenses		45,084	55,977
Depreciation	4	46,707	38,770
Office expenses		35,120	38,372
Fundraising		13,573	21,201
Utilities		12,814	14,440
Telephone		11,651	13,101
Membership functions		1,867	11,411
Publications and mailing expenses		9,813	9,075
Conference expenses		2,230	7,479
Stamp duty		-	4,652
Professional fees		5,000	5,000
Insurance		3,551	3,661
Dues and subscriptions		775	570
Miscellaneous		-	39
Total Expenses		712,766	861,685
Finance Costs			
Finance costs on lease liability		-	979
Comprehensive Income/(Loss)		21,739	(20,933)

The accompanying notes are an integral part of these financial statements.

The Cayman Islands Chamber of Commerce

**Statement of Changes in Members' Equity
For the year ended December 31, 2014
(Expressed in Cayman Islands Dollars)**

	<u>31 December</u> <u>2014</u> <u>\$</u>	<u>31 December</u> <u>2013</u> <u>\$</u>
Members' equity, beginning of year	309,173	330,106
Comprehensive income/(loss)	21,739	(20,933)
Members' equity, end of year	<u>330,912</u>	<u>309,173</u>

The accompanying notes are an integral part of these financial statements.

The Cayman Islands Chamber of Commerce

Statement of Cash Flows **For the year ended December 31, 2014** **(Expressed in Cayman Islands Dollars)**

	<u>31 December</u> <u>2014</u> \$	<u>31 December</u> <u>2013</u> \$
Cash Flows from Operating Activities		
Comprehensive income/(loss)	21,739	(20,933)
Adjustments to reconcile comprehensive income/(loss) to net cash flows provided by operating activities:		
Adjustment for depreciation for the year	46,707	38,770
Decrease in trade receivables	9,246	8,924
(Increase)/Decrease in prepaid expenses	(3,845)	4,912
(Decrease)/Increase in accounts payable and accrued expenses	(34,870)	28,283
Decrease in unearned revenue	(32,452)	(42,139)
Net cash provided by operating activities	<u>6,525</u>	<u>17,817</u>
Cash Flows from Investing Activity		
Purchase of property and equipment	(704)	(37,940)
Cash Flows from Financing Activity		
Payment of finance lease liability	(3,511)	(2,659)
Increase/(Decrease) in cash and cash equivalents	<u>2,310</u>	<u>(22,782)</u>
Cash and cash equivalents – beginning of year	312,590	335,372
Cash and cash equivalents – end of year	<u><u>314,900</u></u>	<u><u>312,590</u></u>
Supplemental Disclosure:		
Interest expense paid	<u>-</u>	<u>1,734</u>

The accompanying notes are an integral part of these financial statements.

The Cayman Islands Chamber of Commerce

Notes to the Financial Statements For the year ended December 31, 2014 (Expressed in Cayman Islands Dollars)

1. Principal Activity

The Cayman Islands Chamber of Commerce (the "Chamber") was incorporated under the Companies Law of the Cayman Islands on March 26, 1965. The principal activity of the Chamber is the promotion and protection of trade and business in the Cayman Islands.

The registered office of the Chamber is Unit 4-107, Governors Square, 23 Lime Tree Bay Avenue, West Bay Road, P.O. Box 1000, George Town, Grand Cayman, KY1-1102, Cayman Islands.

The financial statements were approved by the Council on November 24, 2015.

2. Significant Accounting Policies

Basis of Preparation

The Chamber's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") under the historical cost convention modified by fair valuation of certain financial assets and liabilities.

The Chamber's financial statements are measured using the currency of the primary economic environment in which it operates, this being the Cayman Islands dollar. In addition, the Chamber has adopted the Cayman Islands (CI) dollar as its presentation currency.

Use of Estimates

The preparation of financial statements in conformity with IFRS 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 amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Property and equipment are depreciated on a straight line basis over their expected useful life, as follows:

Office equipment	- 4 years
Leasehold improvements	- Life of lease
Furniture and fixtures	- 5 years
Information technology	- 3 years
Promotional equipment	- 5 years

The carrying amounts of property and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. If any such condition exists, then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the statement of comprehensive income/(loss).

The Cayman Islands Chamber of Commerce

Notes to the Financial Statements For the year ended December 31, 2014 (Expressed in Cayman Islands Dollars)

2. Significant Accounting Policies (continued)

Financial Instruments

Financial instruments carried on the statement of financial position include cash and cash equivalents, trade receivables, accounts payable and accrued expenses, and finance lease liability. The carrying values of these financial instruments approximate their fair values due to their short-term nature.

Classification

Financial assets that are classified as loans and receivables are carried at amortized cost and included in trade receivables. Financial liabilities that are not at fair value through profit and loss are carried at amortized cost and included in accounts payable and accrued expenses.

Recognition

The Chamber recognizes financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument. A regular way purchase of a financial asset is recognized using trade date accounting. From this date, any gains and losses arising from changes in the fair value of the financial assets or financial liabilities are recorded.

Measurement

Financial instruments are measured initially at fair value (transaction price) plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability.

Subsequent to initial recognition, all instruments classified at fair value through profit and loss are measured at fair value with changes in their fair value recognized in the statement of comprehensive income/(loss).

Impairment of Financial Assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows generated by the asset, discounted at the original effective interest rate.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost, the reversal is recognized in the statement of comprehensive income.

Leases

Finance leases that transfer to the Chamber all the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at fair value. Lease payments are apportioned between finance costs, service charges, and the lease liability. The leased asset is depreciated over the useful life of the asset.

Operating lease payments are recognised as an operating expense in the statement of comprehensive income/(loss) on a straight line basis over the lease term.

The Cayman Islands Chamber of Commerce

Notes to the Financial Statements For the year ended December 31, 2014 (Expressed in Cayman Islands Dollars)

2. Significant Accounting Policies (continued)

Cash and Cash Equivalents

The Chamber considers all highly liquid investments, with original maturities of less than ninety days, which are not held for sale in the ordinary course of business, as cash and cash equivalents. All cash and cash equivalents are held at reputable financial institutions.

Income and Expenses

Membership income is provided on a calendar year basis and dues are generally recognized as income when they are received, which approximates the accrual basis. Other income is generally recognized on a cash basis which approximates the accrual basis.

Expenses are accounted for on the accrual basis.

Unearned Revenue

Unearned revenue at year-end comprise of collections from members towards membership fees for the proceeding year, registration fees received for various tuition courses to be conducted after the year-end, and sponsorship revenue for events to be held after the year-end.

Pensions and Other Post-Retirement Benefits

On June 1, 1998, the Chamber joined The Cayman Islands Chamber of Commerce Pension Plan, a defined contribution pension fund, in accordance with the Cayman Islands National Pensions Law and the employer and employees began monthly contributions at a rate of up to 5% each.

Defined pension contributions are charged to the statement of comprehensive income/(loss).

Government Grants

Government grants are recognised where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

The Cayman Islands Chamber of Commerce

Notes to the Financial Statements For the year ended December 31, 2014 (Expressed in Cayman Islands Dollars)

2. Significant Accounting Policies (continued)

Income Taxes

There is no tax levied on income or profits in the Cayman Islands; accordingly, no provision for income taxes is made in these financial statements.

Foreign Exchange

Monetary assets and liabilities denominated in foreign currencies are translated into CI dollars at the year-end rates of exchange and the resulting gains and losses are included in the results for the year. Income and expenses denominated in foreign currencies are translated at the rates of exchange prevailing on the date the transactions are recognized. Foreign currency transactions are mostly in United States dollars and translated at a fixed rate versus the Cayman Islands dollar.

Changes in Accounting Policies and Disclosures

Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Chamber's financial statements are disclosed below. The Chamber intends to adopt these standards, if applicable, when they become effective.

IFRS 9 Financial Instruments: Classification and Measurement

IFRS 9, was issued in July 2014, and replaces International Accounting Standards 39 Financial Instruments: Recognition and Measurement when it becomes effective or upon early adoption. The standard is effective for annual periods beginning on or after January 1, 2018 and can be early adopted. IFRS 9 provides guidance on the classification and measurement of financial assets and financial liabilities, impairment, and hedge accounting. The adoption of IFRS 9 will primarily have an effect on the classification of the Chamber's financial assets and is not expected to have an impact on its financial position or financial performance.

3. Cash and Cash Equivalents

Cash and cash equivalents consists of the following:

	<u>2014</u>	<u>2013</u>
Cash in bank	\$ 59,930	\$ 58,009
Fixed deposits	254,970	254,581
	<u>\$ 314,900</u>	<u>\$ 312,590</u>

4. Property and Equipment

Property and equipment consist of the following:

2014							
	Office Equipment	Leasehold Improvements	Furniture and Fixtures	Information Technology	Promotional Equipment	Total	
Cost:							
At January 1, 2014	\$ 41,067	\$ 89,772	\$ 25,160	\$ 54,595	\$ 825	\$	211,419
Additions	704	-	-	-	-		704
At December 31, 2014	41,771	89,772	25,160	54,595	825		212,123
Accumulated Depreciation:							
At January 1, 2014	28,139	59,603	16,170	25,517	522		129,951
Depreciation for the year	11,230	17,954	4,566	12,791	166		46,707
At December 31, 2014	39,369	77,557	20,736	38,308	688		176,658
Net Book Value:							
At December 31, 2014	2,402	12,215	4,424	16,287	137		35,465
2013							
	Office Equipment	Leasehold Improvements	Furniture and Fixtures	Information Technology	Promotional Equipment	Total	
Cost:							
At January 1, 2013	33,012	89,406	25,160	25,076	825		173,479
Additions	8,055	366	-	29,519	-		37,940
At December 31, 2013	41,067	89,772	25,160	54,595	825		211,419
Accumulated Depreciation:							
At January 1, 2013	21,392	41,661	11,329	16,442	357		91,181
Depreciation for the year	6,747	17,942	4,841	9,075	165		38,770
At December 31, 2013	28,139	59,603	16,170	25,517	522		129,951
Net Book Value:							
At December 31, 2013	\$ 12,928	\$ 30,169	\$ 8,990	\$ 29,078	\$ 303	\$	81,468

The Cayman Islands Chamber of Commerce

Notes to the Financial Statements For the year ended December 31, 2014 (Expressed in Cayman Islands Dollars)

5. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consist of the following:

	<u>2014</u>	<u>2013</u>
Trade payables	\$ 9,593	\$ 42,916
Credit card payable	579	2,126
Other payables	705	705
	<u>\$ 10,877</u>	<u>\$ 45,747</u>

6. Finance Lease Liability

On January 18, 2011, the Chamber entered into a Lease to Purchase Agreement with Cayman Business Machines Ltd. The total cost of the leased asset capitalized amounted to \$15,500 and its carrying value as of December 31, 2014 is \$161 (2013: \$4,036). The payment terms are subject to an initial deposit of \$4,495 and monthly payments of \$447 for 48 months, of which there is an option to upgrade and continue the lease at the end of the 48 month period. During the year the Chamber has made total payments of \$5,364 (2013: \$4,917).

The finance lease liability is subject to an effective interest rate of 20% per annum. Future minimum lease payments under finance lease together with the present value of the net minimum lease payments are as follows:

	Due within 1 year	Due after 1 year and not later than 5 years	Due after 5 years
2014			
Future minimum lease payments	\$ 447	\$ -	\$ -
Less amounts representing finance and service charges	(122)	-	-
Present value of lease payments	<u>\$ 325</u>	<u>\$ -</u>	<u>\$ -</u>
2013			
Future minimum lease payments	\$ 5,811	\$ -	\$ -
Less amounts representing finance and service charges	(1,975)	-	-
Present value of lease payments	<u>\$ 3,836</u>	<u>\$ -</u>	<u>\$ -</u>

7. Financial Instruments and Related Risks

During the year, the Chamber entered into transactions which gave rise to the following financial assets and liabilities: cash and cash equivalents, trade receivables, accounts payable and accrued expenses, and finance lease liability.

Liquidity risk

Liquidity risk, also referred to as funding risk, is the risk that the Chamber will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at, or close to its fair value. Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, and the availability of any liquid assets.

The Cayman Islands Chamber of Commerce

Notes to the Financial Statements For the year ended December 31, 2014 (Expressed in Cayman Islands Dollars)

7. Financial Instruments and Related Risks (continued)

Liquidity risk (continued)

The table below summarizes the maturity profile of the Chamber's financial assets and liabilities as of December 31, 2014 and 2013 based on contractual undiscounted payments:

	Less than 3 months	More than 3 months	Total
2014			
Financial assets:			
Cash and cash equivalents	\$ 314,900	\$ -	\$ 314,900
Trade receivables	13,811	-	13,811
	<u>328,711</u>	<u>-</u>	<u>328,711</u>
Financial liabilities:			
Accounts payable and accrued expenses	10,877	-	10,877
Finance lease liability	325	-	325
	<u>\$ 11,202</u>	<u>\$ -</u>	<u>\$ 11,202</u>
2013			
Financial assets:			
Cash and cash equivalents	\$ 312,590	\$ -	\$ 312,590
Trade receivables	23,057	-	23,057
	<u>335,647</u>	<u>-</u>	<u>335,647</u>
Financial liabilities:			
Accounts payable and accrued expenses	45,747	-	45,747
Finance lease liability	1,094	2,742	3,836
	<u>\$ 46,841</u>	<u>\$ 2,742</u>	<u>\$ 49,583</u>

Credit risk

The Chamber is exposed to credit risk on its cash and cash equivalents and trade receivables. Failure of the transaction counterparty to perform their obligations under the financial instruments may lead to a financial loss. The Chamber minimizes its exposure to credit risk on these assets by conducting transactions with a reputable banking institution with a sound credit rating. The extent of the Chamber's exposure to credit risk in respect of its financial assets approximates their carrying values as recorded in the Chamber's financial statements.

The Cayman Islands Chamber of Commerce

Notes to the Financial Statements For the year ended December 31, 2014 (Expressed in Cayman Islands Dollars)

7. Financial Instruments and Related Risks (continued)

Credit risk (continued)

The table below summarizes the credit quality and aging analysis of the Chamber's financial assets as at December 31, 2014 and 2013:

	Neither past due nor impaired		Past due but not impaired	Past due but impaired
	High Grade	Standard Grade		
2014				
Cash and cash equivalents	\$ 314,900	\$ -	\$ -	\$ -
Trade receivables	-	13,811	-	-
	<u>314,900</u>	<u>13,811</u>	<u>-</u>	<u>-</u>
2013				
Cash and cash equivalents	312,590	-	-	-
Trade receivables	-	23,057	-	-
	<u>\$ 312,590</u>	<u>\$ 23,057</u>	<u>\$ -</u>	<u>\$ -</u>

Interest rate risk

The Chamber is not subject to significant amounts of risk due to fluctuation in the prevailing levels of market interest rates. Cash and cash equivalents bear interest at short-term market interest rates. The Chamber is exposed to interest rate risk to the extent that prevailing interest rates may fluctuate on its cash and cash equivalents. The maximum exposure to interest rate risk is represented by the carrying amount of cash and cash equivalents in the statement of financial position.

8. Commitments and Contingencies

The Chamber leased its premises under an operating lease that expired on August 31, 2013 and renewed the lease agreement which will expire on August 31, 2018. The total of future minimum lease payments under its non-cancellable operating lease is analyzed in the table below:

	Due within 1 year	Due after 1 year and not later than 5 years	Due after 5 years
2014			
Future minimum lease payments	\$ 110,049	\$ 225,942	\$ -
2013			
Future minimum lease payments	\$ 122,710	\$ 335,991	\$ -

The future minimum lease payment does not include maintenance fees for the period commencing from September 1, 2015 as such fees will be charged by the lessor based on actual amounts which are not known as at December 31, 2014.

The Cayman Islands Chamber of Commerce

Notes to the Financial Statements For the year ended December 31, 2014 (Expressed in Cayman Islands Dollars)

9. Salaries and Benefits

Salaries and benefit includes pension contribution paid to The Cayman Islands Chamber of Commerce Pension Plan amounting to \$15,937 (2013: \$18,873).

Short-term employee benefits related to its key management personnel amounted to \$168,589 (2013: \$168,589).

Accounting and other services were obtained from parties related to key management personnel amounting to \$5,000 (2013: \$15,342). An outstanding payable as at December 31, 2014 amounted to \$5,000 (2013: \$10,000).

10. Capital Management

The Chamber's objective when managing capital is to safeguard the Chamber's ability to continue as a going concern and security of capital.

All surplus funds are maintained in secure, highly liquid cash checking and deposit accounts.

11. Subsequent Events

From January 1, 2015 to November 24, 2015 there were no subsequent events which have taken place to be disclosed in the financial statements.