



GOVERNMENT OF THE
VIRGIN ISLANDS
Premier's Office



VIRGIN ISLANDS
**RECOVERY AND
DEVELOPMENT AGENCY**



Virgin Islands Recovery and Development Agency

Reference: Annual Report
As at 31 December 2018

Website: www.bvirecovery.vg
First Floor, Ritter House,
Wickham's Cay II, Tortola VG1110, Virgin Islands

Table of Acronyms

BVIEC	BVI Electricity Corporation
CEO	Chief Financial Officer
CRCS	Contractor Registration and Classification System
FCO	United Kingdom Foreign and Commonwealth Office
GOVI	Government of Virgin Islands
HOA	House of Assembly
IA	Internal Auditor
M&E	Monitoring and Evaluation
PDD	Programme Delivery Department
PEP	Project Execution Plan
PSD	Programme Strategy Department
RDA or Agency	Virgin Islands Recovery and Development Agency
RDP	Recovery to Development Plan of the Virgin Islands
RE	Renewable Energy
SOR	Statement of Requirement
Trust	Virgin Islands Recovery Trust
UKG	Government of the United Kingdom
VfM	Value for Money

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1. About the Recovery and Development Agency

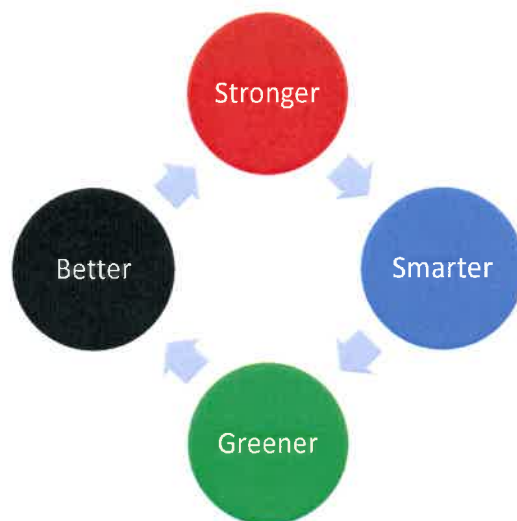
1.1 Mission Statement

A professional organisation that will raise investment to implement the recovery and development of the Virgin Islands, delivering value for money and developing national capacity in order to realise the vision of the Recovery to Development Plan (RDP).

1.2 Our Values

- Integrity
- Respect
- Innovation
- Selfless commitment
- Sustainability
- Delivering results
- Building BVI capacity
- Open Communications

1.3 Objectives



Stronger

Increasing the strength of the BVI will be fundamental to meeting the challenges of the future. A more resilient BVI capable of standing up to the challenges of the future should be key to how the BVI builds back stronger. The quality of the public service will be key and capacity building will be critical to building back stronger.

Smarter

A smarter BVI will be characterised by using resources – people and technology - wisely to deliver the best services across the region. This will require the restructuring of process and structures to deliver significant change. The integration of technology will be critical to the future proofing of society and investment in this should be strategic, cross cutting all sectors and industries.

Greener

A greener BVI is one that is resource efficient, maximising the benefit from the earths limited resources. The BVI will rebuild as an example to other countries embracing new and innovative technology that will contribute to a greener BVI that is the exemplar across the region for sustainable redevelopment.

Better

Effective delivery of services and products across the public and private sector through investment in modern, up to date processes and procedures delivered by an effectively trained and developed workforce.

1.4 Accountability

The RDA shall operate in a transparent manner and be accountable to its stakeholders, BVI Government, UK Government, Donors and, ultimately and most importantly, to the people of the BVI.

The Agency should evaluate, recommend, purchase and implement a computerized accounting package which is best suited for the financial recording and reporting requirements of the Agency. The financial statements shall be subject to independent audits. Further, the RDA commits to publishing, as widely as possible, the listed minimum information:

- Business Cases – Outline Business Cases and Full Business Cases
- Procurement Plan, notices, business opportunities and contract awards
- Monthly Reports
- Board Minutes

1.5 Value for Money

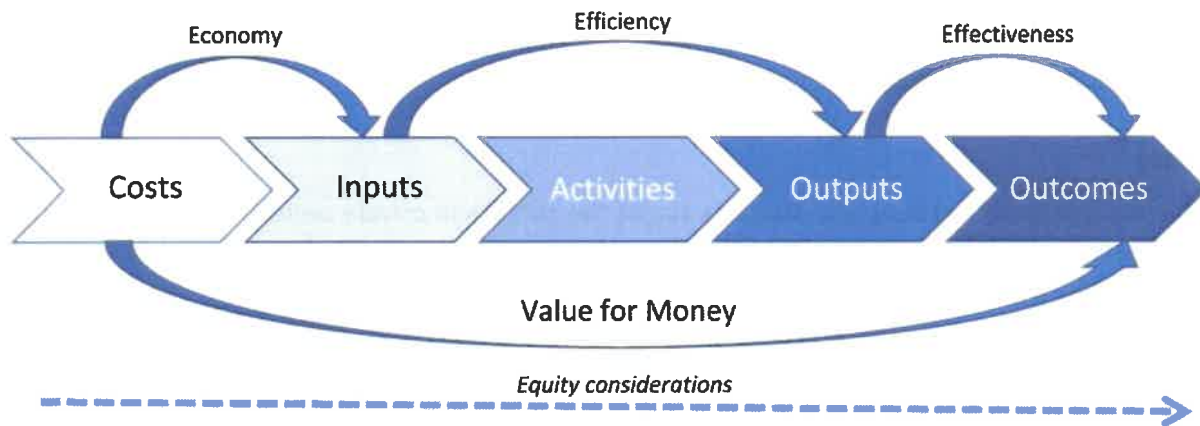
Proper assessments of value for money (VfM) assist in ensuring that the RDA achieves the right balance between the resources (inputs) invested in its programmes and projects, vis a vis the results these programmes deliver in the form of outputs and outcomes.

For public expenditure VfM is typically assessed against three criteria to determine the value extracted from the investment.

- **Economy:** minimising the cost of resources used or required – *spending less*;
- **Efficiency:** the relationship between the output from goods or services and the resources to produce them – *spending well*; and

- **Effectiveness:** the relationship between the intended and actual results of public spending – *spending wisely*.

An additional element of **Equity** is aimed at examining the effects of interventions on goals for improving fairness.



1.6 Governance

The RDA is a statutory authority that has its own mandate, legislation, policies and funding. The Virgin Islands Recovery and Development Agency Act, 2018 (the Act) and the Recovery to Development Plan (RDP) provides the mandate for the RDA to conduct the recovery and development of the BVI.

Good governance is a critical component of the ability of the agency to function appropriately. Governance should ensure that there are the controls and appropriate levels of risk management in place to ensure transparent use of public funds, delivering maximum VFM analysed against both capital and social benefits. **Policies, procedures** and a **strong system of internal controls**, supported by an effective **structure** with appropriate **staff** with the necessary knowledge, skills and experience is key to ensuring effective governance.

2. Structure of the Recovery and Development Agency

2.1 The Board



Dr Robert Mathavious
Chair



Mr Clarence Faulkner
Civil Society Representative



Mr Clyde Lettsome
Private Sector Representative



Dr David Hancock
UK Government Representative



Sharie B. deCastro
GOVI Opposition Representative
(Youth Representative)



Mrs Maria Mays
Governor's Representative



Pastor Gegory George
GOVI Representative (Sister
Islands Representative)



Mrs Monica LeBennet
Donor Representative

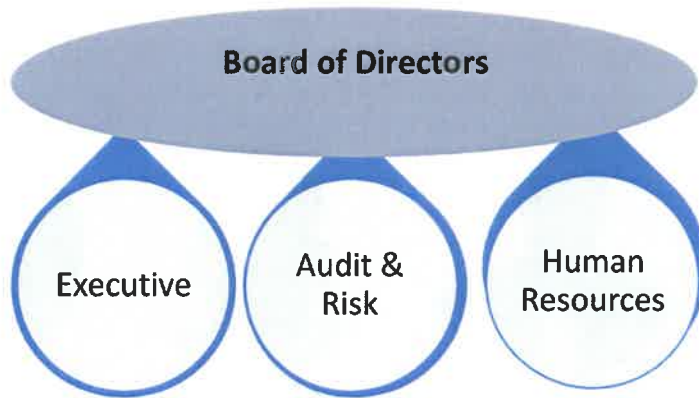


The composition of the Board shall be not less than seven and not more than nine members. The Board is comprised of a wide cross-section of persons from the public service and private practice. The members of the Board are nominated by GOVI, the Opposition, and the UK. The CEO is an ex officio member of the Board.

Board meetings are held monthly. Board sub-committees meet as often as is required except in the case of the Audit and Risk Committee, which must meet at least quarterly.

2.1.1 Board Sub-Committees

The Board is supported by the listed Sub-Committees to support focused decision making:



The Executive and Human Resources subcommittees were established on the 27th of September 2018 at the 17th meeting of the RDA board and the Audit and Risk subcommittee on the 13 December 2018 at the 21st meeting of the RDA Board. The mandates of these subcommittees are as follows. All these subcommittees are chaired by Board members and have members of the RDA staff serving as advisors.

Executive Subcommittee

This sub-committee is responsible for Identifying and recommending issues for the Board of Directors and the Audit and Risk and Human Resource Committees' attention. It also develops the agenda for the Board of Directors, conducts strategic planning sessions for overview of the Board's current and future activities, coordinates and facilitates subcommittee and workgroup activities and maintains an ongoing assessment of the Board's process and activities to assure effectiveness and productivity. It may also take on other ad hoc activities as assigned to it by the Board of Directors.

Audit and Risk Subcommittee

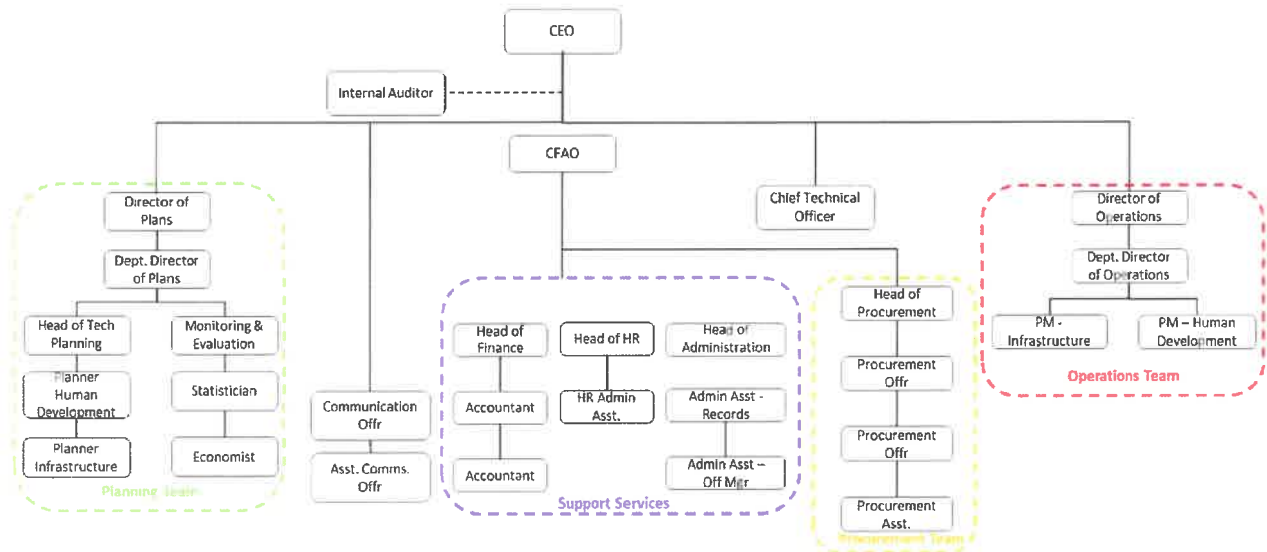
The Recovery and Development Agency Board established the Audit and Risk Committee to provide oversight of the RDA's governance, risk management and internal controls. Its purpose is to assist the Board in the fulfilment of its corporate governance duties in relation to risk management, internal controls and financial reporting.

Human Resources

This sub-committee is responsible for the management of human resource capital to ensure that the RDA attracts and retains talent to deliver on its mandate/objectives. In addition, it monitors and ensures compliance with legal and regulatory policies and statutes relating to Human Resources. In fulfilling this duty, the Human Resource Subcommittee advises the Board on HR policy, compensation, hiring and disciplinary action. All core staff coming into the Agency must be recommended to the Board of Director from this Committee and all Human Resources Policy recommendations are referred to the Board for approval after full consideration and research are done by this Committee.

2.2 Agency team

2.2.1 Organizational Chart



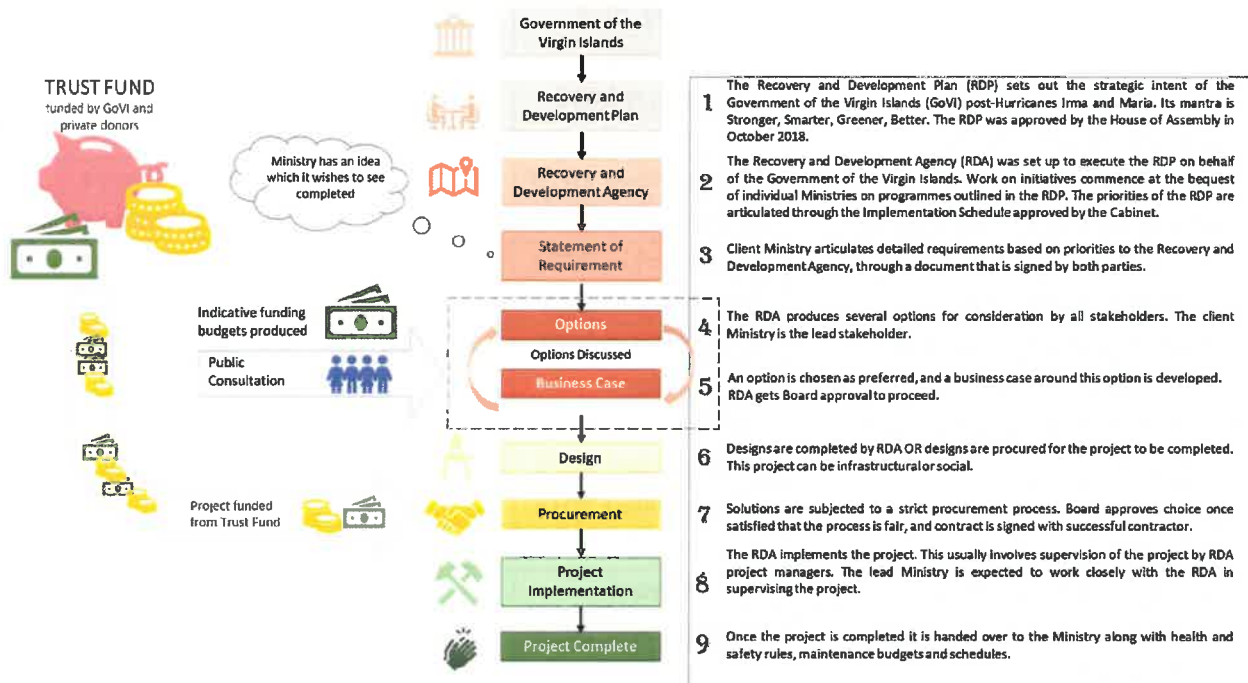
2.2.2 Post Holders

Post	Date Filled	Comments	Local / international/ secondment
Chief Executive Officer	30 July 2018	n/a	International
Chief Financial Officer	Vacant	n/a	n/a
Chief Technical Officer	1 October 2018	n/a	International
Director of Operations	Vacant	n/a	n/a
Director of Plans	10 December 2018	n/a	Secondment
Deputy Director of Operations	10 December 2018	n/a	International
Deputy Director of Plans	17 December 2018	n/a	International
Head of Procurement	3 November 2018	n/a	International
Head of Technical Planning	13 November 2018	n/a	International
Head Monitoring and Evaluation	Vacant	n/a	n/a
Planner Human Development	30 October 2018	n/a	Local
Statistician	14 November 2018	n/a	International
Planner Infrastructure	27 November 2018	n/a	International
Economist	Vacant	n/a	n/a
Communications Officer	Vacant	n/a	n/a
Asst Communications Officer	12 December 2018	n/a	Local
Internal Auditor	Vacant	n/a	n/a
Head of Finance	Vacant	n/a	n/a
Accountant	Vacant	n/a	n/a
Junior Accountant	13 November 2018	n/a	Local
Head of Human Resources	Vacant	n/a	n/a

Post	Date Filled	Comments	Local / international/ secondment
HR Admin Assistant	Vacant	n/a	n/a
Head of Administration	10 December 2018	n/a	Secondment
Administration Assistant (records)	23 October 2018	n/a	Local
Administration Assistant (Office Manager)	1 October 2018	Resigned 16 November 2018	Local
Procurement officer	Vacant	n/a	n/a
Procurement Officer	Vacant	n/a	n/a
Procurement Assistant	20 November 2018	n/a	Local
PM – Infrastructure	Vacant	n/a	n/a
PM – PM Human Development	Vacant	n/a	n/a

2.3 RDA Process

The RDA utilizes a work flow process for its operations that is divided into six (6) clearly defined steps, namely the ; Implementation schedule, Statement of Requirement stage, Options, Business Case process, Procurement, and Implementation and Handover. The significance of these clearly defined stages is to ensure that there is no ambiguity surrounding what the RDA is to do on half of the Government of the Virgin Islands, that its processes are transparent, stakeholder engagement is maximized, procurement meets international standards and that it can be held accountable for its actions.



2.4 Planning

The planning function of the RDA is responsible for planning specific projects once these are identified as priorities by the Government within the broader Recovery to Development Plan approved by the House of Assembly. Monitoring and Evaluation (M&E) is included within PSD. M&E will monitor projects from conception through to handover, to track the delivery against desired strategic outcomes.

2.4.1 Planning team Responsibilities

The Planning Team is responsible for converting the RDP into a deliverable Implementation Schedule, in accordance with the priorities set by the Government. This Schedule will then be broken down into specific programmes and projects for which there will be specific business cases and the Planning Department is responsible for designing and planning in accordance with the business case process. The Planning Team includes planners with expertise in infrastructure, with a focus on the construction and engineering related planning functions, as well as human development planners with expertise in the planning of capacity building projects.

The first step in the project planning process is for the RDA to support the Lead Ministry (Ministry responsible for a specific project) in refining the Statement of Requirement (SOR), which is the key document for the Lead Ministry to articulate and formally sign-off on as the high-level direction for the functional needs that a project aims to address. Once the lead Ministry has signed off on the SOR, the RDA planning teams work closely with the Lead Ministry, and other project-specific external and internal stakeholders, to develop options and an outline, and then final business case for each project or programme. Once the full business case is approved and required funding secured to fully fund a project, the project plan is then handed to the Procurement and Operations Teams to implement the project.

2.4.2 Monitoring and Evaluation

The Monitoring and Evaluation (M&E) Team is responsible for providing expertise in monitoring to inform the design of a project or programme, to input the results components of the strategic case and all components of the economic case for each business case. Once planning is completed, the project or programme will have a fully developed results framework, with identified outcomes, outputs, activities, indicators and baselines to be able to track performance in the achievement of planned results throughout the project life cycle.

The M&E Team then collects, analyses and reports on results achieved on each project or programme to inform the delivery of the project and to track project progress and value for money.

2.5 Procurement

The Procurement Team is led by the Head of Procurement and under the authority of the Board, is charged with maintaining the independence and integrity of the procurement process. The overarching goal of the RDA's policy and procurement system is to ensure that procurement activities achieve the best value for money in supporting the delivery of the goods, works and services required for recovery without compromising ethics, codes of conduct and the principles of good governance. In this regard, the procurement team shall perform all procurement functions in line with the requirements of the Procurement Handbook.

Cabinet is responsible for approving the procurement regulations – policy and procedures which govern the RDA’s procurement process while the RDA Act (No. 2018/1) gives the Board the authority to approve individual procurement contracts which comply with the Agency’s policies and procedures. Any deviations from the policy and procedures must be approved by the Cabinet. Additionally, no one has the authority to interfere with the procurement process or promote any deviations from the Procurement Handbook.

2.5.1 Procurement Planning

The projects which are outlined in the RDP programmes were developed in collaboration with the various ministries which considered new and emerging ministerial priorities. The RDA has a mechanism in place to develop and seek approval for each business case which details the programme of projects to be undertaken for each priority area in the RDP. The RDA’s procurement plans are therefore developed in line with these approved projects and published on the RDA’s website.

2.5.2 Procurement Strategy

The optimal strategy to approach the market involves the wide dissemination of the business opportunities on local and international websites as well as notifications to contractors on the Contractor Registration and Classification System (CRCS) to ensure competitive processes and to receive compliant. The procurement policies were drafted to ensure the RDA meets international best practice and to maximize utilization of BVI firms and capacities. Tenders are evaluated and contracts are awarded to the firms which are substantially responsive to our tender documents and can deliver the best result for the lowest cost. However, large contracts expected to cost in excess of \$2,000,000 must be published in at least one international publication, such as the United Nations Development Business (UNDB Online).

Over the five-year life of the Agency, the procurement strategy will focus primarily on building contractor, consultant and supplier capacities to properly respond to local, regional and international tender opportunities. The specific activities to be undertaken to achieve this objective are:

- Capacity building workshops every quarter.
- One-on-one training sessions with contractors.
- Wide dissemination of business opportunities.
- Engagement with the Contractors Association and Engineers and Architects Association.
- Increased use of Framework Agreements.
- Facilitate the timely registration in the CRCS.
- Monitor the administrative compliance of contractors (Good Standing certificates etc.)
- Evaluation of Contractor capacities.

2.5.3 The Supply Market

The RDA’s procurement policies and procedures were developed to international standards and confirms with international best practice. Many contractors and suppliers in the territory are not familiar with the requirements of these procurement procedures and how to deliver projects in this context. The requirements of these policies were originally seen as complex and discouraged participation by local firms. This initially resulted in some poor responses to some advertised opportunities by the RDA. However, through engagement and offering of training courses, the RDA has worked to build the capacity of local contractors to respond to advertised business

opportunities and deliver projects to the standards expected of the RDA is of primary importance as well as benchmarking the cost of materials through the development of a cost book for the BVI to address the wide disparities in contractors' tendered rates for materials.

2.6 Operations

The RDA is structured in such a way that programmes and projects are delivered through three distinct functional teams – Planning, Procurement and Operations and, between them, they deliver the required outcomes from inception to completion and handover. These functional teams cannot operate in isolation as there needs to be interconnectivity and support between the functions to ensure proper input at the various stages as well as the smooth transition from one stage to the next.

Operations is responsible for the delivery of programmes, projects and activities in line with approved business cases. The implementation or project delivery phase commences when the tendering process for the procurement of goods, works or services is completed and when the Full Business Case (FBC) has been prepared and approved by the Board.

A Project Execution Plan (PEP) shall be prepared by the Operations Team. It is drafted during the project procurement phase and subsequently populated with the information provided in the contract pack. The purpose of the PEP is to provide a core document for the management of the project, which sets out in a structured format, the project scope and objectives, as well as information and procedures for project implementation and for controlling, monitoring and reporting on progress.

While much of the report can be standardised, sections will be modified to meet the circumstances of each project. There should also be a summary page at the end of the report which is updated in line with the Reporting Requirements (weekly/monthly, etc.) and which addresses key matters such as progress against programme, costs against budget and estimated final account value, quality issues, health and safety issues, risk realization, compensation events, and the like.

Reporting on the implementation activities and deliverables will be included within the monthly project reports provided to the RDA Board and will include progress updates and predicted outturn costs. This will contain recommendations for corrective actions where it is deemed necessary.

3. Internal Systems of Controls

3.1 Regulations

The RDA was established by the Act, approved by the House of Assembly (HOA), in March 2018 and gazetted April 2018. The RDP governs the mandate of the RDA for the delivery of programmes. A revision to the RDP, which alters the substance of its content or the approved expenditure, was approved by Cabinet (Cabinet Memo No. 326/2018), and tabled in the House of Assembly on 11 October 2018.

Cabinet will receive monthly reports on the implementation of the Plan and conduct annual reviews to ensure that the RDP is meeting its mandate, as approved by Cabinet.

3.2 Audit

3.2.1 Internal Audit

The Internal Auditor (IA) is responsible for the review of the internal system of controls and procedures. The role of the IA is governed by RDA's Internal Audit Charter.

The IA reports directly to the Audit and Risk Sub-Committee and the Board and to the CEO administratively.

3.2.2 External Audit

BDO Limited is the external auditor of the RDA. The accounts of the RDA are audited, and annual Audited Financial Statements are produced for submission to the Audit and Risk Sub-Committee and the Board. BDO also undertakes periodic audit reviews.

3.3 Risk Management

Risk management is the planned and systematic approach to the identification, evaluation and control of risk. The objective of risk management is to maximise value for money as well as secure the assets and reputation of the Agency.

Risk management should ensure that the Agency makes cost effective use of a risk framework that has a series of well-defined steps. Risk management should be a continuous and developing process which runs throughout the Agency's strategies, policies and their implementation, methodically addressing all risks surrounding the organisation's activities past, present and future.

The RDA has a robust risk management system, and this is monitored and reported regularly to the Board.

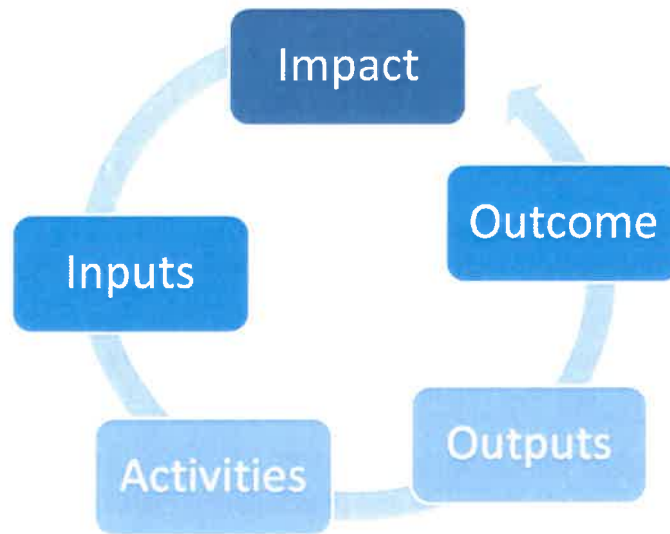
3.4 Monitoring and Evaluation

The Monitoring and Evaluation (M&E) function of the Recovery and Development Agency exists to research, monitor, and review activities to inform efforts to improve the RDA's programmes. A comprehensive monitoring and evaluation framework is critical to the RDA, as an organisation wishing to provide accountability, transparency and evidence-based evaluations to project managers and directors, as well as external stakeholders.

The RDA's M&E framework is based on a logic model, set out in Figure 1, corresponding with the results chain detailed below:

- **Input** – The financial, human, and material resources used.
- **Activity** – Specific actions or work performed.
- **Output** – The product or services which result directly from one or more activities.
- **Outcome** – The likely or achieved short-term or medium-term effects of outputs.
- **Impact** – Primary and secondary long-term effects. These can be direct or indirect, intended or unintended.

Figure 1: M&E Logic Model



3.4.1 Phase One Results Framework

In 2018, following approval and assignment of the Phase One Programme, the initial focus for M&E unit was in establishing a robust M&E Results Framework for the Phase One Programme and linking this to the broader Recovery and Development Plan.

Outcome indicators were designed based on the stated outcomes in the RDP, and each Phase One project was linked to these outcomes. Initial output indicators for all Phase One projects were designed with the intention that specific milestones and targets for these indicators would be set as more detailed project planning takes place.

3.4.2 Preparing to Monitor Broader RDP

In setting up the Results Framework for the Phase One programme, due consideration was also given to monitoring the RDP. As such, frameworks were established for the outcomes listed in the RDP, and an Indicator Library was designed to house information on all relevant output and outcome indicators, including description, type, source, disaggregation, timelines and responsibility assignment for each indicator. As the RDA is assigned additional programmes and projects, the M&E Results Framework will expand to account for these priorities.

3.4.3 Monthly Progress Reports

In accordance with the Virgin Islands Recovery and Development Agency Regulations, 2018, the RDA is required to produce monthly progress and performance reports detailing project progress. These reports are an important output of the M&E function and are reviewed by the Premier's Office prior to being published on the RDA's website.

Monthly progress and performance reports include detailed information on the current status of RDA's programmes and projects, future planning and communications.

Going forward into 2019, the focus for M&E will be continued development of the Monitoring and Evaluation Frameworks which enable effective and efficient project monitoring. This will include a specific focus on evaluating VfM of projects executed by the RDA and on designing effective ways to display results of the RDA's efforts for both internal and external purposes.

4. Projects

4.1 Implementation Schedule

A draft Implementation Schedule, based on the original Recovery and Development Plan, was approved by the House of Assembly in 2018. This Plan outlined several things:

- An identification of distinct programmes and projects identified from the RDP,
- An initial schedule indicating the end and start times of these programmes and projects, and
- Estimated costs and cash flow requirements for each project.

This Implementation Schedule will be critical for the RDA in its planning activities and subsequent implementation of the parts of the Recovery and Development Plan, for which it is responsible.

In anticipation of the approval of the RDP, the Government of the Virgin Islands issued an Accelerator Plan in July 2018. The Accelerator Plan was meant to be a mechanism from which projects, critical to the recovery and development effort, could begin prior to the formal approval of the RDP and the RDA Implementation Schedule could be prepared and approved. The Accelerator Plan was eventually rebranded and refocused as the Phase One Programme, and the RDA was tasked to deliver this Plan in August, with funds (\$10m) made available to the RDA to implement it.

4.2 Phase One

4.2.1 Active Projects as at 31 December 2018:

TABLE 1: PROJECTS CURRENTLY IN THE PLANNING PHASE

Number	Project Name	Phase	Lead Ministry	Status
103	Virgin Gorda Baths	Planning	National Resources and Labour	Statement of requirement and site visit have been completed.
124	Cane Garden Bay Dinghy Dock Repair	Planning	Premier's Office	Site visit conducted, and scope of works completed. SoR to be completed.
133	Removal of derelict boats	Planning	National Resources and Labour	Database of derelict boats received and validated. Currently conducting site visits and stakeholder meetings.
136	Phase 1 Sea Markers	Planning	Communication and Works	SoR refined and sent to Permanent Secretary for approval.
147	Temporary School units at Elmore Stouff High School	Planning	Education and Culture	Meetings held to discuss requirements
154	Temporary Housing for Maximum of 15 Households	Planning	Health and Social Development	Currently refining SoR

Number	Project Name	Phase	Lead Ministry	Status
156	Insurance and Rental Sector Assessment	Planning	Health and Social Development	Draft SoR to be assessed.
157	Repair a Maximum of 30 Homes	Planning	Health and Social Development	Draft SoR has been completed. Currently working with Ministry of Health and Social Development on the assessment of houses for repair.
160	Repair VG Admin Building Phase 1 – Vanterpool & Flax	Planning	Governor's Group	The SoR has been sent with a proposed schedule of work. Currently awaiting design to procure and implement.

TABLE 2: PROJECTS CURRENTLY IN THE PROCUREMENT PHASE

Number	Name	Phase	Lead Ministry	Status
152	AO Shirley Grounds Phase One – wall and gates	Procurement	Education and Culture	Design & build for fence framework has been superseded. Design of fence framework to be contracted separately.
152	AO Shirley Grounds Phase one – bathroom	Procurement	Education and Culture	Currently in procurement
183	Jost Van Dyke Admin Building	Procurement	Governor's Group	Contract signed with contractor there is agreement to begin in new year.

TABLE 3: PROJECTS CURRENTLY IN OPERATIONS PHASE

Number	Name	Phase	Lead Ministry	Status
108	Special Debris Clearance	Operations	Health and Social Development	Awaiting crusher and barge to arrive in January.
182	Virgin Gorda Police Barracks	Operations	Governor's Group	Construction has started, and project is now in delivery.

4.2.2 *Special Debris Clearance*

Budget: \$647,000 Actual Spend as of 31st December 2019: \$575,127

Overview

The hurricane disasters resulted in a significant amount of debris being deposited across the Virgin Islands and the project was developed to support the Department of Waste Management (DWM) to collect the debris. The objective of this project is to reduce the risk of damage and threat to human life, by removing debris which could become projectiles during strong winds ahead of the height of the 2018 hurricane season (early September).

Intended Outcome: to contribute to an Improved tourism product that is aesthetically appealing, easily accessible and provides an enhanced experience to our visitors and a catalyst for economic recovery



Clearance of vehicles from Virgin Gorda

4.2.3 Virgin Gorda Police Barracks

Budget: \$800,000

Actual Spend as of 31st December 2018: \$159,178

Overview

The purpose is to return the Virgin Gorda Police Barracks to a fully functional state with police able to deploy required numbers from Tortola. A key outcome will be for the police to be able to sleep personnel on Virgin Gorda to ensure a shift system can be effectively managed and to enable the pre-disposition of resources key to disaster preparedness ahead of the 2019 hurricane season.



Virgin Gorda Police Barracks

4.2.4 Future Planning

While Phase One was in the implementation phase, the RDA simultaneously planned two major long-term development projects across the territory.

West End Ferry Terminal

The West End Ferry Terminal has been a node for travellers moving to and from the US Virgin Islands for medical, shopping and leisure activities ('day trippers') as well as 10,000 or more private and charter yachts per year. The destruction of the facility and damage to the surrounding area during hurricanes Irma and Maria have presented challenges to travellers wishing to travel to the BVI for leisure and has resulted in the additional utilization of the Road Town Ferry Terminal, which has presented a capacity problem in that terminal and detrimental economic impacts on the West End.

In November, the RDA with the Immigration Department, Royal Virgin Islands Police Force (RVIPF), Ministry of Communications and Works, on behalf of the Ports Authority and Customs, met to refine the SoR. In December 2018, the SoR was sent to the potential donor for consideration.

Renewable Energy

The Government of the Virgin Islands published the Renewable Energy (RE) regulation on 1 November 2018. This has provided the enabling environment for a strategic review of the power infrastructure network.

In November 2018, the RDA hired a RE adviser to support the Government, BVIEC and the RDA in developing a RE strategy. The purpose of this appointment is to build and implement an agreed strategy for the BVI renewable sector. A key to this will be building a strong strategic relationship among the critical stakeholders.

In December 2018, the RDA in partnership with BVIEC, Ministry of Communications and Works and the Ministry of Natural Resources and Labour, established a working group that is focussed on developing an Energy Plan for the BVI which co-ordinates the various facets of energy development to deliver a future RE based energy supply.

Formal meetings of the working group were expected to continue in January 2019.

5. Funding

5.1 Government Funding

GOVI established the Virgin Islands Recovery Trust for the purpose of receiving all contributions for the recovery efforts pursuant to the RDP. As at 31 December 2018, \$10m was lodged with the Trust by GOVI.

As at that date, \$758k was spent on projects and a further \$1m committed on signed contracts.

5.2 Donor Funding

The RDA will collaborate with the private sector, philanthropic funders and other public organizations (such as the UK Government) to mobilise additional funds to co-fund projects with the Government of the Virgin Islands.

As at 31 December 2018, \$1.3m was received in donor funding for the execution of specific projects.

6. Condensed Audited Financial Statements

**VIRGIN ISLANDS
RECOVERY AND DEVELOPMENT
AGENCY**
Audited Summary Financial Statements
For the Period from August 1, 2018
(Commencement of Operations)
to December 31, 2018



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VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

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Independent Auditor's Report

To the Directors of
Virgin Islands Recovery and Development Agency
Tortola, British Virgin Islands

Report on the Audit of the Summary Financial Statements

Opinion

The summary financial statements, which comprise of the summary statement of financial position as at December 31, 2018, the summary statement of comprehensive income, summary statement of changes in reserves and summary statement of cash flows for the period from August 1, 2018 ("commencement of operations") to December 31, 2018, are derived from the audited financial statements of the Virgin Islands Recovery and Development Agency (the "Agency" for the period the period from August 1, 2018 ("commencement of operations") to December 31, 2018.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements from which they were derived.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified opinion on the audited financial statements in our report dated July 25, 2019.

Management's Responsibilities for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material aspects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

Tortola, British Virgin Islands
July 25, 2019

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Summary Statement of Financial Position
As at December 31, 2018
Expressed in United States Dollars

	2018
	\$
ASSETS	
Non-current assets	
Property and equipment	86,149
Total non-current assets	86,149
Current assets	
Other receivable	467,474
Cash and cash equivalents	1,767,069
Total current assets	2,234,543
TOTAL ASSETS	2,320,692
LIABILITIES	
Non-current liabilities	
Non-current portion of finance lease	374,319
Total non-current liabilities	374,319
Current liabilities	
Trade and other payables	100,676
Current portion of finance lease	75,078
Total current liabilities	175,754
TOTAL LIABILITIES	550,073
RESERVES	
Unrestricted	750,083
Restricted	1,020,536
TOTAL RESERVES	1,770,619
TOTAL LIABILITIES AND RESERVES	2,320,692

Signed on behalf of the Agency on July 25, 2019


 Chairman


 Director

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Summary Statement of Comprehensive Income

For the Period from August 1, 2018 (Commencement of Operations) to December 31, 2018

Expressed in United States Dollars

	2018
	\$
UNRESTRICTED RESERVES	
Revenues	
UK Government Operations Funding	1,070,359
BVI Government Operations Funding	385,704
Interest income	1,015
TOTAL REVENUES	1,457,078
Expenses	
Staff costs	445,995
Administrative expenses	246,253
Depreciation	7,825
Finance costs	6,922
TOTAL EXPENSES	706,995
SURPLUS FROM UNRESTRICTED RESERVES	750,083
RESTRICTED RESERVES	
BVI Government Programme Funding	500,000
UK Government Programme Funding	1,194,735
Donor Funding	83,970
TOTAL REVENUES	1,778,705
EXPENSES	
Project expenses	758,169
TOTAL EXPENSES	758,169
SURPLUS FROM RESTRICTED RESERVES	1,020,536
TOTAL COMPREHENSIVE INCOME	1,770,619

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Summary Statement of Changes in Reserves

For the Period from August 1, 2018 (Commencement of Operations) to December 31, 2018

Expressed in United States Dollars

	Opening balance \$	Surplus for the year \$	Closing balance \$
2018:			
Unrestricted reserves			
UK Government operations funding reserve	-	550,644	550,644
BVI Government operations funding reserve	-	199,439	199,439
Total	-	750,083	750,083
Restricted reserves			
BVI Government Programme Funding Reserve	-	340,476	340,476
UK Government Programme Funding Reserve	-	680,060	680,060
Donor funding reserve	-	-	-
Total	-	1,020,536	1,020,536
	-	1,770,619	1,770,619

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Summary Statement of Cash Flows
For the Period from August 1, 2018 (Commencement of Operations) to December 31, 2018
Expressed in United States Dollars

	2018
	\$
CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in reserves	1,770,619
Adjustments to reconcile net surplus to net cash from operation activities before working capital changes:	
Depreciation	7,825
Finance costs	6,922
Operating surplus from operations before working capital changes:	1,785,366
Increase in trade and other payables	100,676
NET CASH FLOWS FROM OPERATING ACTIVITIES	1,886,042
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of property and equipment	(93,974)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(93,974)
CASH FLOWS FROM FINANCING ACTIVITIES	
Repayments under finance lease	(24,999)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(24,999)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,767,069
CASH AND CASH EQUIVALENTS	
At beginning of period	-
At end of period	1,767,069
