

ANNUAL
REPORT

2021



GOVERNMENT OF THE
VIRGIN ISLANDS



VIRGIN ISLANDS
**RECOVERY AND
DEVELOPMENT AGENCY**

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ACRONYMS

BVIEC	BVI Electricity Corporation
CEO	Chief Executive 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

EXECUTIVE SUMMARY

The year 2021 marked the fourth year in the lifespan of the Virgin Islands Recovery and Development Agency (RDA), having been formed under the Virgin Islands Recovery and Development Agency Act, 2018. In this year, the RDA employed the professional expertise and experience of our ten-member Board of Directors and our approximately 25-member staff to deliver on our three-part mandate of project delivery, capacity building and funding.

PROJECT IMPLEMENTATION

In 2021, the RDA successfully completed sixteen (16) activities within seven (7) projects. These projects impacted six (6) distinct sub-sectors within four (4) sectors across the Territory, namely Roads, Water & Sewerage, Government Buildings & Systems, Security & Safety, Education, and Renewable Energy.

In delivering these projects, the RDA engaged local, regional, and international contractors and suppliers through transparent procurement processes. As at the end of December 2021, the value of contracts signed or novated for implementation of projects by the RDA totalled \$30.7 million. Twenty-four percent of these, or \$7.24 million worth of contracts were signed in 2021. Importantly, over 86% of the total value of signed contracts as at the end of 2021, or \$26.4 million worth of contracts, were signed with local contractors.

By the end of this year, actual capital investment on projects by the RDA totalled \$24.36 million, amounting to 79% of total committed contracts. Within the year, the RDA was able to invest \$9.44 million in capital development, up from the \$9.3 million worth of projects delivered in 2020. The \$24.36 million invested by the RDA in the Territory's development by the end of 2021 has meant improved school and recreational settings, greater levels of water storage and delivery, upgraded facilities for the delivery of public services, more resilient sections of roads and slopes, and a greater emphasis on environmental protection.

CAPACITY BUILDING



Alongside project implementation, the Virgin Islands Recovery and Development Agency Act, 2018 includes a mandate for the RDA to also deliver capacity building and fundraising. The thorough integration of capacity building into each project has thus been critical. Advancing its capacity building mandate, the RDA has worked hand-in-hand with Central Government Ministries and Departments in delivering projects, thereby strengthening capacity to deliver public investment. Additionally, specific training programmes have been developed and delivered by the RDA to strengthen capacity among private contractors and suppliers since its inception.

In September 2021, the RDA hosted its eleventh training workshop aimed at improving contractors' and suppliers' capacity to effectively respond to bidding opportunities. This training reviewed key requirements and forms, and common errors made in tendering, assisting contractors and suppliers to refine their bidding efforts, and thereby strengthening our private sector capacity to compete for opportunities locally and regionally.

Our capacity building efforts also extended in offering internships during the year. Within the RDA, we hosted eight (8) interns in 2021, the largest annual number since inception, strengthening capacity of young professionals across Project Management, Finance, Strategy, Internal Audit and Environmental Management fields.

FUNDING



In terms of the third aspect of our mandate, in Funding, by the end of the year, the RDA had received committed cash funding totaling \$60.2 million. Of this total, \$56.7 million was sourced from the Government of the Virgin Islands, including funding from the Caribbean Development Bank-facilitated Rehabilitation and Reconstruction Loan. The remaining funding included a total of \$2.4 million from the UK Government, and \$1.06 million from non-governmental/non-profit organisations, as well as private companies and individuals. The RDA's ability to raise funds assists in amassing resources for the recovery and development of our Territory's infrastructure and helps carry the burden for resourcing the Territory's public capital investment.

SUCCESSSES AND CHALLENGES

The RDA remains committed to playing a vital role in the continual improvement of public infrastructure developments and continues to make substantial expansions by modifying its internal processes and improving its effectiveness as an Agency. The efficiency and effectiveness of the Agency positively impact our Territory by delivering projects which improve our quality of life, and crucially, improving the capacity of local contractors to deliver high quality projects efficiently into the future.

To maintain the strong governance principles that are fundamental to the RDA's existence, the RDA is expected to utilise an Implementation Schedule developed by the Agency in response to the Government of the Virgin Islands-approved Recovery and Development Plan. The Implementation Schedule (IS) is also expected to be approved by the Cabinet as the RDA's workplan to successfully implement the RDP. Unfortunately, since its inception the Implementation Schedule has not been approved. It is however, used as the guide for the RDA to determine how to sequence the programmes and activities it embarks upon

In terms of challenges faced in our delivery of projects in 2021, noted deficiencies in the execution of the projects by the RDA included several that went over the time allotted for their execution and a few that went over budget. Value for money reports done on these projects illustrated that in several instances, clients changed some aspects of projects' specifications while these were being executed, and that some contractors were still being developed to the level required to deliver project efficiently and effectively. It was also noted that there were supply chain issues that challenged the timeliness of some of the projects.

It is clear that the RDA's approach to planning is beneficial to the efficient execution of projects and many lessons have been learnt, both on technical as well as management levels. These improvements are evident in the RDA's ratio of operational spending to capital investment, which was 22.5% in 2021, down from 33.9% in 2020.

Through analysis of the improvement in results from our value for money reports, the voiced satisfaction of our primary stakeholder (the Government of the Virgin Islands), and testimonials of contractors themselves, it is clear that the RDA has made a positive impact on the building practices in the Virgin Islands and has facilitated enhanced capacity among local contractors, while leading the recovery efforts of the Territory in 2021. In this way, in 2021, the RDA worked in partnership with Central Government to advance its mandate: working to improve our level of efficiency and effectiveness in delivering projects, capacity building and funding.

MESSAGE FROM THE CHAIRMAN



CHAIRMAN

**RONNIE W. SKELTON,
CEng, MIEE**

The opportunity to share in the year 2021's projects and growth of the VI Recovery and Development Agency, is one to that will be treasured. The outlined mandate was appropriately prepared for through planning, organising, monitoring, and evaluating, and delivering, which supports continued achievements from RDA and for the territory.

The Board of Directors coupled with the Chief Executive Officer functioned diligently to make certain that the assigned projects for the year were conducted in accordance with the established policies and procedures of the Agency.

We applaud all the arduous work placed into developmental projects through the help of donors, governmental agencies, and the work of the RDA. The enthusiasm that has brought us to this place, will continue to be the driving force as we continue to push towards the recovery and development of the Territory.

The Members of the Board and I will continue to support the most effective way forward for the Agency's success. Every decision will remain coordinated with best practices that keenly enriches moral conduct and high values.

On behalf of the Board, appreciation is granted to the territory for believing in RDA's ability to fulfil the Agency's Act of 2018.

Ronnie W. Skelton, CEng, MIEE (Mr.)

MESSAGE FROM THE CEO



CEO

ANTHONY MCMASTER

I count it an honour to be in a position of such, to present the 2021 Annual Report for the Virgin Islands Recovery and Development Agency. It remains evident that the Agency is an appealing sector that forces significant changes and emphasises opportunities within the Virgin Islands.

The year 2021 resulted in RDA's continued work with various stakeholders, Ministries, and Governmental entities, to ensure the recovery and development of damaged infrastructure throughout the Territory. The Agency is pleased about all the projects completed during this year. A few have been listed below:

- John E. George, Sr., MBE Building
- Bregado Flax Educational Centre
- Theodore Faulkner Administration Building
- Flax Administration Building
- Reservoirs (Carrot Bay, Zion Hill, and Long Bush) and meter installations
- Six road projects (Great Mountain I and II, Sabbath Hill, Little Dix Hill, Lower Hope, and Fort Hill)
- Road Town Police Station (Administration Expansion)

Additionally, the Agency continues to be delighted to bring about capacity building through various workshops with contractors and the continuation of our Internship Programme. We look forward to the upkeep of training in the year 2022.

With this said, it is important to state that nothing mentioned would obtain achievement status without the collaboration of team RDA. Our commitment to the mandate drives us to continue pushing for exceptional change within the Territory.

A special thank you is extended to all our donors, stakeholders, and government agencies, for aiding in the success of the Agency. 2022 and all the anticipated accomplishments, here we come!

Anthony McMaster (Mr.)

OVERVIEW



The Virgin Islands Recovery and Development Agency is a programme that was developed in 2018 by statute (the Virgin Islands Recovery and Development Agency Act, 2018) to implement the Government of the Virgin Islands' Recovery to Development Plan (RDP). In implementing this programme, three mandates have been outlined.

PROJECT IMPLEMENTATION: Implementation of the programmes identified in the Recovery to Development Plan. In many instances, the Government of the Virgin Islands has identified specific outputs and activities (as identifiable projects) to support programmes outlined in the RDP. The RDA is expected to support the suite of programmes, projects and activities identified in the RDP with a work plan that allows the Government of the Virgin Islands to plan and budget the implementation of the RDP in a responsible, transparent, and predictable way. This assures that actions in the recovery of the VI are void of corrupt practice and provide the highest attainable value for money. This work plan ideally takes the form of an Implementation Schedule, to be approved by the sitting Cabinet. Because of the need for the RDP to be aggressive, and resource intensive, part of the implementation process (informed by the Implementation Schedule) provides for a funding plan, expected to be a combination of loans, grants from local, regional, and international institutional partners, and local and regional private sector interests.

FUNDING: The institutional arrangements of the RDA were designed specifically to sidestep the perceptions (and realities) normally associated with governments across the globe (for example: misappropriation of donations, protracted delays in project execution, and bureaucratic inefficiency). The second mandate of the RDA has therefore been to raise funding for the RDP programme on behalf of the Government of the Virgin Islands. Critical to the RDA's successful fundraising mandate has been the need for the RDA to be transparent and accountable to stakeholders, with a clear strategic plan (RDP), work plan to implement the programme (Implementation Schedule) and accountability to all stakeholders through regular, timely and comprehensive reporting.

CAPACITY BUILDING: The third mandate of the RDA is to develop capacity in the VI. Specifically, the RDA has been tasked with developing capacity to a level which reduces the need for external assistance for projects and activities outlined in the RDP. The RDA’s capacity building efforts are therefore part of the Government’s overall strategy to position the VI to be better prepared for participation in the regional and global economy of the future, following the traumatic events of 2017. Due to the type of programme which the RDA has been tasked with, much of our capacity building efforts have been focused on the construction industry. There are though, other areas of capacity building which the RDA promotes, including Strategic Planning, Project Management, and Finance.

OUR MANDATE



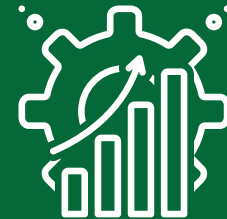
PROJECTS

The RDA will deliver the programmes and projects set out in the revised Recovery to Development Plan. This will be done through: Effective good governance of the RDA; Careful management and development of our staff; Efficient business processes within a culture of continuous improvement; Transparent and efficient procurement which demonstrates Value for Money (VfM) in accordance with international best practices.



FUNDRAISING

The overall recovery and development programme of the RDA is funded by a combination of grants from the Government of the Virgin Islands, the UK Government, and private funders. The RDA raises funds to augment Government’s commitment to the recovery process and provides opportunities for the public to participate in this process. Our fundraising processes are transparent. We are accountable to our donors and responsive to their requests.



CAPACITY BUILDING

The RDA through our capacity building mandate exposes technical students to the industrial environment and provides recent graduates with the opportunity to gain real work experience. Our Procurement Department hosts quarterly workshops to educate contractors, consultants, and suppliers on crucial areas of the procurement process and to improve their capacities to effectively respond to tender opportunities. We also facilitate one on one trainings to contractors based on specific requests to the Agency.

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).

OUR VALUES

The RDA conducts itself based on a defined set of principles. All of its employees are expected to maintain these values at all times.

- | | |
|---|---|
|  INTEGRITY |  SUSTAINABILITY |
|  RESPECT |  DELIVERY OF RESULTS |
|  INNOVATION |  BUILDING BVI CAPACITY |
|  SELFLESS COMMITMENT |  OPEN COMMUNICATIONS |
-

OBJECTIVES

Central to the RDA's mandate in supporting the Government of the Virgin Islands in its recovery and Development effort are four principles on which demonstrates the core of the RDA's strategic and operational efforts, by doing things Stronger, Smarter, Greener and Better.

STRONGER



A commitment to improving resilience, in infrastructure, policy and systems.

SMARTER



To become more efficient and effective, by using less resources to achieve more.

GREENER



The protection of the environment is central to our future as a human race and thus, any development must be connected to the protection and nurturing of our natural environment and the organisms that live in it, whether it be on the land, in the sea, or in the air.

BETTER



A firm commitment to promoting a better today than yesterday, and a better tomorrow than today.

CORE PRINCIPLES

There are four core principles that are followed by the Agency and set it apart as a centre of excellence. These are as follows;

ACCOUNTABILITY

The RDA subscribes to the principle that sunlight is a great sanitizer, and that in order to be accountable, it must be transparent and obliged to respond to any query of its actions by its stakeholders without hesitation. Consequentially its internal systems were designed to provide the highest levels of accountability for its actions to the Government of the Virgin Islands and the people of the territory in general. This is seen a fundamental principle for public service and is essential in any system that is upholding (or aims to) uphold the principles of democracy.

It does this by ensuring that all its policies and procedures are easily accessible by anyone, that strategic decisions are published, and that relevant, accurate, and timely information of all the activities of the RDA is relayed to the its lead ministry, the client ministries, contributing stakeholders and the general public at large.

INTEGRITY

The RDA has placed the highest value on the integrity of its employees and internal and external processes to maintain the trust of our stakeholders. These expectations continue to create a culture within the organisation that discourages minimal ethical norms. The RDA is expected to always meet the highest levels of integrity.

VALUE FOR MONEY

The RDA conducts Value for Money (VfM) Assessments of all completed projects to evaluate the extent of VfM achieved for the Territory. VfM assessments are based on the RDA's methodology which considers the economy, efficiency, effectiveness, and equity of project interventions. These reports are not classified as graded reports, by which a score is given, but are expected to be used by the RDA to identify where problems exist and to develop techniques to eliminate similar issues in the future.

Additionally, based on these assessments. RDA can provide quality work, sound advice to its stakeholders, solve difficult problems, and provide the confidence that its existence and mode of operation is given to all stakeholders (present and future).

GOVERNANCE

The RDA is governed by a Board of Directors, led by Chairman Ronnie W. Skelton, whose responsibilities are specified in the Virgin Islands Recovery and Development Agency Act 2018. Monthly meetings enable the Board to have continual interaction with the CEO which allows the Directors to supervise the functions and operations of the RDA closely.

An essential part of the Board's supervision is directly linked to the internal audit's function. Internal audit analyzes the procedures of the management and staff of the RDA against what is expected by the Act in which the RDA is governed; this is coupled with good managerial practices.

OUR LOGO

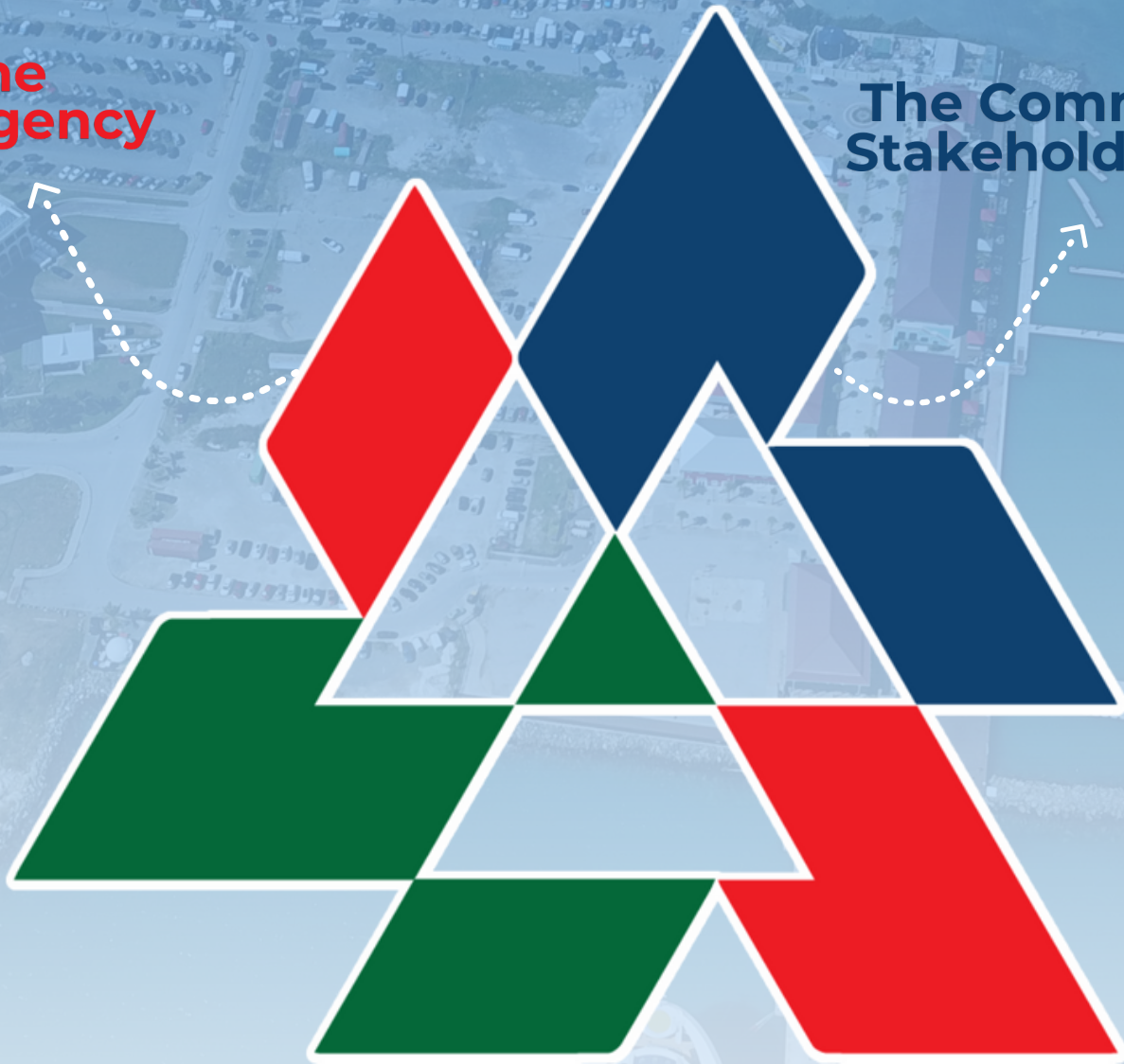


THE COLLABORATION

The Agency

The Community / Stakeholders

BVI Government





INSTITUTIONAL ARRANGEMENTS

INSTITUTIONAL ARRANGEMENTS

To achieve the mandate of a SMARTER, STRONGER, GREENER and BETTER Virgin Islands, the RDA has been developed with specific governance arrangements that provide for supporting components within the institution. These arrangements promote strong governance and enable the RDA to be accountable and transparent.

AGENCY ORGANISATIONAL STRUCTURE

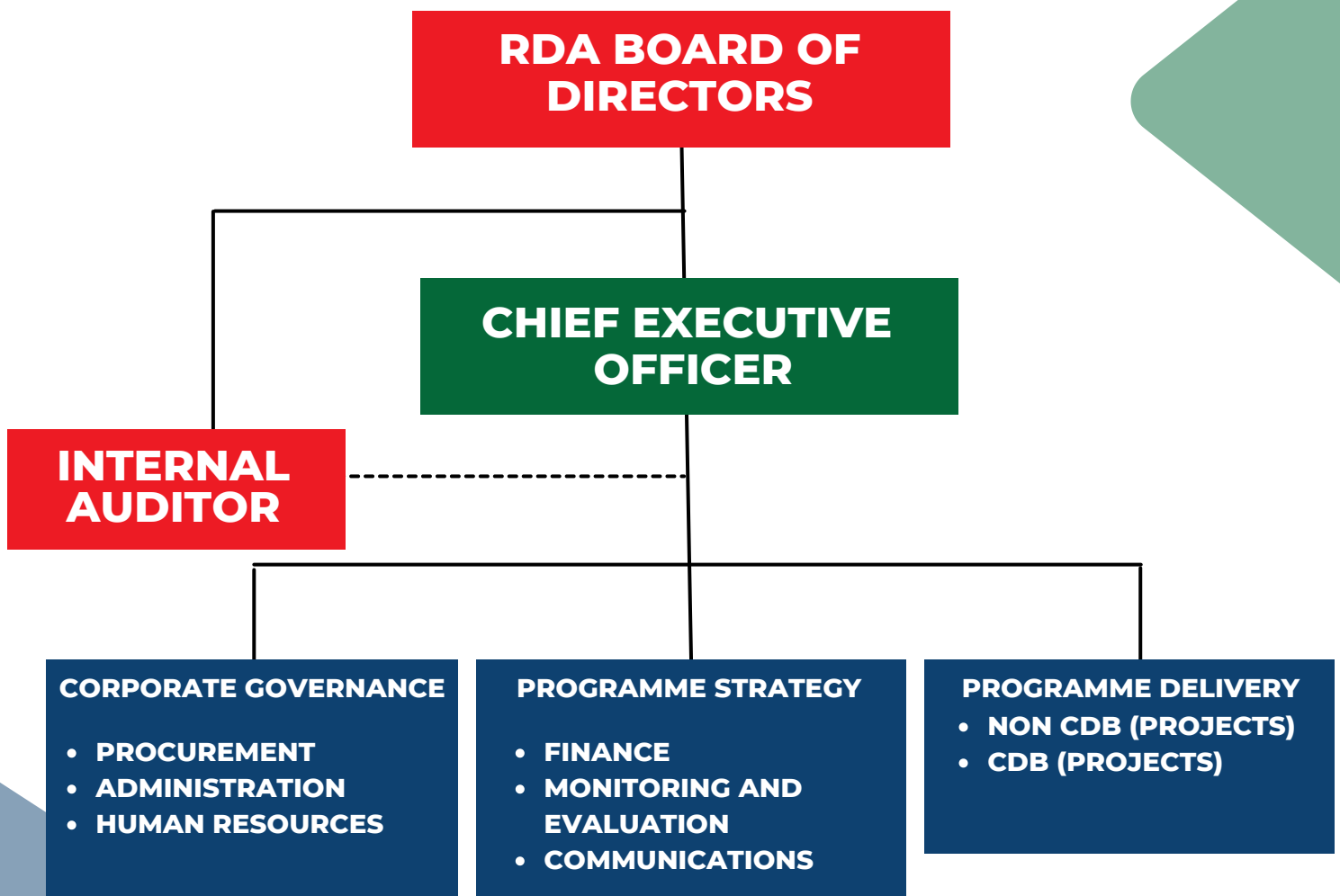


Figure 2 - Organisation structure (RDA)

BOARD OF DIRECTORS



Ronnie W. Skelton
Chairman

Jerry Samuel
Deputy Chairman





Bishop John Cline
Private Sector Representative



Michael Fay, QC
Civil Society Representative



Shea Alexander
Sister Islands Representative



Geraldine Ritter-Freeman
Governor's Representative



Marquese Maduro
Youth Representative



Dr. Sauda Smith
Donor Representative



Iftikhar Ahmad
United Kingdom Representative



Anthony McMaster
Ex Officio Member



DIVISIONS

ADMINISTRATION

The Administration Unit provides administrative and secretarial support to the Board of Directors and their Sub-committees prior to, during and after Board meetings to ensure the smooth execution of the same. The 44th through 55th meeting minutes were recorded and posted on the RDA's website for public viewing (<https://bvirecovery.vg/board-meeting-minutes/>) during the 2021 work year. Within this unit, administrative, and secretarial support is also provided to the Senior Management Team (SMT).

The Administration Unit continues to manage the office, use of RDA office assets which include office facilities, vehicles, telephones, security, and conferencing facilities, which ensures the preservation of these assets.

FINANCE

Finance is responsible for management of a robust system of internal controls, policies, and procedures in the administration of the Agency's finances. Finance ensures adherence to good financial governance and international accounting standards.

A continuous system of financial risk management is employed to ensure regulatory compliance with the Virgin Islands Recovery and Development Agency Act, 2018 and the RDA's Financial Management Policy.

The Finance team ensures timely and accurate financial reporting to internal and external stakeholders, inclusive of, but not limited to, the RDA's Board, Government of the Virgin Islands, the Foreign, Commonwealth and Development Office, and Auditors. Accurate financial reports are preceded by accurate bookkeeping, budgeting, forecasting, expenditure processing, cashflow and fixed assets management.

The RDA's accounting records are maintained in three segments: Operational, Capital projects and, CDB projects. Consolidation is done where required for specific reporting requirements.

INTERNAL AUDIT

Internal Audit is a preventative role that involves an unbiased and frequent look at the functions within the RDA. The function ensures that policies and procedures are followed, whilst improving how staff carry out their duties. The internal audit function seeks to prevent errors or fraud from occurring. Its range involves the events and processes of all departments within the RDA.

Some of the areas that the Internal Auditor is responsible for reviewing and appraising are:

- Risk Management
- Financial Policies and Accounts
- Procedures
- Records
- Agency Plans

The RDA has a strong and clear policy for procurement which supports the Agency in ensuring value for money and in attracting funding and investment to support the Virgin Islands. To this end, it is essential that the procurement process is conducted in a fair and transparent manner, and one that is in line with international best practice.

Additionally, the Internal Auditor considers the adequacy of controls required and seeks to confirm that management has taken steps to accomplish this. The Internal Auditor provides reports to the Board, Audit and Risk Sub-Committee, and Management in an aim to develop a culture of enhancement.

HUMAN RESOURCES

The Human Resources Unit strives to help the RDA to achieve its strategic mission, while ensuring employees are engaged and motivated to help the Agency succeed.

Notable Happenings in 2021:

- RDA transitioned to a new office space in a more central location, Tortola Pier Park. The agency's carbon footprint saw a reduction in square footage. Team members had to adjust to a smaller working space, as well as occupancy on two floors instead of one.
- Core positions filled: Head of Administration, Senior Project Manager, Procurement Officer, and Project Manager.

- The RDA Staff Retreat was held in May 2021 at the Scrub Island Resort on Scrub Island. The expressed aim of the retreat was to outline roles and responsibilities of all persons employed with the Virgin Islands Recovery and Development Agency (RDA) and to assist in motivating staff to continue to pursue the RDA's stated vision and mission. A history of RDA since its inception was presented, as well as RDA's achievements, vision and core values, purpose, and stakeholder engagement.



Figure 4 : Photo from RDA Staff Retreat 2021

PROCUREMENT

PROCUREMENT PROCESS AND VALUE FOR MONEY

The RDA has a strong and clear policy for procurement which supports the Agency in ensuring value for money and in attracting funding and investment to support the Virgin Islands. To this end, it is essential that the procurement process is conducted in a fair and transparent manner, in line with international best practices.

The RDA uses the procurement process to support the Government in building a professional construction industry that can compete at the highest international level. This is done through managing the scale, size, and complexity of contracts over time, building local competence and labour, and only using international expertise where required. Joint ventures and partnerships, both local and between international and local businesses, are encouraged and used to increase the participation of local VI businesses. Technical and commercial evaluation processes are also used to strengthen local contributions.

Technical evaluation criteria, through use of the “local content” clause, shape tender processes to ensure that the maximum number of local persons and firms are able to benefit from RDA contracts. Local content takes into consideration elements such as the use of local subcontractors and employees, and purchases of locally sourced goods and services.

PROCUREMENT PLANNING

The RDA Procurement Team, in consultation with other technical and operations teams within the Agency as well as relevant GOVI Ministries, must plan well in advance for the procurement of goods, works and services to make certain that the needs are met in the most effective, economical, and timely manner. These procurement activities are required to be finalised into an Implementation Schedule for approval by the House of Assembly. The Procurement Plan is then derived from this approved Implementation Schedule.

As of December 2021, the Implementation Schedule was not approved and hence, a Procurement Plan was not developed nor published for the benefit of contractors.

PROGRAMME STRATEGY

The Strategy team in the RDA is responsible for initial planning that is necessary for the effective implementation of interventions that support the Recovery to Development Plan approved by the House of Assembly. Recognising the propensity to engage in the ad-hoc implementation of various initiatives plaguing the Government, the RDA utilises a proactive methodical approach to identify cost effective solutions to support the Government’s RDP. Every programme and project that comes to the RDA is analysed within the context of the Recovery to Development Plan, user requirements are documented, and funding is identified before the project begins. The Strategy function of the RDA is responsible for this, along with the monitoring and evaluation of the programmes and projects as these are executed.

The Strategy team is responsible for the clear articulation and funding of the programmes and projects carried out by the RDA. To do this, Strategy is often the first point of contact with the technical team within the RDA and ensures that a clear articulation of the client’s requirements is agreed on, funding is pursued and committed to, and required activities are properly coordinated. The process of monitoring and evaluating the extent to which the programmes and projects meet the strategic objectives of the Recovery to Development Plan (RDP), are assessed and stakeholders are engaged on an individual and strategic level, to ensure that transparency and accountability standards are met.

MONITORING AND EVALUATION

In 2021, the Monitoring and Evaluation (M&E) function supported the work of the RDA by tracking results and providing analysis towards continuous improvement of the Agency in delivery of projects on behalf of the people of the Virgin Islands. The M&E mandate includes: 1) production of Monthly Reports on project progress; 2) design and maintenance of the Results Framework which contains outcome statements, and outcome and output indicators for all projects; 3) design and maintenance of the Value for Money (VfM) Framework which scores projects on their achievement of economy, efficiency, effectiveness, and equity (4Es); and 4) production of Dashboards and other Data Visualisations to facilitate information access and analysis.

COMMUNICATIONS

Reputational Management is a core function of the Communications team as it builds and maintains a positive image of the Agency in the Virgin Islands community, with key stakeholders and online. The Communications Team is responsible for the Agency's public image and builds bridges to connect with the community through engaging public relations.

The Communications team chronicles the work of the Agency and disseminates key achievements and deliverables which highlight the progress of projects executed under the Recovery to Development Plan. High-level stakeholder engagement with Government officials, media relations, events management, website maintenance, strategy, media library and social media all fall under the remit of the Communications Team.

PROJECT DELIVERY

Project delivery is a collection of experienced project managers with qualifications in project management, engineering, architecture, procurement, and business administration. Our goals are to meet project objectives as set out in our client's statement of requirements (SoR) that will lead to project outcomes. This team is responsible for transforming the ideas of the client into completed projects in the most cost effective and expeditious manner. It works closely with the Strategy team to ensure that projects are designed in a manner that will allow the objectives of the client to be met, and that it is within the budget allotted.

Once there is agreement with the client (Government of the Virgin Islands) on the project required to achieve the desired outcome, Project Delivery utilises its skillset to ensure that parties engaged (contractor, designers, etc.) are deployed effectively to achieve the goal. The professionals in this unit interact intimately with contractors, designers, and other project managers on a regular basis.

RDA PROCESSES



(EXTERNAL)

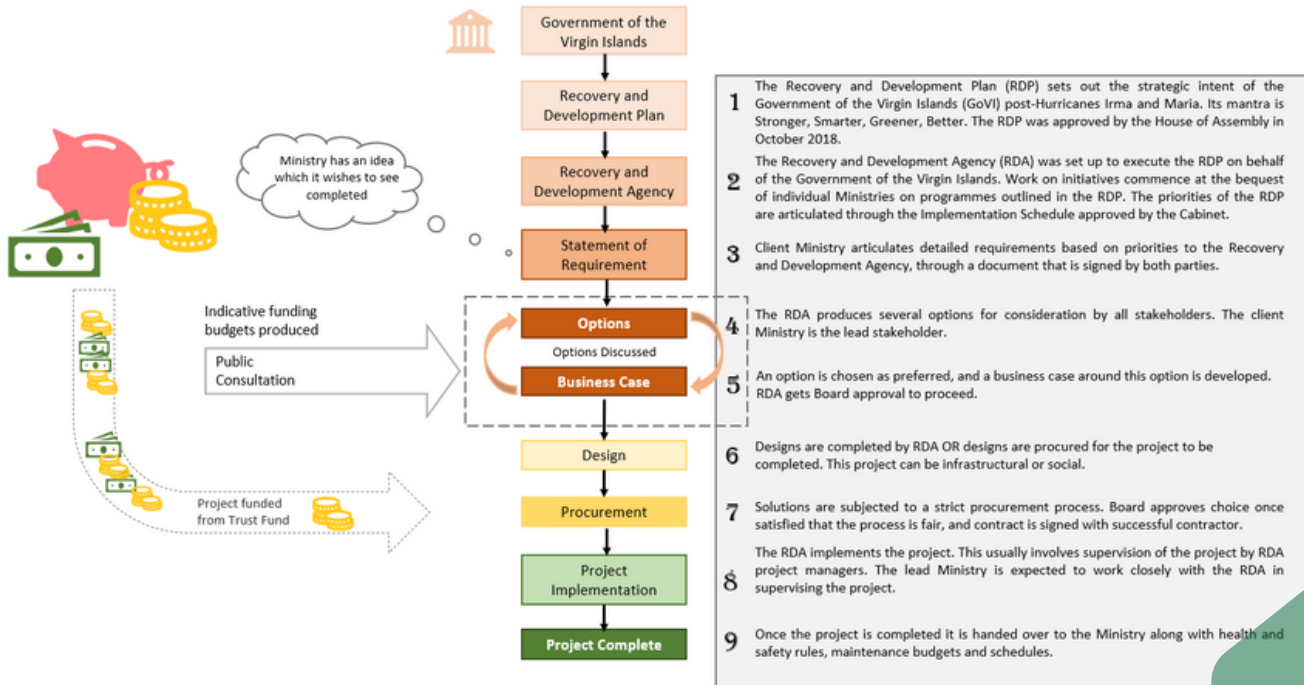


Figure 5 - External Processes

(INTERNAL)

RDA 12 STEP PROJECT FLOW PROCESS

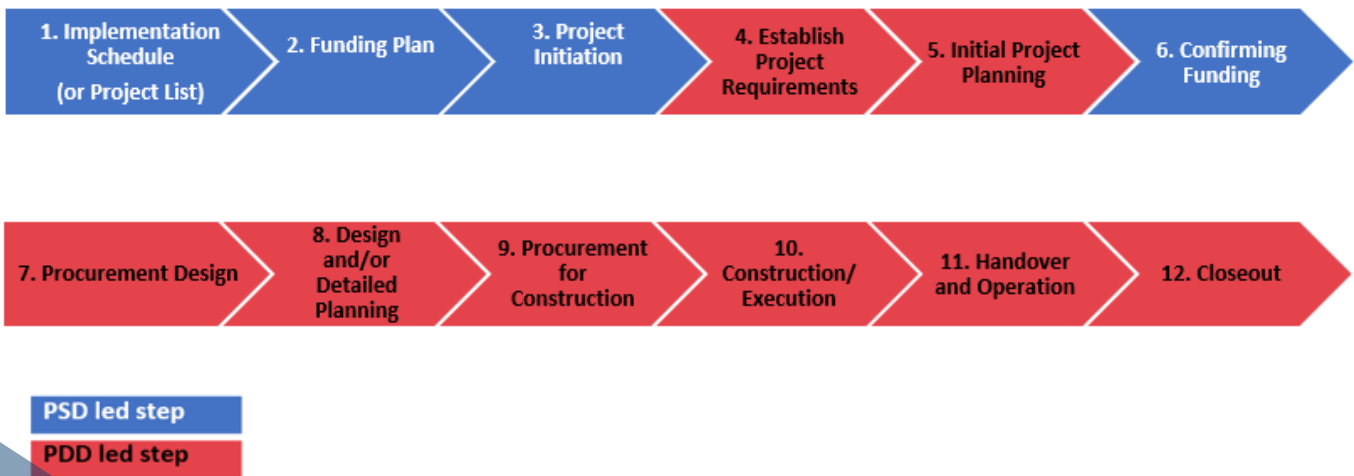


Figure 6 - Internal Processes



**2021 IN BRIEF
(A CHRONOLOGICAL SUMMARY)**

2021 IN BRIEF (A CHRONOLOGICAL SUMMARY)

The RDA completed several activities during the year, in pursuit of its mandate. Following is an illustration highlighting many of the milestones achieved during the year.

2021 Contract Signings



**REPAIRS TO ESTATE HOUSE #1
JAN 2021**



**RUBBERIZED RESURFACING OF VIRGIN GORDA AND
ANEGADA COURT
FEB 2021**



**REPAIRS TO THE THEODOLPH FAULKNER
ADMINISTRATION BUILDING
FEB 2021**



**REPAIRS TO MARINE BASE FENCING,
GATES AND DRAINS
MAR 2021**



**REPAIRS TO THE ANEGADA PERIMETER FENCE
JULY 2021**



**ASPHALTIC CONCRETE WORKS FOR 6 SITES
JULY 2021**



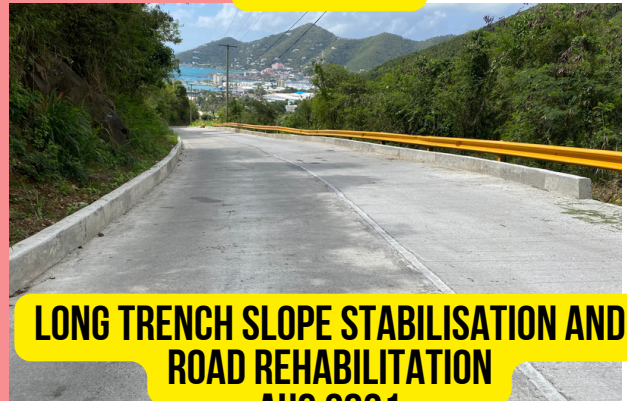
**DESIGN AND CONSTRUCTION MANAGEMENT OF WEST END FERRY TERMINAL
AUG 2021**



**FISH BAY ROAD REHABILITATION
SEPT 2021**



**WASTE MANAGEMENT FEASIBILITY STUDY
AUG 2021**



**LONG TRENCH SLOPE STABILISATION AND ROAD REHABILITATION
AUG 2021**



**ESHS REDEVELOPMENT DEMOLITION AND DESIGN WORKS
DEC 2021**



**RENEWABLE ENERGY X3
DEC 2021**



**JEFFERY CAINES SPORTS ARENA
DEC 2021**



**ROAD TOWN POLICE STATION
DEC 2021**

2021 Handover Ceremonies



**HANDOVER AND DEDICATION CEREMONY FOR
JOHN E. GEORGE SR. MBE ADMINISTRATION BUILDING
FEB 2021**



**ELMORE STOUTT HIGH SCHOOL STEEL BAND –
DONOR INITIATIVE FUNDED BY MAPLES GROUP
DEC 2021**



**ZION HILL RESERVOIR
DEC 2021**



**THEODOLPH FAULKNER ADMINISTRATION BUILDING
DEC 2021**

2021 Notable Events



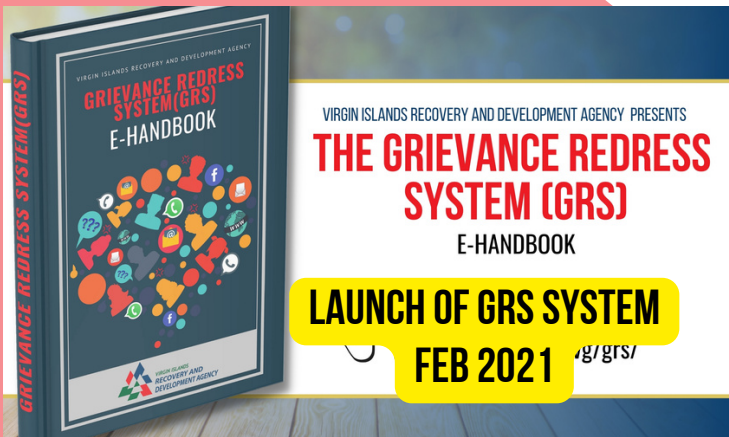
**TOUR OF PROJECT SITES WITH
TRANSPORTATION, WORKS, AND
UTILITIES MINISTER**

FEB 2021



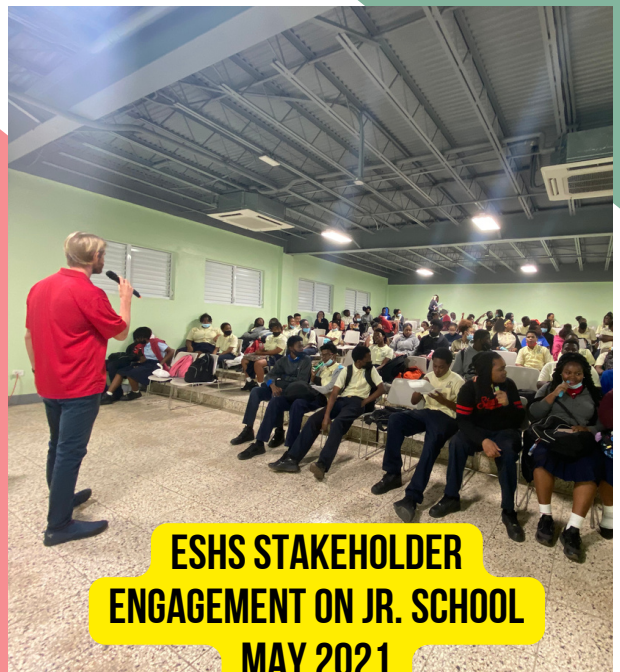
**CRISIS MANAGEMENT
VIRTUAL EVENT 2021**

**TRAINING - PR NEWS VIRTUAL CRISIS
MANAGEMENT CONFERENCE
MAR 2021**



VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY PRESENTS
**THE GRIEVANCE REDRESS
SYSTEM (GRS)**
E-HANDBOOK

LAUNCH OF GRS SYSTEM
FEB 2021 vira.gov.grs/



**ESHS STAKEHOLDER
ENGAGEMENT ON JR. SCHOOL**
MAY 2021



**STAKEHOLDER CONSULTATIONS ON WEST END
FERRY TERMINAL – 11 PLUS ENGAGEMENTS**
AUG 2021



**SOLAR INSPECTIONS WITH BVIEC & TCP
AT RENEWABLE ENERGY FACILITIES**
MAY 2021



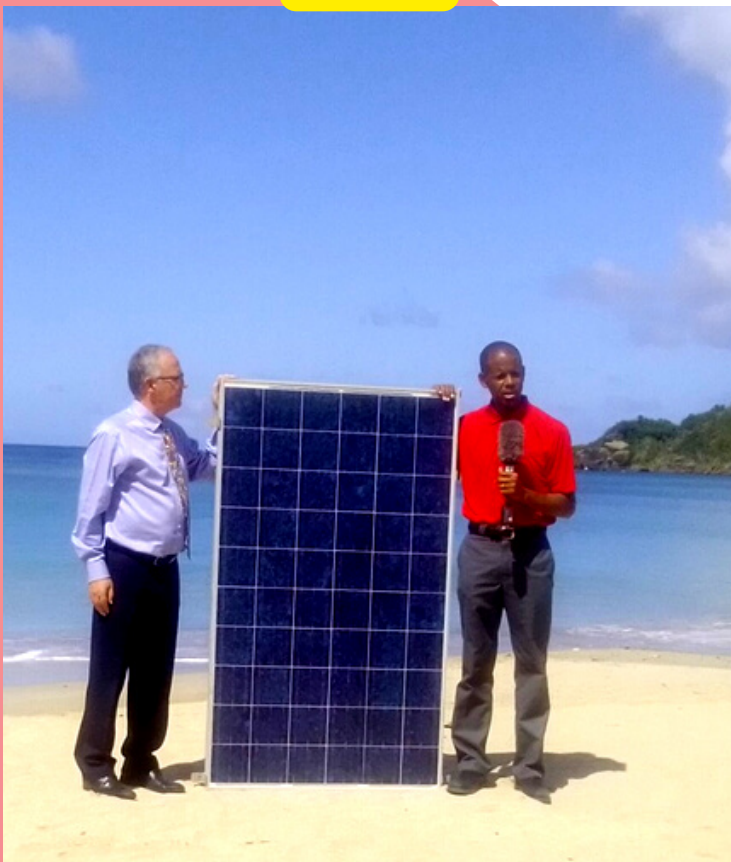
PUBLIC CONSULTATIONS FOR FISH BAY ROAD REHABILITATION

OCT 2021



COMMUNITY MEETING ON JVD TO PRESENT APPROVED DRAWINGS FOR JVD SCHOOL

AUG 2021



COP 26 RENEWABLE ENERGY PRESENTATION WITH HIS EXCELLENCY THE GOVERNOR

NOV 2021



PRESENTATION TO ROTARY CLUB BY DIRECTOR OF STRATEGY

OCT 2021

IMPLEMENTATION OF RECOVERY TO DEVELOPMENT PLAN

SECTORAL OUTCOMES

Although the Government of the Virgin Islands has not yet approved the workplan of the Agency through the Implementation Schedule, the RDA has mapped out a plan that enables transparent expectations for implementation of identified outputs in order to realise the overarching outcome of a Stronger, Smarter, Greener and Better Virgin Islands.

The specific sectors identified in the RDP for project execution in 2021 are as follows (see overleaf):

DEFINITION:

OUTPUTS: Direct, immediate-term results associated with a project in the short-term.

OUTCOMES: Second level of results of a project, reflecting the level of achievement or performance due to activities implemented and outputs produced.



PROJECT IMPLEMENTATION IN FOCUS
(PROJECTS IMPLEMENTED IN 2021)

RESILIENT INFRASTRUCTURE: ROADS AND WATER & SEWERAGE

ROADS

Priority roads and retaining structures with resilient designs based on climate risk factors and flood risk mapping, rehabilitated to improve safety and access of road network.



RESULTS

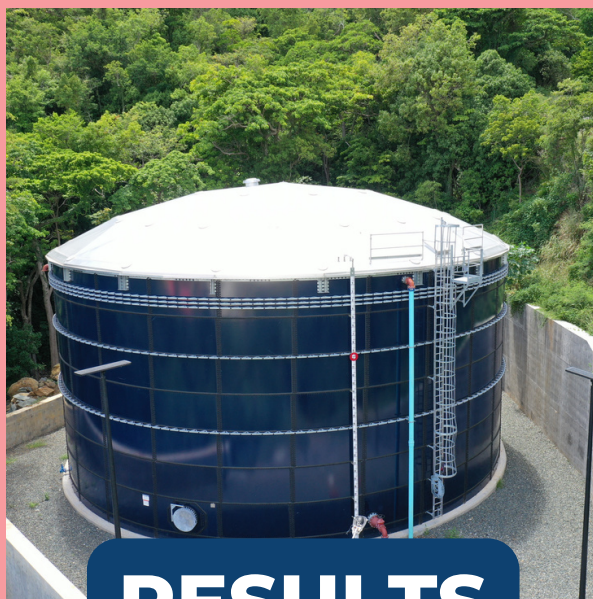
PROJECT ACTIVITIES	OUTPUTS	OUTCOME	WHAT PEOPLE SAY
Hope to Sabbath Hill Ballast Bay/Windy Hill Great Mountain 1 Great Mountain 2 Little Dix Hill Long Trench Bob's Gas Station Asphaltic Works as required	2,854 feet (870 meters) of road stabilised/rebuilt Retaining walls rebuilt at 7 sites	Reduced hazards while driving in areas where slopes were undermined	"Much better road to use now." "It seems good to me. I think they used signage well; the work went as quickly as could be expected and the crew used discretion where possible to facilitate the flow of traffic."

The RDA has rehabilitated roads and slopes at seven (7) sites which were all severely damaged by the passage of the 2017 hurricanes. These rehabilitation works have improved road safety by reducing hazards and have also enhanced the overall quality of the roads. Where roads were severely undermined, retaining structures have been erected, and improved drainage systems have been installed. These works have strengthened the resiliency of the road network across Tortola.

RESILIENT INFRASTRUCTURE: ROADS AND WATER & SEWERAGE

WATER AND SEWERAGE

A more effective water infrastructure with an efficient supply of water and distribution systems, towards more sustainable revenue generation.



RESULTS

PROJECT ACTIVITIES	OUTPUTS	OUTCOME	WHAT PEOPLE SAY
Carrot Bay Reservoirs and Metering	3 water supply reservoirs rehabilitated/re placed	1.6 million gallons of useable water storage installed	" The rebuilding of the reservoirs has provided greater storage capacity, and has afforded the three communities with a more reliable and constant supply of potable water."
Long Bush Reservoirs and Metering	60 bulk flow meters installed	Meters to reduce water loss	
Zion Hill Reservoirs and Metering	513 residential water meters installed		

The RDA worked to replace damaged tanks at three (3) sites across Tortola, installing a total of 1.6 million gallons of useable water storage for the Territory. These tanks are more resilient than the previous reservoirs and thus are better able to withstand hazard events. Additionally, sixty (60) bulk flow meters have been installed which help to reduce water loss by measuring and alerting for differences in water flow at various points in the network. Over five hundred residential water meters were also installed through these project activities, enabling the Water and Sewerage Department to more efficiently measure and bill for customers' water usage.

GOOD GOVERNANCE: 
GOVERNMENT BUILDINGS & SYSTEMS AND
SECURITY & SAFETY FOR ALL

GOVERNMENT BUILDINGS & SYSTEMS

Priority public buildings restored to allow for safe and acceptable working conditions for officials to provide services and for the public to access services.



RESULTS

PROJECT ACTIVITIES	OUTPUTS	OUTCOME	WHAT PEOPLE SAY
Aneгада (Theodolph Faulkner) Administration Complex	Five (5) available office spaces in Aneгада Admin for eight (8) public service employees	15 services provided through rehabilitated administration buildings	"The construction was done to a high standard and the spaces are more than adequate for the provision of services."
Flax Administration Building Vanterpool Administration Building	Government properties in Virgin Gorda rehabilitated	38 weekly service hours provided	

In 2021, works on the Aneгада (Theodolph Faulkner) Administration Complex as well as the Flax and Vanterpool Administration Buildings on Virgin Gorda were completed. Completion of these three buildings marked the third, fourth and fifth Administration Buildings to be rehabilitated by the RDA, following the completion of the Albert H. Chinnery Administration Building in 2019 and the North Sound (John George) Administration Building in 2020. Rehabilitation of these Administration buildings included extensive roof repairs, installation of windows and doors, electrical and plumbing works, internal wall, floor and ceiling finishes, and installation of air conditioning and hurricane shutters. These rehabilitation works have provided a safe and acceptable facility for public officers thereby facilitating provision of expanded public services to Virgin Gorda, Aneгада and Jost Van Dyke.

GOOD GOVERNANCE: 
GOVERNMENT BUILDINGS & SYSTEMS AND
SECURITY & SAFETY FOR ALL

SECURITY & SAFETY FOR ALL

Rehabilitated police and justice accommodation to enable improved delivery of security and justice services.



RESULTS

PROJECT ACTIVITIES	OUTPUTS	OUTCOME	WHAT PEOPLE SAY
Road Town Police Station Anegada Police Station (within Theodolph Faulkner Admin)	2 police stations rehabilitated	90% of police facilities well-equipped	"Spacious and More Comfortable and Very Satisfied."

The Anegada Police Station, within the Theodolph Faulkner Administration Complex, was rehabilitated in 2021. Also within Security and Safety for All, works on the Road Town Police Station were completed in April 2021. It included the perimeter fencing, wall, floor and ceiling finishes, installation of windows, doors and cabinetry, and electrical works including installation of air conditioning in the Maintenance Supervisor and Administration offices. These works have enhanced the rehabilitation works done on the Road Town Police Station following passage of the 2017 hurricanes, under the Governor’s Office and funded by the then Foreign and Commonwealth Office.

COHESIVE AND EMPOWERED SOCIETY: EDUCATION

EDUCATION

Restored infrastructure for primary and secondary schools of the Virgin Islands to support full functionality and development of schools to meet education needs of children.



RESULTS

PROJECT ACTIVITIES	OUTPUTS	OUTCOME	WHAT PEOPLE SAY
Bregado Flax Educational Centre (BFEC)	Additional 14 classrooms available to BFEC students	440 students in improved school settings	<p>“The school has come a long way with better office facilities for principals, ramps, exits and better bathrooms for the students.”</p> <p>“The building has been given a face lift. A more durable roofing is in place with adequate lighting.”</p>

The Bregado Flax Educational Centre project rehabilitated four (4) buildings on the Virgin Gorda campus which were severely damaged by 2017’s hurricanes. The scope of this project involved construction of a new roof on one of the classroom buildings, and refurbishment of the administrative building. The rehabilitation of these buildings has provided a clean, safe environment for teaching and learning at the school.

NURTURED AND SUSTAINABLE ENVIRONMENT: RENEWABLE ENERGY

RENEWABLE ENERGY

A more resilient energy system with lower electricity costs from the deployment of modern renewable energy technology.



RESULTS

PROJECT ACTIVITIES	OUTPUTS	OUTCOME	WHAT PEOPLE SAY
Leonora Delville Primary School	3 solar power systems installed	44.75 kWp of electricity generation installed	" The RDA developed and delivered key renewable energy projects on behalf of the GOVI funded by the FCDO elevating capacity to use innovative technology and demonstrating how the public and private sectors can adopt, rely on and afford moving to more sustainable use of power".
Ivan Dawson Primary School		Decrease in monthly public energy bills	
Jost Van Dyke Clinic			

Three solar systems were installed and commissioned across the Territory in 2021, resulting in 44.75 kWp of electricity generation from renewable sources at two primary schools and a public clinic. The grid-tied exporting systems allow for unused excess electricity to be fed back into the main electrical grid. These initial project activities are a part of a planned broader programme aimed at increasing the uptake of renewable energy technologies in the Territory while also decreasing energy bills at public facilities by supplementing the existing energy supply with renewable, sustainable sources.

CAPACITY BUILDING

CAPACITY BUILDING

The RDA is mandated by the RDA Act to deliver capacity building for the people, government officials, communities and contractors of the Virgin Islands to directly benefit from the recovery. In 2021, the RDA engaged in capacity building for contractors in project management, health and safety and preparing tenders for project opportunities with the RDA, and with staff and interns working in the RDA.



RESULTS

PROJECT ACTIVITIES

Contractor Workshops

Internship Programme

OUTPUTS

Contractor procurement workshop held

Eight (8) interns engaged

OUTCOME

24 firms trained to improve tender submissions

Young professionals exposed to finance, strategy, internal audit, project management and environmental management.

WHAT PEOPLE SAY

"The internship at the RDA was a beneficial experience that helped me gain a greater understanding and hands on experience in the field of Project Management".

The RDA and FDL Consult Inc. jointly hosted a procurement workshop for contractors in September 2021. The objective of that workshop, the eleventh contractor workshop held by the RDA, was to improve contractors' and suppliers' capacity to effectively respond to bidding opportunities in general, as well as those under projects financed by the Government of the Virgin Islands, VI Recovery and Development Agency and the Caribbean Development Bank (CDB).

Training opportunities for RDA staff throughout 2021 occurred virtually, given the ongoing COVID-19 pandemic. Training opportunities helped build on professional competencies, increase knowledge, and improve skill sets, thereby contributing to the Agency's mission and enhancing individual opportunities for future growth. Training areas for RDA staff included leadership, communications, project management, and finance. The Internship Programme saw a record number of eight (8) interns in the following programme areas: finance, strategy, internal audit, project management, environmental management.

SUPPORTING PROJECT IMPLEMENTATION

FUNDING

The following Table contains all cash funding contracted by the RDA for project implementation since the start of the Agency. The Table is organised by value in descending order and indicates that a total of \$60.17 million was contracted in cash funding for project implementation to the end of December 2021.

Organisation	Project No.	Project	Value
Government of the Virgin Islands through Caribbean Development Bank		Multiple Projects under the Rehabilitation and Reconstruction Loan	\$45,219,777.74
Government of the Virgin Islands	Phase 1	Multiple Phase One Projects	\$10,009,200.00
Government of the Virgin Islands	122	ESHS Redevelopment	\$573,090.00
FCDO	108	Special Debris Clearance	\$562,949.00
FCDO	177	Marine Base	\$420,997.82
Government of the Virgin Islands	122	ESHS Redevelopment	\$413,045.00
FCDO	182	Repair Police Stations at Virgin Gorda	\$339,799.00
FCDO	183	Repair Public Administration Building (inc. Police Station) at JVD	\$291,987.00
Unite BVI	147	Construct Temporary classrooms for ESHS	\$250,000.00
Government of the Virgin Islands	193	AG's Residence	\$218,726.24
FCDO	060	Halls of Justice - Phase 1 Magistrates Court (Planning)	\$187,550.00
Unite BVI	154	Temporary Housing (M&E for 15 Houses)	\$150,000.00
Government of the Virgin Islands	541	Jost Van Dyke School	\$150,000.00
FCDO	189	Marine Survey	\$146,678.00
Unite BVI	143	Recreation Facility on Anegada	\$140,000.00
Maples Group	147	Elmore Stoutt High School (Music Classroom)	\$100,000.00
Government of the Virgin Islands	542	Isabella Morris School	\$100,000.00

FCDO	179	VHF trunking network Design and Build	\$79,966.00
BVIOC	152	AO Shirley Grounds Repairs	\$75,000.00
BVIOC	152	AO Shirley Grounds Repairs	\$75,000.00
FCDO	192	Resilient Energy for Public Buildings - CGBS & JVDC Phase 2	\$74,000.00
FCDO	181	Road Town Police Station	\$70,000.00
Government of the Virgin Islands	181	Road Town Police Station	\$70,000.00
FCDO	192	Resilient Energy for Public Buildings - CGBS & JVDC Phase 1	\$70,000.00
FCDO	192	Resilient Energy for Public Buildings – LDPS	\$68,000.00
Unite BVI	151	Recreation Facility on Virgin Gorda (expanded scope CN3)	\$50,000.00
FCDO	181	Road Town Police Station	\$43,595.41
Unite BVI	108	Special Debris Clearance	\$42,000.00
Unite BVI	108	Special Debris Clearance	\$42,000.00
BVIAA	152	AO Shirley Grounds Repairs	\$30,000.00
Maples Group	147	Elmore Stoutt High School (Music Instruments)	\$28,000.00
Richard May	154	Temporary Housing (M&E for 15 Houses)	\$24,000.00
BVI Professional Firms	147	Construct Temporary classrooms for ESHS	\$21,204.07
CSL	122	ESHS Redevelopment	\$15,000.00
Maples Group	147	Elmore Stoutt High School (Music Instruments)	\$12,500.00
Unite BVI	147	Elmore Stoutt High School (Music Instruments)	\$4,260.00
Sensations Ferry	145	Bregado Flax Temporary Classroom Refurbishment	\$500.00
Sea It Clear	145	Bregado Flax Temporary Classroom Refurbishment	\$500.00
Mr. Nice Guy	145	Bregado Flax Temporary Classroom Refurbishment	\$500.00
TOTAL			\$60,169,825.28

Table 1: Detailed Cash Funding Contracted (as at 31 December 2021)

	Financial Institution	GoVI	UKG	NGO/NPO	Private Individual	Private Company	Grand Total
Contracted (100%)	\$45,219,777.74	\$11,534,061	\$2,355,522.23	\$858,260.00	\$24,000.00	\$178,204.07	\$60,169,825.28

Table 2: Summary Cash Funding Contracted (as at 31 December 2021)

In addition to cash contributions to projects, supporters of RDA projects also provided in-kind support, including community inputs and in-kind goods or services to support the delivery of RDA projects. The monetary value of these in-kind contributions has been estimated to quantify these inputs in comparable terms. The breakdown of the monetary value of these in-kind contributions is detailed in the Table below.

	GoVI	UKG	NGO/NPO	Private Company	Grand Total
Contracted (100%)	\$10,000	\$284,350	\$605,000	\$250,000	\$1,149,350

Table 3: Contracted In-Kind Contributions – Monetary Value

Illustrated in the following in figures (Figures 8 and 9), are the funding sources of the funds received by the RDA up to the end of 2021.

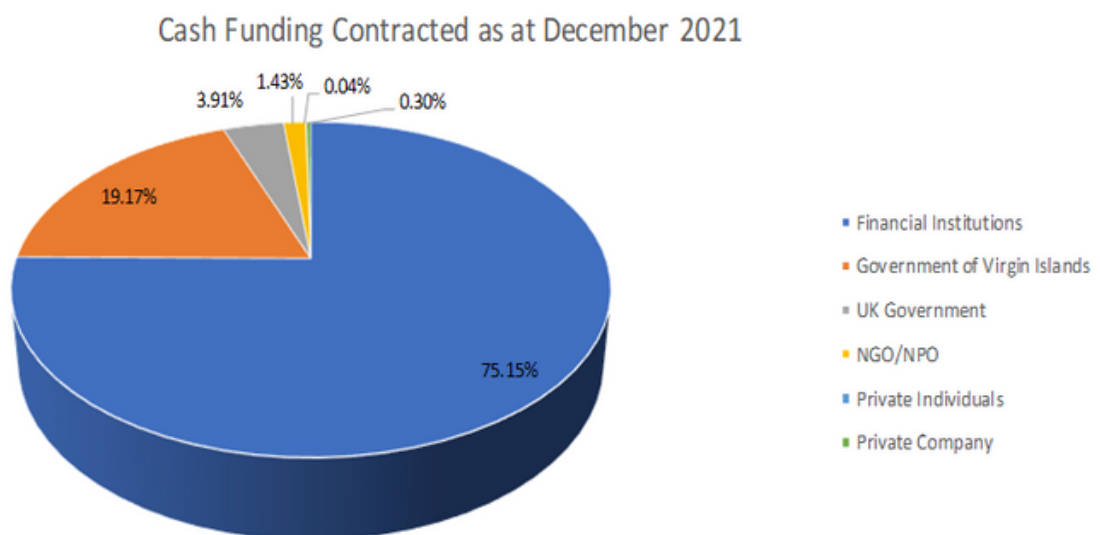


Figure 8: Cash Funding contracted as at 31 December 2021

In-kind Funding Contracted as at December 2021

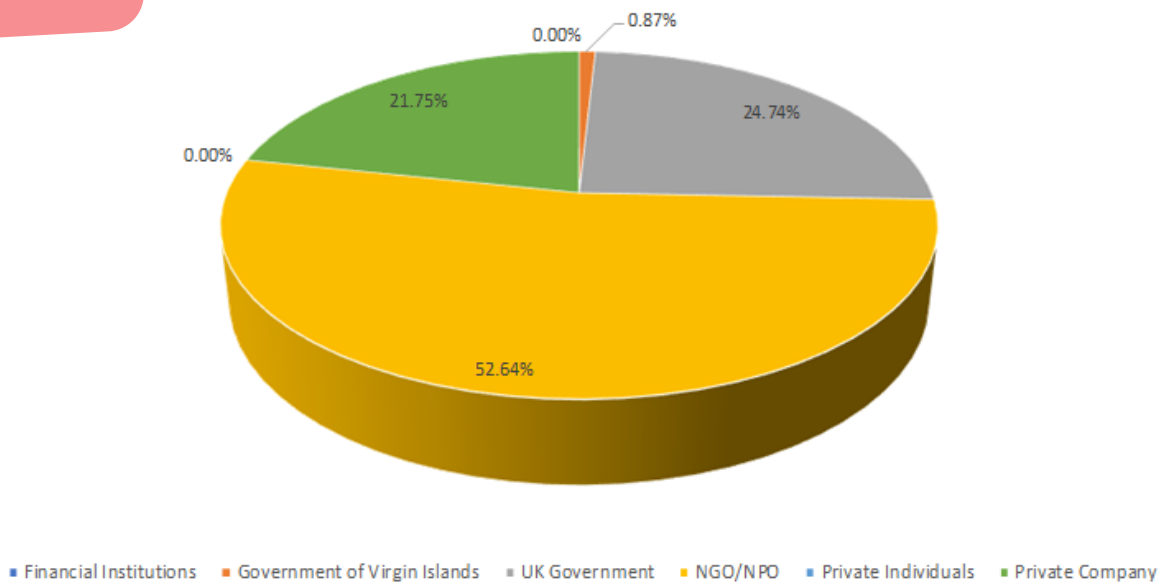


Figure 9: In-Kind Funding Contracted as at 31 December 2021

PROCUREMENT

A total of \$30.7M in contracts was committed at the end of December 2021, of which 94% relates to RDA commitments, while the remainder represents the novated contracts from the Ministry of Finance to the RDA. Additionally, 86% of contracts were awarded to local firms, 10% to international firms and 4% to regional firms. Please refer to the table and the chart below regarding the distribution of committed contracts.

Location	Contract Value Distribution (USD)	Percentage of Distribution
International	\$3,103,287.07	10.10%
Local	\$26,396,092.12	85.91%
Regional	\$1,227,543.88	4.00%
Grand Total	\$30,726,923.07	100.00%

Table 4: Committed Contracts by Location as at 31 December 2021

CONTRACTS COMMITTED FOR PROJECTS BY LOCATION AS AT 31-DEC-2021

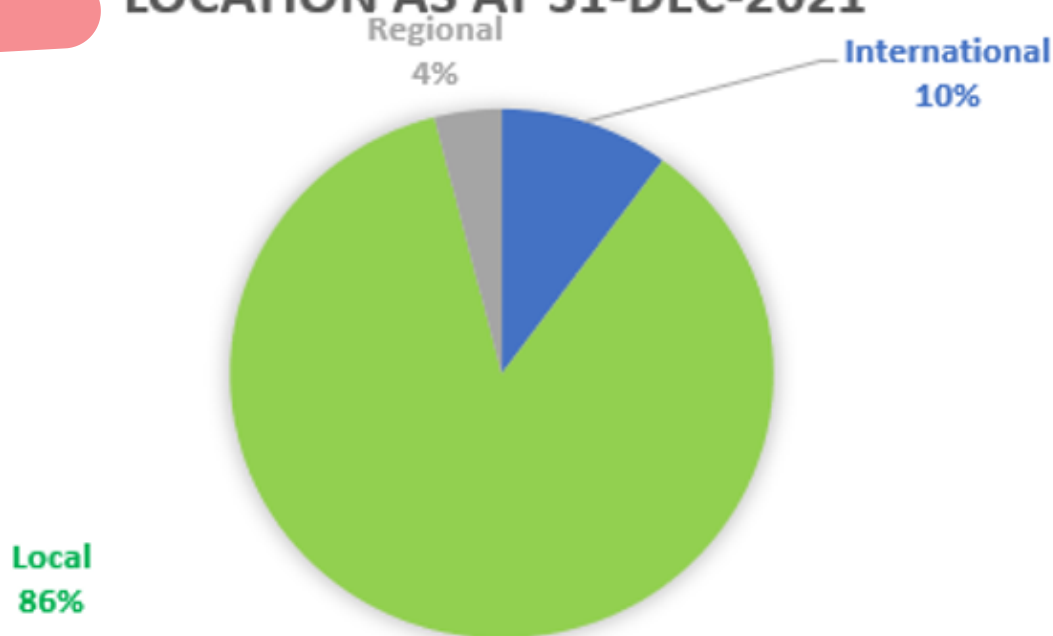


Figure 10: Committed Contracts by Location as at 31 December 2021

COMMUNICATIONS

In 2021, the Communications team was instrumental in coordinating and executing several major ceremonies. All the events produced good will for the agency with our only client, the Government of the Virgin Islands. Additionally, they added credibility, transparency, and openness to the RDA operations.

See listing below:

2021 Contract Signing Ceremonies		
1.	Repairs to Estate House #1 – formerly AG’s Residence	Thursday, 21 January, 2021
2.	Rubberized Resurfacing of the VG and Anegada Recreational Facilities	Tuesday, 16 February, 2021
3.	Repairs to the Theodolph Faulkner Administration Building	Tuesday, 16 February, 2021
4.	Repairs to the Marine Base, Fencing, Gates, and Drains	Tuesday, 2 March, 2021
5.	Repairs to the Anegada Perimeter Fence	Monday, 19 July, 2021
6.	Asphaltic Concrete Works – Six Sites	Monday, 19 July, 2021
7.	Design and Construction Management of the West End Ferry Terminal	Tuesday, 10 August, 2021
8.	Long Trench Slope Stabilisation and Road Rehabilitation	Tuesday, 10 August, 2021
9.	Waste Management Feasibility Study	Tuesday, 17 August, 2021
10.	Fish Bay Road Rehabilitation	Friday, 24 September, 2021
11.	ESHS Redevelopment	Thursday, 2 nd December, 2021
12.	Renewable Energy x3 Jeffrey Caines Sports Arena Road Town Police Station	Thursday, 16 th December, 2021

2021 Handover Ceremonies		
1.	Handover and Dedication Ceremony for the John E. George Sr. MBE Administration Building – formerly North Sound Admin Bldg.	Tuesday, 9 February, 2021
2.	Elmore Stoutt High School Steel Band – Donor initiative funded by Maples Group	Friday, 24 September, 2021
3.	Theodolph Faulkner Administration Building	Friday, 17 December, 2021
4.	Zion Hill Reservoirs	Monday, 8 November, 2021

Other Key Events		
1.	Tour of Project Sites with Transportation, Works, and Utilities Minister	Thursday, 25 February, 2021
2.	Training - PR News Virtual Crisis Management Conference	24 – 25 March, 2021
3.	PR Campaign – Launch of GRS System	Wednesday, 31 March, 2021
4.	Solar Inspections with BVIEC & TCP at Renewable Energy Facilities	10 – 12 May, 2021
5.	ESHS Stakeholder Engagement on Jr. School	24 – 26 May, 2021
6.	Community Meeting on JVD to present approved drawings for JVD School	Sunday, 22 August, 2021
	Stakeholder Consultations on West End ferry Terminal – 11 + engagements	24 – 27 August, 2022
3.	COP 26 Renewable Energy Presentation with His Excellency the Governor	Friday, 5 November, 2021
4.	Presentation to Rotary Club by Director of Strategy	Thursday, 28 October, 2021
8.	Numerous Site Visits and Bidder's Conference in support of RDA opportunities	2021
10.	Public Consultations for Fish Bay Road Rehabilitation	26 – 28 October, 2021

Table 5: 2021 Communications Events

MONITORING AND EVALUATION

1. MONTHLY REPORTS

For the year 2021, reports on project progress, communications, community engagement and funding were produced each month. These reports were approved by the Board prior to submission for review by the Premier's Office. Following this, all reports were distributed to stakeholders and published in the Document Library on the RDA's official website: www.bvirecovery.vg

2. M&E RESULTS FRAMEWORK

The focus of the Results Framework is centred around capturing the Outcome statements, and Outcome and Output indicators of all projects implemented by the RDA. This information is critical to understanding what the RDA is achieving through implementation of projects to the benefit of the people of the Territory, and in analysing the impact that the Agency is having (see project example in Snapshot below). Information from the Results Framework has been used to inform Monthly Reports and VfM Reports, as well as other publications on projects.

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY		PROJECT PERFORMANCE	SELECT PROJECT ID:	147	NAME: TEMPORARY SCHOOL UNITS			
Sector:	Cohesive and Empowered Society	Subsector Outcome Statement:	An education system that is modern and well-resourced, providing opportunities for a highly skilled, globally competitive population that can participate and contribute to a sustainable Virgin Islands economy.					
Subsector:	Education	Programme Outcome Statement:	Restored educational and recreational facilities that provide a safe and secure environment for learning and recreational activities.					
Programme:	Phase One, Education							
Output Indicators		Baseline	Planned	Achieved	Planned	Achieved	Planned	Achieved
EDU.OP.01.00	Number of temporary classrooms constructed or installed	Dec-18	Dec-19					
		-	4	4	-	-	-	-
EDU.OP.13.00	Average weekly instruction time	Dec-18	Sep-19					
		18	25	25	-	-	-	-
EDU.OP.19.00	Number of rooms and common areas improved	Dec-18	Sep-19					
		-	36	36	-	-	-	-
Outcome Indicators		Baseline	Planned	Achieved	Planned	Achieved	Planned	Achieved
EDU.OC.01.00	Proportion of students, by gender and by age group, in schools fully equipped with modern facilities to meet needs	Jan-19	Sep-19		Jan-20		Dec-21	
		7	50	57	70	61	90	-

Figure 10: Snapshot of the M&E Framework

In 2021, the M&E Results Framework was expanded to include schedule and financial information alongside results data, to facilitate analysis as well as refinement of the ProjectView Dashboard. Ideally, the ProjectView Dashboard would be linked to a central data management system in the RDA (such as ProMIS). In the absence of this, the Results Framework has been used to capture additional information which feeds the ProjectView and other results reports.

As well as financial, schedule and results information for all projects implemented by the RDA, the M&E Results Framework also houses some of this data for projects under the CDB RRL implemented by Central Government. In this way, the Framework can be used as a repository and reporting mechanism for the entire CDB RRL programme.

3. VALUE FOR MONEY (VFM) ASSESSMENTS AND REPORTS

A total of four (4) VfM Reports were produced for the following list of projects in 2021 as follows:

	Project	VfM Score
1	Marine Survey	72.5
2	Road Town Police Station	73.7
3	North Sound Administration Building	67.5
4	Flax Administration Building	75.0
	Average	72.2

Figure 11: VfM Report Completed in 2021

Reports containing the assessments of these individual projects were approved by the Board, published on the website, and included in the VfM Dashboard which presents data visualisation of the scores across the 4Es of VfM, as well as underlying information contextualising the scores.

4. DATA VISUALISATION THROUGH DASHBOARDS

The ProjectView, originally conceptualised in 2020, was further refined in 2021, linked to the M&E Results Framework, which as noted, was broadened to include financial and schedule information, as well as location coordinates and links to project pictures.



Figure 12: Front Page of the ProjectView Dashboard

The ProjectView is an interactive and informative tool for monitoring all projects implemented by the RDA, and includes project cost estimates, spend-to-date figures, original and amended schedules, project locations, project pictures, and results of all Value for Money assessments of completed projects.

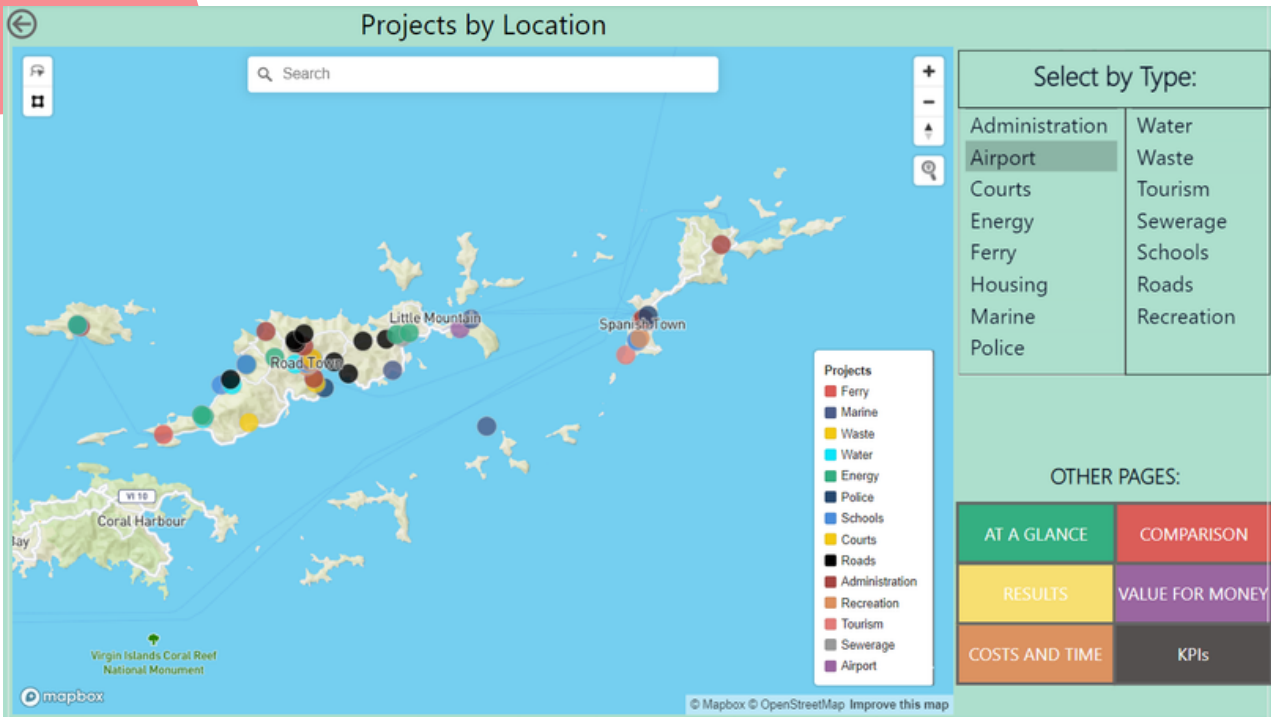


Figure 13: Project Location Page of the ProjectView Dashboard

Going into 2022, it is envisioned that with confirmation of the data housed in the ProjectView Dashboard, this valuable tool will be launched, thus assisting stakeholders to readily and seamlessly access information about projects implemented by the RDA.

HOW DID WE DO?

PERFORMANCE ANALYSIS

In order to maintain the strong governance principles that are fundamental to the RDA's existence, the RDA is expected to utilise an Implementation Schedule developed by the Agency in response to the Government of the Virgin Islands approved Recovery to Development Plan. The Implementation Schedule (IS) is also expected to be approved by the Cabinet as the RDA's workplan to successfully implement the RDP. Unfortunately, since its inception the Implementation Schedule has not been approved. It is however, used as the guide for the RDA to determine how to sequence the programmes and activities it embarks upon.

As well as demonstrating the projects that the RDA was able to implement in 2021 and their results for the people of the Virgin Islands (Project Implementation in Focus section of this Report), it is also important to consider how the RDA's implementation progress relates to the benchmark of the Implementation Schedule.

Following the onset of the COVID-19 pandemic, in light of increased demands on resources, the Government of the Virgin Islands was required to consider the programmes and projects it could undertake and reprioritise these based on available funding. In this context, the RDA only received funding for a subset of projects within the Implementation Schedule. Therefore, this section of the Report analyses the RDA's performance against those projects from the Implementation Schedule for which it received funding, and which were to be completed in 2021. Additionally included is an analysis of the Agency's progress in implementing all of the projects contained in the Implementation Schedule.

The Tables below thus demonstrate RDA's performance against funded projects from the Implementation Schedule which should have been completed in 2021 (Table 6: Scorecards for 2021), as well as the RDA's progress thus far in implementing all of the projects in the Implementation Schedule (Table 7: Implementation Progress).

Of the twenty-five (25) funded project activities within the Scorecards for 2021, twenty (20) of these have been completed and the remaining five (5) are in progress (Table 6: Scorecards for 2021), demonstrating that the RDA has implemented 80% of the funded projects which were to have been completed in 2021.

In terms of overall implementation progress, of all sixty-six (66) of the projects in the Implementation Schedule (plus a number of projects which were completed but not part of the Implementation Schedule), thirty (30) of these have been completed, an additional fifteen (15) are in progress, and the remaining twenty-one (21) have either not been started or have been placed on-hold. These figures demonstrate that as at the end of December 2021, the RDA has implemented or is in the process of implementing sixty-eight percent (68%) of all projects within the Implementation Schedule (Table 7: Implementation Progress).

SCORECARDS

Funded Projects from Implementation Schedule for 2021 ROADS	Project Status (End of 2021)			Value for Money Score
	Completed	In Progress	Not Started	
Ballast Bay/Windy Hill	✓			100/100
Great Mountain 1	✓			78.95/100
Great Mountain 2	✓			
Hope to Sabbath Hill	✓			73.68/100
Little Dix Hill	✓			
Bob's Gas Station	✓			TBD
Long Trench		✓		
Fish Bay		✓		
Percentage of Roads Interventions for 2021 Completed	75%			

Funded Projects from Implementation Schedule for 2021 WATER AND SEWERAGE	Project Status (End of 2021)			Value for Money Score
	Completed	In Progress	Not Started	
Carrot Bay Reservoirs and Metering	✓			TBD
Long Bush Reservoirs and Metering	✓			
Zion Hill Reservoirs and Metering	✓			
Percentage of Water and Sewerage Interventions for 2021 Completed	100%			

Funded Projects from Implementation Schedule for 2021 GOVERNMENT BUILDINGS & SYSTEMS	Project Status (End of 2021)			Value for Money Score
	Completed	In Progress	Not Started	
Vanterpool Administration Building	✓			92.5/100
Anegada (Theodolph Faulkner) Administration Complex	✓			84.21/100
Flax Administration Building	✓			75/100
North Sound (John George) Administration Building	✓			67.5/100
Jost Van Dyke Administration Building	✓			65/100
Percentage of Government Buildings and Systems Interventions for 2021 Completed	100%			

Funded Projects from Implementation Schedule for 2021 SECURITY & SAFETY FOR ALL	Project Status (End of 2021)			Value for Money Score
	Completed	In Progress	Not Started/ On Hold	
Anegada Police Station	✓			84.21/100
Road Town Police Station	✓			73.68/100
Marine Base		✓		
Percentage of Security & Safety for All Interventions for 2021 Completed	67%			

Funded Projects from Implementation Schedule for 2021 EDUCATION (SCHOOLS)	Project Status (End of 2021)			Value for Money Score
	Completed	In Progress	Not Started	
Bregado Flax Educational Centre	✓			72.5/100
Percentage of Education (Schools) Interventions for 2021 Completed	100%			

Funded Projects from Implementation Schedule for 2021 RECREATION	Project Status (End of 2021)		
	Completed	In Progress	Not Started/ On Hold
VG Sports Complex		✓	
AO Shirley Recreation Grounds		✓	
Percentage of Recreation Interventions for 2021 Completed	0%		

Funded Projects from Implementation Schedule for 2021 RENEWABLE ENERGY	Project Status (End of 2021)			Value for Money Score
	Completed	In Progress	Not Started/On Hold	
Leonora Delville Primary School	✓			TBD
Ivan Dawson Primary School	✓			
Jost Van Dyke Clinic	✓			
Percentage of Renewable Energy Interventions for 2021 Completed	100%			

Table 6: Scorecards for 2021

Implementation Scorecard 2021

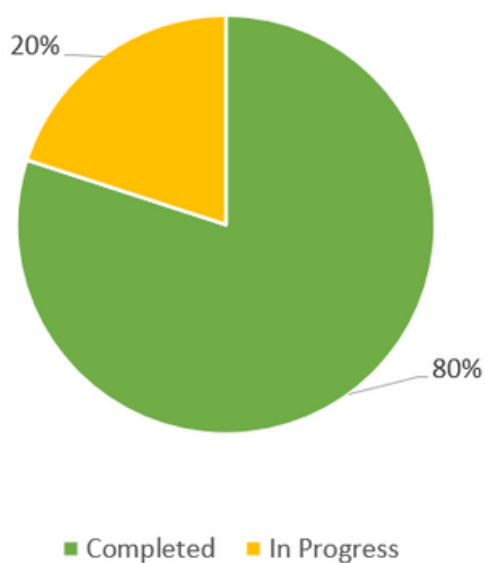


Figure 14: Implementation Scorecard 2021

Project Expenditure by Sector for Projects completed in 2021

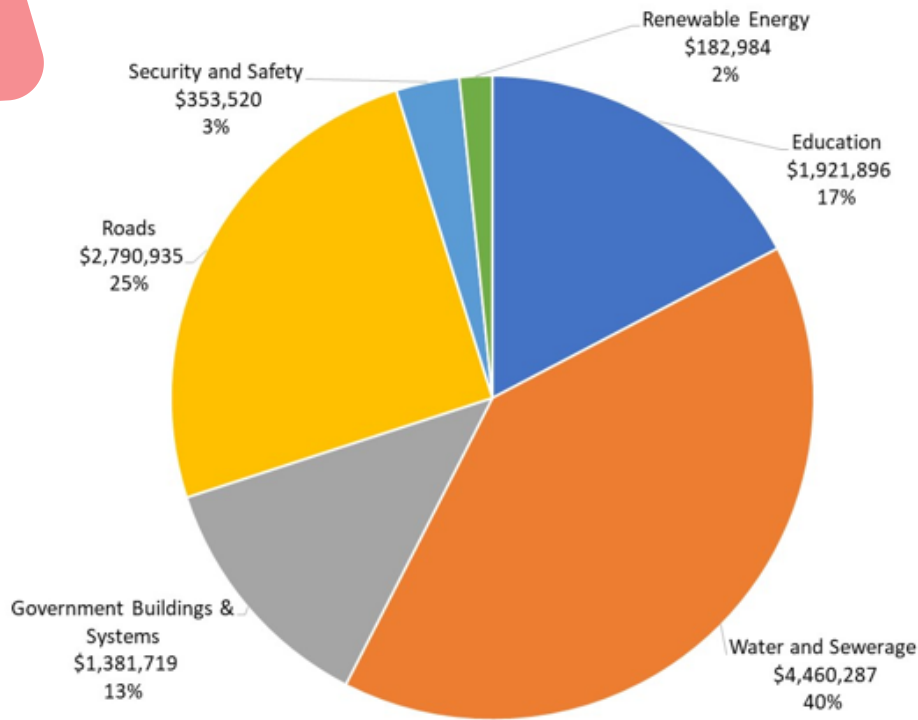


Figure 15: Sectoral distribution of projects completed in 2021

IMPLEMENTATION PROGRESS

PROGRESS ON IMPLEMENTING ALL PROJECTS IN IMPLEMENTATION SCHEDULE - (SCHEDULE ENDS IN 2023)

KEY:

	Not in Implementation Schedule
Based on Implementation Schedule, to be completed:	
	Before 2021
	In 2021
	After 2021

All Projects from Implementation Schedule ROADS	Project Status (End of 2021)			Value for Money Score
	Completed	In Progress	Not Started	
Ballast Bay/Windy Hill	✓			100/100
Great Mountain 1	✓			78.95/100
Great Mountain 2	✓			
Hope to Sabbath Hill	✓			73.68/100
Little Dix Hill	✓			
Bob's Gas Station	✓			
Long Trench		✓		
Fish Bay		✓		
Brewers Bay to Luck Hill Road			✓	
Joe's Hill Road			✓	
Nail Bay Road VG			✓	
Johnson's Ghut Road			✓	
Sebastian's by the Sea to Long Bay Road			✓	
Cane Garden Bay Road from Soldier's Hill to the Wedding			✓	
Territorial Retaining Structures			✓	
Percentage of all Roads Interventions Completed	40%			

All Projects from Implementation Schedule WATER & SEWERAGE	Project Status (End of 2021)			Value for Money Score
	Completed	In Progress	Not Started	
Carrot Bay Reservoirs and Metering	✓			TBD
Long Bush Reservoirs and Metering	✓			
Zion Hill Reservoirs and Metering	✓			
Upgrade and expand water supply and distribution network			✓	
Percentage of all Water & Sewerage Interventions Completed	75%			

All Projects from Implementation Schedule SEA PORTS	Project Status (End of 2021)			Value for Money Score
	Completed	In Progress	Not Started/ On Hold	
Sea Markers	✓			80/100
Anegada Setting Point Jetty			✓	
Jost van Dyke Port			✓	
West End Ferry Terminal		✓		
Percentage of all Sea Ports Interventions Completed	25%			

All Projects from Implementation Schedule GOVERNMENT BUILDINGS & SYSTEMS	Project Status (End of 2021)			Value for Money Score
	Completed	In Progress	Not Started	
Vanterpool Administration Building	✓			92.5/100
Anegada (Theodolph Faulkner) Administration Complex	✓			84.21/100
Flax Administration Building	✓			75/100
North Sound (John George) Administration Building	✓			67.5/100
Jost Van Dyke Administration Building	✓			65/100
Environmental Health and Department of Waste Management Building			✓	
Percentage of all Government Buildings & Systems Interventions Completed	83%			

All Projects from Implementation Schedule SECURITY & SAFETY FOR ALL	Project Status (End of 2021)			Value for Money Score
	Completed	In Progress	Not Started/ On Hold	
Anegada Police Station	✓			84.21/100
Road Town Police Station	✓			73.68/100
Marine Base		✓		
VHF Trunking Network			✓	
Judges and Attorney General's Residences		✓		
Halls of Justice		✓		
Police Headquarters			✓	
Percentage of all Security & Safety for All Interventions Completed	29%			

All Projects from Implementation Schedule EDUCATION (SCHOOLS)	Project Status (End of 2021)			Value for Money Score
	Completed	In Progress	Not Started	
ESHS Demolition	✓			100/100
ESHS Temporary Classrooms and CTL Improvements	✓			75/100
BFJS Internal Walls	✓			50/100
Bregado Flax Educational Centre	✓			72.5/100
Eslyn Henley Richez School		✓		
Jost Van Dyke Primary School		✓		
Elmore Stoutt High School Rehabilitation		✓		
Isabella Morris School			✓	
Percentage of all Education (Schools) Interventions Completed	50%			

All Projects from Implementation Schedule RECREATION	Project Status (End of 2021)		
	Completed	In Progress	Not Started
VG Sports Complex		✓	
AO Shirley Recreation Grounds		✓	
Anegada Recreation Grounds		✓	
Restoration of public recreational facilities Territory-wide		✓	
Percentage of all Recreation Interventions Completed	0%		

All Projects from Implementation Schedule HOUSING	Project Status (End of 2021)			Value for Money Score
	Completed	In Progress	Not Started/ On Hold	
Housing Repairs	✓			70/100
Temporary Housing	✓			50/100
Social Housing			✓	
Percentage of all Housing Interventions Completed	50%			

All Projects from Implementation Schedule WASTE AND DEBRIS MANAGEMENT	Project Status (End of 2021)			Value for Money Score
	Completed	In Progress	Not Started/ On Hold	
Special Debris Clearance	✓			64.71/100
Incinerator Dismantling	✓			73.68/100
Relocate Tortola Landfill		✓		
Solid Waste Management		✓		
Percentage of all Housing Interventions Completed	50%			

All Projects from Implementation Schedule TOURISM	Project Status (End of 2021)			Value for Money Score
	Completed	In Progress	Not Started/ On Hold	
VG Baths	✓			60.53/100
Visitor centres and concessions Territory-wide			✓	
Derelict Marine Vessels			✓	
Copper Mine Point Ruins			✓	
Percentage of all Tourism Interventions Completed	25%			

All Projects from Implementation Schedule FISHING	Project Status (End of 2021)		
	Completed	In Progress	Not Started/ On Hold
Reconstruct Fisherfolks Docks Territory-wide			✓
Percentage of all Fishing Interventions Completed	0%		

All Projects from Implementation Schedule MUSEUMS AND LIBRARIES	Project Status (End of 2021)		
	Completed	In Progress	Not Started/ On Hold
Central Library and Territorial Archives Unit			✓
Restore Museums, Historical and Heritage Sites			✓
Percentage of all Museums and Libraries Interventions Completed	0%		

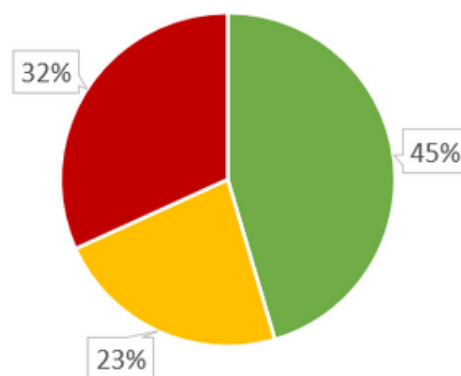
All Projects from Implementation Schedule ENVIRONMENT	Project Status (End of 2021)			Value for Money Score
	Completed	In Progress	Not Started/ On Hold	
Marine Survey	✓			72.5/100
Leonora Delville Primary School – Renewable Energy	✓			TBD
Ivan Dawson Primary School – Renewable Energy	✓			
Jost Van Dyke Clinic – Renewable Energy	✓			
Percentage of all Environment Interventions Completed	100%			

OVERALL PROJECT IMPLEMENTATION PROGRESS

STATUS OF PROJECTS FROM IMPLEMENTATION SCHEDULE, ETC.

Completed	30	45.5%
In Progress	15	22.7%
Not Started/On Hold	21	32.3%
TOTAL	66	

Project Implementation Progress



■ Completed ■ In Progress ■ Not Started/On Hold

Figure 16: Project Implementation Progress



TESTIMONIALS

CONTRACTORS

”

Our experience working with RDA has been great. We have had the opportunity to deliver projects for the agency on Tortola, Jost Van Dyke, Anegada and Virgin Gorda. RDA to us believes in capacity building, transparency, teamwork, a committed effort to rebuild our territory while allowing contractors and firms like No Limit Construction to advance and grow within the Territory. The learning experience is my biggest take away from the RDA, in particularly the workshops and the opportunity to work alongside experienced project managers and engineers.



”

The name of my company is Quality Construction Limited. We have been interacting with the Recovery and Development Agency (RDA) as an entity over the last four years. To date, we have tendered on most of the projects which have been offered by the agency, from roadworks to schools.

For the most part, the RDA has aptly demonstrated rigorous application of CDB-based and/or NEC-based tendering procedures and contractual arrangements during the procurement process. We are certainly pleased to have been able to partner with the Agency in furthering the development of the infrastructure in the British Virgin Islands. Quality Construction Ltd. looks forward to continue to work alongside the agency in high regards and therefore expects the Agency to adhere to the principles of good governance, legal certainty, fairness, and impartiality in its tendering and subsequent decision making processes.

We would also want to take this opportunity to extend our well wishes to the Staff and Management of the Recovery and Development Agency, in their future project deployments.



”

Our experience with the RDA has been nothing but rewarding. Our company has benefited greatly from the many procurement training sessions held by the agency over the years. Their training has taken our company to the next level.

The agency has continuously held a very high standard of quality during the procurement and post contract process. We can attest to their full transparency and accountability from contract award to contract completion. The RDA has positively impacted the construction industry within the territory by taking local firms one step closer to bidding in the international arena.



INTERNS

”

From my high school to college years, I was always advised to choose a career/job that makes me want to wake up in the morning to work; something that I enjoyed doing.

Working at the Recovery and Development Agency made me understand what exactly that meant. An internship that was meant to be 3 months turned into 6 months because I was allowed to grow which contributed to the Agency. Working in two departments, Finance and Procurement, would seem to be a lot but because of the wonderful supervisors I had, John and Maxine, it was worthwhile. They took me under their wings and not just taught me their field but also other necessary things I would need for future jobs. The RDA is a learner friendly environment. The staff is incredible. They make you feel like family starting from the CEO, Anthony McMaster. My experience at the Recovery and Development Agency has molded me for the position I am at today. - **Jonel Lacy, 2021 Intern**



”

I had the privilege of interning with the RDA in October 2021 for 6 months with the Project Delivery Department. My experience was one that solidified my decision to continue progressing in construction and project management. It was one filled with learning, excitement, and responsibility.

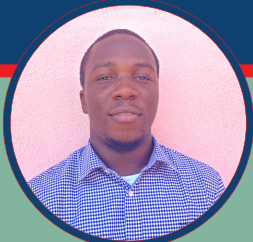
In my opinion, the best part about the internship was the level of independence I was given. As an intern, I was practically assigned my own project to plan and execute, with the aid of my coworkers. I got the opportunity to lead meetings, sit in on stakeholders' and contractors' meetings, and because of that, I will leave with more confidence than I arrived with. Second to that, the staff of the agency was very welcoming and supportive, specifically, the PDD department who I interned with. They encouraged me to delve deeper into various roles to develop an understanding of how the agency works as an entity.

Overall, I am extremely grateful for the opportunity that was given, because as a regular civilian, seeing projects being executed, you often wonder 'Why is this?' or 'Why is that?' Now that I have partaken in this internship, I can now answer those questions on my own. This internship is definitely something I would participate in again. - **Retal Young, 2021 Intern**



”

The internship at the RDA was a beneficial experience that helped me gain a greater understanding and hands on experience in the field of Project Management. The best part of the experience was the opportunity to work alongside professionals in the field and join them in visiting various projects that the RDA was working on at the time. My supervisor ensured that I was involved in a range of tasks throughout the day to give me a better understanding of what to expect after completing my tertiary education. I hope that this programme continues as the youth of our territory can benefit from the experience of working in the field of project management with professionals who practice the latest concepts and use best practices. At the very least, the experience will help them in making their career choice in project management or related areas. - **Kaleb Dawson, 2021 Intern**



FINANCIAL SUMMARY

(FINANCIAL POSITION AS AT 31ST DECEMBER 2021)

The Financial Statements of the RDA are subject to audit by external auditors, BDO (BVI) Limited. The audit engagement is conducted in accordance with International Standards on Auditing. The financial statements, accounting policies and system for financial governance form part of the audit review process.

The Audited Financial Statements of the RDA and accompanying Audit Report for the financial year ended 31st December 2021 are attached as Appendix I.

VALUE FOR MONEY

Value for Money (VfM) is an essential component for implementation processes of the Agency. Assessments of VfM provide an essential tool for determining the efficacy of the Agency and its practices, as well as the efficiency and effectiveness of our staff. The RDA continually investigates methods through which we can become more efficient in execution of our RDP mandate, and as a result we continuously assess implementation and chart ways for continual improvement.

VfM Assessments are conducted for all completed projects implemented by the RDA. Overall, these assessments have demonstrated continued successful achievement of Output and Outcome Effectiveness, demonstrating that the RDA has been able to achieve results in terms of producing outputs as assigned, and that these outputs have broadly led to larger outcomes in the community, at a high level of Quality. Where Equity was considered, the RDA has been able to meet equity goals for disaggregated groups, including by gender, age, and disability status. There is room for improvement in terms of the overall Economy and Efficiency performance of the Agency however, with some overruns noted in costs as well as time.

In terms of costs, based on the assessments conducted, performance against budget estimates was less successful than performance against relevant cost benchmarks (Cost Efficiency had a higher average score than Economy). On the time front, performance against time benchmarks was less successful than against established schedules, with the Schedule score better than the Time Efficiency average scoring.

It should be noted that the effects of the ongoing global COVID-19 pandemic have continued to directly affect efforts of the RDA in implementing the Government's recovery and development programme. Some level of adjustment has been made in relevant VfM Assessments and Reports for direct timing impacts due to COVID-19, however indirect influences are more difficult to explain.

Overall lessons identified through the VfM Assessments and Reports have included the need for more extensive planning processes to better anticipate user requirements, and improved time management to propel efficiency gains. Results of the assessments have been discussed internally and at the Board level. Over time, the RDA's average Value for Money score has generally improved (Figure 16: Value for Money Scores over Time), reflecting implementation of lessons learned through the project execution and evaluation processes.

The Figure that follows illustrates the trend in the value for money assessments on projects over time.

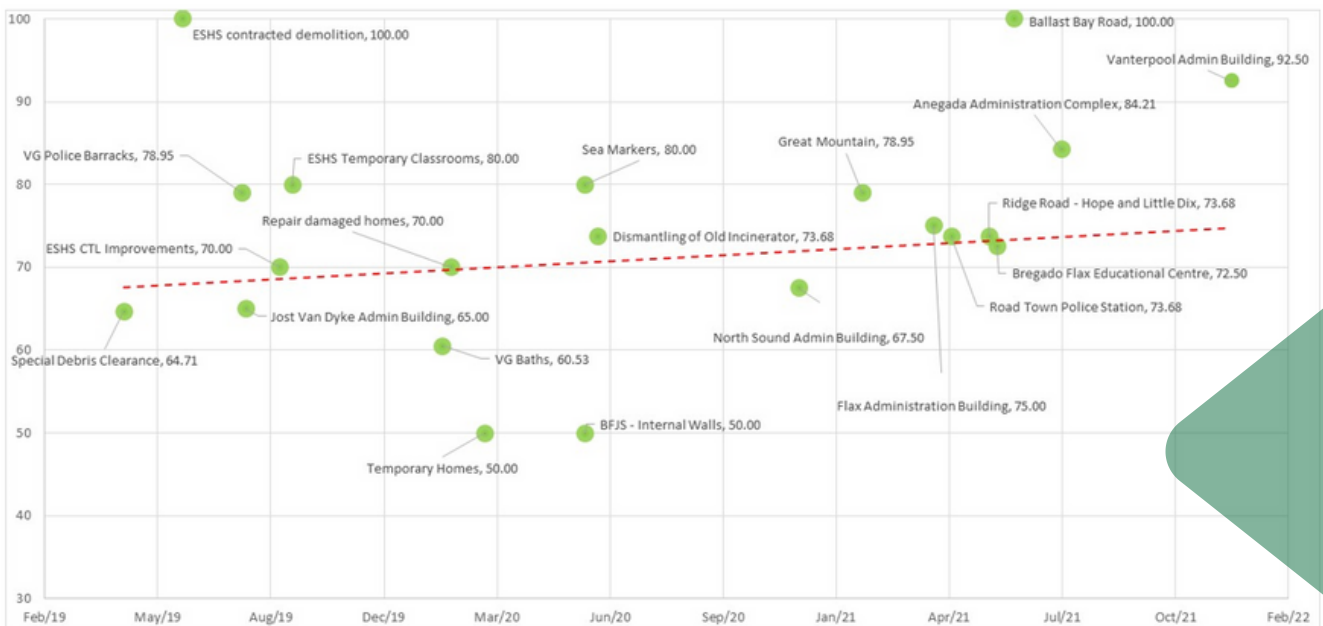


Figure 17: - Trend of Value for Money Scores of Projects completed by the RDA

Over the course of the life of the RDA, there has been a trend upward in the value for money assessments done on the projects it completes (Figure 17). Another important metric in determining the efficacy of the RDA is its relative costs when compared to the project portfolio that it implements (Figure 18).

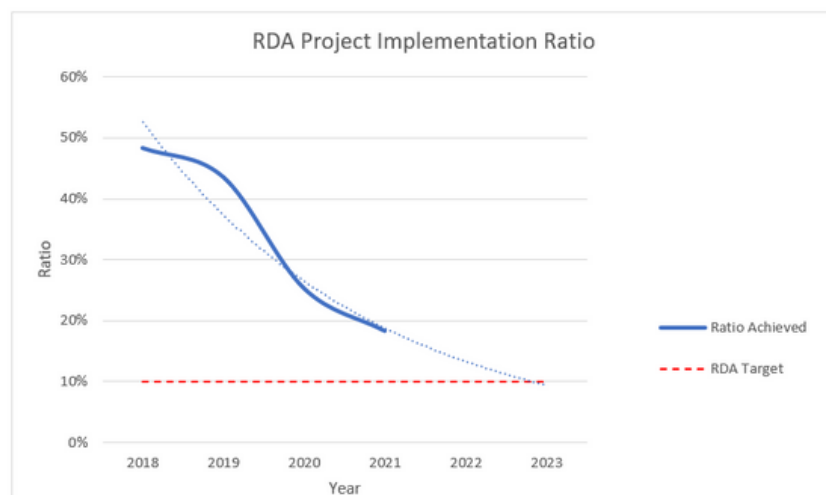


Figure 18: Operational Cost of RDA vs Value of Projects implemented

Based on the current performance trends of the RDA, it is expected that if continued, operational efficiency efforts will continue to result in improvements. Coupled with portfolio growth of the RDA the target ratio of capital expenditure to operational expenses (10%) is expected to be met by 2023.

CHALLENGES

The RDA concept is a new one to the Virgin Islands, and despite being in existence since 2018, many of the challenges the RDA faces as an institution come from a lack of homogeneous understanding by its stakeholders of the role that RDA is expected to fulfil, and how we have been mandated to fulfil that function. As an autonomous body, the RDA has its own internal governance structures. We thus answer to the Government of the Virgin Islands in respect to our strategic outputs. These outputs (projects) are articulated by the Government, and it is on the implementation of these outputs, and the efficiency, transparency, and quality at which they are achieved, that the RDA is assessed.

Stakeholders may not be fully aware of the modalities through which the RDA operates. As a result, one main challenge which the RDA encounters involves being held to account for matters for which we are not responsible.

STRATEGIC PLANNING

Beyond the daily administrative and operational challenges associated with the running of most enterprises staffed by professionals and interfacing with the public, the greatest challenge for the RDA has been receiving confirmation of the interpretation of the strategic goals from Central Government expressed through the Recovery and Development Plan. This confirmation is expected to be communicated through the Implementation Schedule (the RDA's approved workplan, based on the RDP), and although produced by the RDA, the IS has never been approved by the Government of the Virgin Islands.

The Implementation Schedule is expected not only to provide specific guidance to the RDA on the prioritisation of projects, and certainty for the budget process in Central Government itself, but is also an essential component providing for transparency by the Government of the Virgin Islands in the implementation of its recovery plans. Further, the ambiguity of what will be required of the RDA into the future makes planning difficult, and consequentially the RDA has been accepting and executing projects in recent years (following the initial unofficial Implementation Schedule and CDB procurement plan) on an ad-hoc basis. This ad-hoc assignment of projects also makes it difficult for the RDA to assess its performance against clearly articulated objectives of the Government of the Virgin Islands. Prevailing uncertainties materially undermine the efficiency and effectiveness at which the RDA can operate, including the veracity of our fundraising mandate.

PROCUREMENT RULES AND OPERATIONAL GUIDELINES

The RDA has been quite strict with procurement rules in addition to following clear operational guidelines. The principle behind this is to build capacity and confidence in our operations within and outside the RDA by normalising these policies and guidelines through regular practice. Unfortunately, lack of understanding of policies and procedures and the decisions associated with them are often interpreted as prejudicial against the unprepared or uninformed stakeholder, when in fact the purpose is to level the playing field through transparency and equitable application of principles.

ASSIMILATION OF DATA PRODUCED BY THE RDA BY STAKEHOLDERS

The RDA produces a number of reports on a monthly and quarterly basis for its stakeholders, including a monthly report on the activities of the RDA, financial reports to the Ministry of Finance, and project reports to client Ministries. Some of these reports are available to the general public. However, experience has shown that the data contained within reports are seemingly not adequately assimilated by stakeholders to whom they are addressed, resulting in the RDA having to produce information on request to stakeholders that has already been provided to them through regular reporting processes.

In addressing the challenges outlined above, the RDA will seek to have an updated Implementation Schedule approved by Central Government in the coming months which will provide greater certainty, while also improving communication about our procurement and reporting processes towards promoting a greater level of understanding by all of our stakeholders.

LOOKING FORWARD

The RDA will continue on its route of continuous improvement in its operational and capital investment activities. Following is a list of the interventions that we plan to make in pursuit of the goals set out in the Territory's Recovery and Development Plan for 2022:

PLANS FOR 2022:

Activity	Sector	Relevant Outcome
Elmore Stouff High School Redevelopment	Cohesive and Empowered Society	An education system that is modern and well-resourced, providing opportunities for a highly skilled, globally competitive population that can participate and contribute to a sustainable Virgin Islands economy.
Rehabilitation of Jost Van Dyke School		
West End Ferry Terminal	Resilient Infrastructure	Rehabilitated and expanded port facilities and services throughout the Territory.
Terrance B. Lettsome International Airport Design update		Enhanced airports that provide easier and greater air access to the Virgin Islands.
Fish Bay Road		High quality road network and coastal defenses with resilient designs based on climate risk factors, flood risk mapping, and supplies from recycled materials
Marine Base	Good Governance	Provision of safety, security and rights of our people and strengthened borders through law enforcement capability, resources and engagement.
Restore the Judges' and the Attorney General's residences		
Relocation of Pockwood Pond Landfill	Waste and Debris Management	Comprehensive waste management with effective waste collection and disposal
Procurement/Project management Workshops and Internships	Capacity Building	Firms trained to improve tender submissions, <u>project</u> and business management skills; and young professionals exposed to practical fields.

Table 8: Planned Interventions for 2022

RISK MANAGEMENT

The RDA proactively monitors and manages risks on a continuous basis to promote the efficient management of the organisation and to mitigate against financial loss. We do this by developing a risk management matrix which outlines the risks being faced by the Agency, and the various Divisions within. Each component within the RDA has its own unique risk matrix which feeds into the overall comprehensive risk matrix of the Agency. It is only the risks that are beyond the capacity afforded to the respective Divisions that are escalated to higher levels, as it is expected that each Division will actively manage its risk profile. Following is a summarised risk matrix for the RDA as at the end of 2021:

Cause	Event	Consequence	Pre-mitigation assessment	Post-mitigation Assessment
RDA operational budget not fully approved	The 2021 RDA operational budget not fully funded	Operational costs of RDA cannot be met	HIGH	LOW
Insufficient funds in RDA required to have capital	RDA draws down on capital account based on cash flow forecast	Loss of interest from funds in the Recovery Fund	LOW	VERY LOW
Implementation Schedule not approved	The RDA has not been able to secure approval for the Implementation Schedule	Projects would not be able to be completed if required funds are not available	HIGH	LOW
The scope of the Eslyn Henley Richez Learning Centre Project defined, after the initial budget was set out in the 2020 Procurement Plan.	The scope has the potential to cost significantly more than the allowable funding in the Procurement Plan.	Reputational damage to RDA reputation. Financial; may affect ability to complete other projects	HIGH	MEDIUM
Fish Bay Road rehabilitation.	Disgruntled public complaining of traffic and business disruption	Reputational damage to the RDA Financial - loss because of mitigation effort costs	VERY HIGH	MEDIUM
RDA completing all projects that have funding allocated to them	RDA will soon run out of funded projects to implement	The RDA unable to treat with the potential stated obligations	HIGH	HIGH - MEDIUM
Delay in moving the Magistrate's Court prohibits the start of Eslyn Henley project	Delay / Suspension of Learning Centre for Disability	Reputational damage to the RDA	VERY HIGH	HIGH

Figure 19: Risk Matrix as at 31 December 2021

CONCLUSION

As an Agency, the RDA has continued to focus our efforts on the effective and efficient implementation of the Recovery to Development Plan produced by the Government of the Virgin Islands in 2018 and subsequently revised in 2019. This report provides an assessment of the RDA's 2021 performance in executing our mandate which also includes capacity building and funding. This report has also identified the primary challenges that we have faced as an organisation, and our strategies to address these going forward.

This annual report has provided evidence demonstrating the RDA's conformance to our required governance and transparency principles, and even more importantly, this report provides clear evidence that it is very possible and beneficial to adhere to these principles in the execution of public business, in the interest of the people of the Virgin Islands.

***APPENDIX I – AUDITED FINANCIAL
STATEMENTS (2021)***

**Virgin Islands Recovery and
Development Agency**

Audited Financial Statements

For the Year Ended December 31, 2021

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

For the Year Ended December 31, 2021

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British Virgin Islands

Independent Auditor's Report

Virgin Islands Recovery and Development Agency
Tortola, British Virgin Islands

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Virgin Islands Recovery and Development Agency (the "Agency"), which comprise of the statement of financial position as at December 31, 2021, and the statement of comprehensive income, statement of changes in reserves and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Agency as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Agency in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Board is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Agency or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Agency's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Tortola, British Virgin Islands
November 4, 2022

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Statement of Financial Position

As at December 31, 2021

(Expressed in United States Dollars)

	Notes	2021 \$	2020 \$
ASSETS			
Non-current assets			
Property and equipment, net	4	130,233	406,493
Total non-current assets		130,233	406,493
Current assets			
Prepayments and deposits		138,201	133,351
Fixed deposit	6	10,060	10,060
Cash and cash equivalents	5	444,261	2,523,536
Total current assets		592,522	2,666,947
TOTAL ASSETS		722,755	3,073,440
LIABILITIES			
Non-current liabilities			
Lease financing	9	-	209,984
Total non-current liabilities		-	209,984
Current liabilities			
Trade and other payables	7	887,133	1,744,935
Lease financing	9	-	84,626
Lease liability	9	-	75,075
Total current liabilities		887,133	1,904,636
TOTAL LIABILITIES		887,133	2,114,620
Reserves			
Unrestricted		306,097	342,592
Restricted		(470,475)	616,228
TOTAL RESERVES		(164,378)	958,820
TOTAL LIABILITIES AND RESERVES		722,755	3,073,440

Approved on Behalf of the Board



Chairman

31/10/2022

Date

The accompanying notes form an integral part of these financial statements

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Statement of Comprehensive Income
For the Year Ended December 31, 2021
(Expressed in United States Dollars)

	Notes	2021 \$	2020 \$
UNRESTRICTED RESERVES			
Revenues			
UK Government Operations Funding	8	300,000	1,221,775
BVI Government Operations Funding	8	1,783,000	1,200,000
Interest income	8	957	1,247
TOTAL REVENUES		2,083,957	2,423,022
Expenses			
Staff costs	10	830,499	934,706
Administrative expenses	11	1,247,354	1,801,257
Depreciation and lease amortisation	4	42,599	385,393
Finance costs	9	-	29,034
TOTAL EXPENSES		2,120,452	3,150,390
DEFICIT FROM UNRESTRICTED RESERVES		(36,495)	(727,368)
RESTRICTED RESERVES			
Revenues			
UK Government Programme Funding	8	761,763	-
BVI Government Programme Funding	8	600,158	1,193,237
CDB Programme Funding	8	7,136,865	7,165,424
Donor Funding	8	15,000	14,000
Interest income	8	868	3,741
TOTAL REVENUES		8,514,654	8,376,402
Expenses			
Programme expenses	8, 12	2,324,141	1,948,110
CDB Programme expenses	8, 13	7,277,216	7,359,406
TOTAL EXPENSES		9,601,357	9,307,516
DEFICIT FROM RESTRICTED RESERVES		(1,086,703)	(931,114)
TOTAL COMPREHENSIVE LOSS		(1,123,198)	(1,658,482)

The accompanying notes form an integral part of these financial statements

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Statement of Changes in Reserves For the Year Ended December 31, 2021 (Expressed in United States Dollars)

	Opening balance \$	Surplus (Deficit) for the period \$	Closing balance \$
2021:			
Unrestricted reserves			
UK Government operations funding reserve	384,337	-	384,337
BVI Government operations funding reserve	(41,745)	(36,495)	(78,240)
Total	342,592	(36,495)	306,097
Restricted reserves			
BVI Government Programme funding reserve	89,859	(1,096,140)	(1,006,281)
UK Government Programme funding reserve	702,091	134,788	836,879
CDB Programme funding reserve	(193,982)	(140,351)	(334,333)
Donor funding reserve	18,260	15,000	33,260
Total	616,228	(1,086,703)	(470,475)
	958,820	(1,123,198)	(164,378)
2020:			
Unrestricted reserves			
UK Government operations funding reserve	751,920	(367,583)	384,337
BVI Government operations funding reserve	318,040	(359,785)	(41,745)
Total	1,069,960	(727,368)	342,592
Restricted reserves			
BVI Government Programme funding reserve	840,991	(751,132)	89,859
UK Government Programme funding reserve	702,091	-	702,091
CDB Programme funding reserve	-	(193,982)	(193,982)
Donor funding reserve	4,260	14,000	18,260
Total	1,547,342	(931,114)	616,228
	2,617,302	(1,658,482)	958,820

Deficit:

The current year deficit is a result of the allocation of non-cash expenses such as depreciation and the impact of the accrual basis of accounting.

The accompanying notes form an integral part of these financial statements

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Statement of Cash Flows
 For the Year Ended December 31, 2021
 (Expressed in United States Dollars)

	2021	2020
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Decrease in reserves	(1,123,198)	(1,658,482)
Adjustments to reconcile to cash from operations before working capital changes:		
Depreciation	42,599	385,393
Effect of lease modification	(113,181)	-
Finance costs	-	29,034
Operating deficit from operations before working capital changes:	(1,193,780)	(1,244,055)
(Increase) decrease in prepayments and deposits	(4,850)	2,105
Increase in fixed deposit	-	(20)
(Decrease) increase in trade and other payables	(857,802)	1,418,152
Net cash flows (used in) from operating activities	(2,056,432)	176,182
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Purchase of property and equipment	(22,843)	(3,782)
Net cash flows used in investing activities	(22,843)	(3,782)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Principal paid on lease liabilities	-	(162,337)
Principal paid on lease financing	-	(79,713)
Interest paid	-	(29,034)
Net cash flows used in financing activities	-	(271,084)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,079,275)	(98,684)
CASH AND CASH EQUIVALENTS		
At beginning of year	2,523,536	2,622,220
At end of year	444,261	2,523,536

The accompanying notes form an integral part of these financial statements

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements For the Year Ended December 31, 2021 (Expressed in United States Dollars)

1 Organisation and objectives

The Virgin Islands Recovery and Development Agency (the "Agency") was established under the Virgin Islands Recovery and Development Act, 2018 (the "Act") which was gazetted on April 16, 2018.

The British Virgin Islands ("BVI") was significantly impacted by substantial flooding caused by a tropical wave in August 2017 and Hurricanes Irma and Maria during September 2017. These disasters caused widespread damage to infrastructure, social services and telecommunications throughout the BVI. In response to these disasters, the House of Assembly approved the Recovery to Development Plan (the "Plan") on October 23, 2018. The Plan sets out the Government of the Virgin Islands (the "Government") plans to help the BVI recover from the disasters with a view to returning the BVI to a state of normalcy in the short term and to a more sustainable and resilient state in the long term.

During 2020 the House of Assembly approved a revised Recovery to Development Plan (the "RDP") which reduced the scope and scale of the Agency's activities.

The Agency was established with a five year mandate to serve as an independent arms-length body to ensure that the Plan is implemented in a timely and efficient manner and without undue interference or influence. The Act established the Agency as a body corporate whose functions include:

- Ensuring the timely and proper implementation and execution of the Plan;
- Administering the procurement of services and goods required to implement projects under the Plan and ensuring that projects under the plan are executed in a manner that provides the greatest benefit relative to the cost;
- Managing the tendering process including evaluating bids and making recommendations;
- Providing policy advice, research, analysis and technical assistance to the Ministries of Government;
- Collaborating with Ministries and other implementation agencies;
- Preparing business cases for recovery, reconstruction and development projects; and
- Building capacity in skill sets required to execute the Plan by assisting Virgin Islanders to take advantage of business and employment opportunities arising out of implementation of the Plan.

Virgin Islands Recovery Trust

To assist with the implementation of the Plan, the Virgin Islands Recovery Trust (the "Trust") was established on November 30, 2018 through an Instrument of Trust entered into by the Government acting as the settlor (the "Settlor") and ATU General Trust (BVI) Limited acting as the trustee (the "Trustee"). In accordance with the Act, the Trust was established for the purpose of receiving all contributions for the recovery and development efforts pursuant to the Plan and the Trust shall principally fund projects and programmes under the Plan.

The Agency shall only be able to access the property of the Trust required for the implementation of the Plan and access to the property of the Trust by the Agency must be done through non-binding recommendations to the Trustee in relation to the manner in which the Trust's property is applied.

2 Significant Accounting Policies

(a) Presentation of financial statements

(i) International Financial Reporting Standards

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The principal accounting policies adopted in preparation of the Agency's financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

(ii) Accounting convention

The financial statements are prepared under the historical cost convention, except for the revaluation of certain financial instruments which are recognised at fair value.

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements
For the Year Ended December 31, 2021
(Expressed in United States Dollars)

2 Significant Accounting Policies (Continued)

(a) Presentation of financial statements (Continued)

(iii) Presentation and functional currency

The financial statements are presented in United States Dollars ("\$"), which is the Agency's functional and presentation currency.

(iv) Significant accounting estimates and judgement

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. Management is also required to exercise its judgement in the process of applying the Agency's accounting policies. Significant judgements, estimates and assumptions made by management in the preparation of these financial statements are disclosed in Note 3.

(b) IFRS compliance and adoption

(i) Standards, amendments and interpretations to existing standards effective and relevant to the Agency

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2021 that have a material effect on the financial statements of the Agency.

(ii) Standards, amendments and interpretations to existing standards in issue but not yet effective and relevant to the Agency

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after January 1, 2021 and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Agency.

(c) Financial Instrument

A financial instrument that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Agency's business model for managing them. The Agency initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the profit and loss ("FVTPL"), transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income ("FVOCI"), it needs to give rise to cash flows that are "solely payments of principal and interest" ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Agency's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date i.e., the date that the Agency commits to purchase or sell the asset.

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements
For the Year Ended December 31, 2021
(Expressed in United States Dollars)

2 Significant Accounting Policies (Continued)

(c) Financial Instrument (Continued)

(i) Financial assets (Continued)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost
- Financial assets at FVOCI with recycling of cumulative gains and losses
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVTPL

Financial assets at amortised cost

The category is the most relevant to the Agency. The Agency measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Agency's financial assets at amortised cost include cash and cash equivalents and fixed deposit. Cash and cash equivalents consist of cash and deposits held at call with banks.

At the reporting date, the Agency does not have any financial assets classified as financial assets at FVTPL or FVOCI.

(ii) Derecognition of financial assets

Financial assets are derecognised and removed from the statement of financial position when the rights to cash flows from financial assets expire, or the financial assets have been transferred and the Agency has transferred substantially all the risks and rewards of ownership of the financial assets. Any interests created or retained on the transferred financial assets are recognised separately as assets or liabilities.

On derecognition of financial assets, the difference between carrying amounts and the total of considerations received and cumulative gains or losses that had been recognised in other comprehensive income are recognised in profit or loss.

When the Agency retains substantially all of the risks and rewards of ownership for transferred financial assets, the financial assets continue to be recognised and the consideration received is recognised as a financial liability.

When financial assets are transferred and the Agency neither transfers nor retains substantially all of the risks and rewards of ownership of the financial assets, nor transferred control of the assets, the financial assets continue to be recognised to the extent of the continuing involvement in the financial assets.

When continuing involvement takes the form of guaranteeing the transferred assets, the continued involvement is measured at the lower of the carrying amount of the financial assets and the maximum amount of consideration received that the Agency could be required to repay.

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements
For the Year Ended December 31, 2021
(Expressed in United States Dollars)

2 Significant Accounting Policies (Continued)

(c) Financial Instrument (Continued)

(iii) Impairment of financial assets

For trade receivables, the Agency applies a simplified approach in calculating expected credit losses ("ECLs"). Therefore, the Agency does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Agency has established a provision matrix that is based on its historical credit loss experience.

(iv) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Agency's financial liabilities include trade and other payables, borrowings and lease liabilities.

Subsequent measurement

The Agency's financial liabilities are measured at amortised cost using the EIR method.

(v) Derecognition of financial liabilities

Financial liabilities are derecognised and removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expires. The difference between the carrying amount of the financial liabilities derecognised and the consideration paid, is recognised in profit or loss.

Where financial liabilities are replaced with the same lender or the terms are substantially modified, the original financial liabilities are derecognised and new financial liabilities have been recorded.

(vi) Offsetting financial instruments

Financial assets and financial liabilities are off-set and the net amount presented in the statement of financial position when, and only when, the Agency has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(d) Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and impairment. Depreciation is calculated on the reducing balance methods to write off the cost of each asset over their estimated useful life as follows:

Leasehold improvements	50% per year
Motor vehicles	30% per year
Computer and accessories	25% - 50% per year
Furniture and fixtures	25% per year

At the end of each reporting period, the Agency is required to assess whether there is any indication that an asset may be impaired. If there is an indication that an asset may be impaired, then the asset's recoverable amount must be calculated. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gain and losses on disposals are determined by comparing the proceeds with the carrying amounts of the assets and are recorded in the statement of comprehensive income.

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements
For the Year Ended December 31, 2021
(Expressed in United States Dollars)

2 Significant Accounting Policies (Continued)

(e) Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

For these leases, the Agency recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Agency's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

The lease liability is presented as a separate line in the statement of financial position.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Agency if it is reasonable certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Agency is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term as follows:

The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 2(d).

The right-of-use assets are included within property and equipment in note 4.

When the Agency revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements
For the Year Ended December 31, 2021
(Expressed in United States Dollars)

2 Significant Accounting Policies (Continued)

(e) Leases (Continued)

When the Agency renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- in all other cases where the renegotiation increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial of full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

Nature of leasing activities (in the capacity as lessee)

The Agency leases office space in the BVI. The periodic rent is fixed over the lease term.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Agency has used this practical expedient. For a contract that contain a lease component and one or more additional lease or non-lease components, the Agency allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

(f) Revenue recognition

Revenue Streams, Performance Obligations and Revenue Recognition Policies

The Agency generates revenue from grants and contributions. Revenue streams from these include the following:

- BVI Government Funding
- UK Government Funding
- Donor Funding

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Funding and donations are recognised upon receipt of the transaction by the Agency.

Interest income and expenses are recognised on an accrual basis.

The Agency records investment transactions based on settlement date. Realised gain or loss on financial assets and financial liabilities at FVTPL is determined on the average cost basis.

(g) Taxation

In accordance with Section 28 of the Act, the Agency is exempt from the payment of all taxes, levies and licence fees on its income and operations and from the payment of all taxes, duties and rates on its property and documents. Taxes payable by the Agency pertain to payroll taxes. Certain investment income may be subject to withholding taxes at its source from the country of origin.

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements
For the Year Ended December 31, 2021
(Expressed in United States Dollars)

2 Significant Accounting Policies (Continued)

(h) Foreign currency

Transactions in foreign currency are initially translated into the functional currency at the exchange rates prevailing at the transaction date. At the statement of financial position date, financial assets and monetary liabilities expressed in foreign currencies are translated at the closing foreign currency rate. Foreign exchange gains and losses arising from the settlement of such transactions and from the translation of year-end exchange rates of financial assets and monetary liabilities expressed in foreign currencies are recognised in the statement of comprehensive income in the period in which they arise.

Foreign exchange gains or losses arising from translation of financial assets and financial liabilities at FVTPL or loss are recognised in the statement of comprehensive income within "Net realised gains (losses) on financial assets and financial liabilities at FVTPL.

Foreign exchange gains or losses relating to cash and cash equivalents are recognised in the statement of comprehensive income within "Net foreign currency gains (losses)".

3 Critical accounting estimates and judgements

In the application of the Agency's accounting policies, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimates, that management has made in the process of applying the Agency's accounting policies and that have the most significant effect on the amounts recognised in the statement of financial position.

(i) Going concern

A key assumption in the preparation of financial statements is that the entity will continue as a going concern. The going concern assumption assumes that the Agency will continue in operation for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of operations. A significant amount of judgement has been required in assessing whether the entity is a going concern. The Agency was established with a five year mandate and shall be dissolved at the end of five years unless otherwise determined by the Cabinet, with the approval of the House of Assembly. The Agency has recommended to extend its lifespan to December 31, 2026. Approval from the Cabinet and House of Assembly is pending.

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements
For the Year Ended December 31, 2021
(Expressed in United States Dollars)

4 Property and equipment, net

The movements on the carrying amounts of the Agency's property and equipment are as follows:

	Motor vehicles	Computer and Accessories	Furniture, Fixtures and Office Equipment	Leasehold Improvements	Right-of-use Assets	Total
December 31, 2021	\$	\$	\$	\$	\$	\$
Cost						
Balance at December 31, 2020	79,985	77,269	108,793	467,474	324,809	1,058,330
Additions	-	17,741	5,102	-	-	22,843
Disposals	-	-	-	(467,474)	(324,809)	(792,283)
Balance at December 31, 2021	79,985	95,010	113,895	-	-	288,890
Accumulated depreciation						
Balance at December 31, 2020	38,551	39,846	37,661	292,172	243,607	651,837
Charge	11,731	15,886	14,982	-	-	42,599
Disposals	-	-	-	(292,172)	(243,607)	(535,779)
Balance at December 31, 2021	50,282	55,732	52,643	-	-	158,657
Carrying amount						
Balance at December 31, 2021	29,703	39,278	61,252	-	-	130,233

	Motor vehicles	Computer and Accessories	Furniture, Fixtures and Office Equipment	Leasehold Improvements	Right-of-use Assets	Total
December 31, 2020	\$	\$	\$	\$	\$	\$
Cost						
Balance at December 31, 2019	79,985	74,149	108,131	467,474	324,809	1,054,548
Additions	-	3,120	662	-	-	3,782
Disposals	-	-	-	-	-	-
Balance at December 31, 2020	79,985	77,269	108,793	467,474	324,809	1,058,330
Accumulated depreciation						
Balance at December 31, 2019	23,389	25,749	19,235	116,869	81,202	266,444
Depreciation and amortisation	15,162	14,097	18,426	175,303	162,405	385,393
Balance at December 31, 2020	38,551	39,846	37,661	292,172	243,607	651,837
Carrying amount						
Balance at December 31, 2020	41,434	37,423	71,132	175,302	81,202	406,493

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements
For the Year Ended December 31, 2021
(Expressed in United States Dollars)

5 Cash and cash equivalents

	2021	2020
	\$	\$
Restricted cash	334,852	2,247,898
Unrestricted cash	109,246	275,355
Cash on hand	163	283
Total cash and cash equivalents	444,261	2,523,536

Unrestricted cash represents amounts held for the purpose regarding the Agency's operations.

Restricted cash represents amounts held for specific projects. These amounts are not allowed to be used for any other purpose other than what it has been allocated.

As at December 31, 2021 cash balances bear interest at a rate of 0.25% (2020: 0.25%). During the year ended December 31, 2021, the Agency earned interest income of \$1,825 (2020: \$4,738) on cash and cash equivalents.

6 Fixed deposit

As at December 31, 2021, the Agency has a one-year fixed deposit placed at a financial institution which earns interest at a rate of 0.15% (2020: 0.35%) per annum.

7 Trade and other payables

	2021	2020
	\$	\$
CDB Programme expenses payable	443,702	1,643,495
Operational expenses payable	2,677	25,050
Capital expenses payable	318,575	8,777
Other payable	50,000	-
Accrued liabilities	38,184	35,000
Payroll tax liabilities	33,995	32,613
	887,133	1,744,935

8 Reserves

Unrestricted Reserves

Unrestricted reserves represent the assets acquired and liabilities incurred for the purpose regarding the Agency's operations.

2021	UK Government \$	BVI Government \$	Donors \$	Total \$
Revenue				
Funding	300,000	1,783,000	-	2,083,000
Interest income and other income	-	957	-	957
Total	300,000	1,783,957	-	2,083,957
Expenses				
Administrative expenses	179,648	1,067,706	-	1,247,354
Staff Costs	119,611	710,888	-	830,499
Depreciation and amortisation	741	41,858	-	42,599
Total	300,000	1,820,452	-	2,120,452
Deficit	-	(36,495)	-	(36,495)

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements
For the Year Ended December 31, 2021
(Expressed in United States Dollars)

8 Reserves (Continued)

Unrestricted Reserves (Continued)

	UK Government \$	BVI Government \$	Donors \$	Total \$
2020				
Revenue				
Funding	1,221,775	1,200,000	-	2,421,775
Interest income and other income	-	1,247	-	1,247
Total	1,221,775	1,201,247	-	2,423,022
Expenses				
Administrative expenses	908,726	892,531	-	1,801,257
Staff Costs	471,555	463,151	-	934,706
Depreciation and amortisation	194,429	190,964	-	385,393
Finance costs, lease	14,648	14,386	-	29,034
Total	1,589,358	1,561,032	-	3,150,390
Deficit	(367,583)	(359,785)	-	(727,368)

Government of the Virgin Islands

During the year ended December 31, 2021, the Government contributed an amount of \$1,783,000 (2020: \$1,200,000) to the Agency to fund operational expenses.

The Agency and the Government of the Virgin Islands through the Ministry of Finance (“MoF”) entered into a Memorandum of Understanding (“MoU”) dated January 25, 2019 which sets out the Virgin Islands Government funding to be made available for the Plan and how the Agency will be accountable to the Virgin Islands Government in respect of its use of the funding.

The Agency will provide the MoF with a rolling 5- year operational budget and subject to approval by Cabinet and pursuant to section 19 (8) of the Act, the MoF will provide funding as per the approved estimates to the Agency. The annual payments for 2021 and 2020 are expected to be \$1,200,000 per year. Where there is an underspend or saving against budgeted operational costs, this saving should be rolled over into the next fiscal year. Funding amounts are subject to revision and dependent on fulfilment of provisions of the MoU, any revisions to budgets, actual expenditure needs and continuing availability of the resources of the Government.

Government of the United Kingdom

The Government of the United Kingdom of Great Britain and Northern Ireland acting through the Foreign, Commonwealth & Development Office (“FCDO”) entered into a MoU with the Agency during the period ended December 31, 2018. Under the terms of the MoU, the FCDO will make available to the Agency an amount up to £6,850,106. The amount is expected to be allocated across three years and paid annually in tranches.

The funding is subject to revision and is dependent on the fulfilment of the provisions of the MoU, any revisions to the budget, actual expenditure and need and the continuing available resources to the FCDO. The funding amount will be used solely for costs included as part of the budget approved by the FCDO for the delivery of the outputs and outcomes as outlined in the MoU.

The initial objective of funding for the Agency’s operational cost was to ensure rapid growth to the required size to deliver the plan for recovery. The RDP has reduced the scope and scale of the Agency’s deliverables. As such transition to the Government of the Virgin Islands being the sole contributor to the Agency’s operational cost was accelerated. During the year ended December 31, 2021, the FCDO contributed \$300,000 (£215,691) (2020: \$1,221,775 £940,057) to the Agency to fund operational expenses. As at December 31, 2021, the FCDO contributed a cumulative amount of \$5,141,442 (2020: \$4,841,442) to the Agency.

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements
For the Year Ended December 31, 2021
(Expressed in United States Dollars)

8 Reserves (Continued)

Restricted Reserves

Restricted reserves represent the assets acquired and liabilities incurred for specific programme funding. Restricted reserves are restricted based on the designation of the assets and liabilities. These reserves are allocated to specific asset accounts including cash and cash equivalents. These reserves are not allowed to be used for any other purpose other than what they have been allocated for. Under the Act, all programme funding exceeding US \$20,000 received for the recovery and development efforts pursuant to the Plan has to be deposited with the Trust, from which the Agency must access the funding for the implementation of the Plan.

	UK Government	BVI Government	CDB	Donors	Total
2021	\$	\$	\$	\$	\$
Revenue					
Funding	761,763	600,158	7,136,865	15,000	8,513,786
Interest income	-	868	-	-	868
Total	761,763	601,026	7,136,865	15,000	8,514,654
Expenses					
Programme expenses	626,975	1,697,166	7,277,216	-	9,601,357
Total	626,975	1,697,166	7,277,216	-	9,601,357
Deficit	134,788	(1,096,140)	(140,351)	15,000	(1,086,703)

	UK Government	BVI Government	CDB	Donors	Total
2020	\$	\$	\$	\$	\$
Revenue					
Funding	-	1,193,237	7,165,424	14,000	8,372,661
Interest income	-	3,741	-	-	3,741
Total	-	1,196,978	7,165,424	14,000	8,376,402
Expenses					
Programme expenses	-	1,948,110	7,359,406	-	9,307,516
Total	-	1,948,110	7,359,406	-	9,307,516
Deficit	-	(751,132)	(193,982)	14,000	(931,114)

Government of the Virgin Islands

Under the MoU with the Government of the Virgin Islands, the Agency will provide the MoF with a rolling 5- year capital budget (Implementation Schedule) based on priorities approved by Cabinet. The MoF will provide capital funding to the Agency on a quarterly basis supported by the Agency's reporting commitments. On an annual basis the Agency has provided an updated Implementation Schedule. The Implementation Schedule has not been approved by the Government. In the absence of an approved Implementation Schedule the Agency has funded approved RDP projects with Government of the VI funds (as well as other funding sources) as follows: Caribbean Development Bank ("CDB") funding (based on the CDB Loan Variation to the Agreement that lays out the role of the Agency for CDB funded projects) and funds from the \$10M of Government of VI funds deposited with the Trust (30 November 2018) based on the Deed of Contribution.

During the year ended December 31, 2021, the Government contributed an amount of \$600,158 (2020: \$1,193,237) for programme funding. The funding was received by the Agency from the Trust for capital projects.

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements
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8 Reserves (Continued)

Restricted Reserves (Continued)

Government of the United Kingdom

Under the MoU with the Government of the United Kingdom, the Agency will receive funding for capital projects. During the year ended December 31, 2021, the United Kingdom of Great Britain and Northern Ireland acting through the FCDO contributed an amount of \$761,763 (2020: \$nil) to the Agency for programme funding.

Government of the Virgin Islands CDB, RRL Loan Funded

Several projects that are part of the CDB Programme were funded by the Rehabilitation and Reconstruction Loan (“RRL”). Loan funding was made available to the Government of the Virgin Islands for the implementation of the RRL. During the year ended December 31, 2021, an amount of \$7,136,865 (2020: \$7,165,424) was contributed to the Agency. The funding was received by the Agency from the Trust.

Donor funding

Donor funding is funding provided by non-governmental sources in relation to specific capital programmes or projects under the Plan. During the year ended December 31, 2021, amounts of \$15,000 (2020: \$14,000) were received directly by the Agency from Donors. Additional funding was received directly in the Trust from Donors (refer to Note 15).

9 Lease

Lease liabilities - Office space

In November 2018, the Agency entered into an agreement with the BVI International Arbitration Centre (the “BVIIAC”) for the fit out and sub lease of office space for the Agency’s occupancy. Under the terms of the agreement, the Agency sub-leases office space from the BVIIAC at an initial rent of \$37 per square foot. During the year ended December 31, 2021, the agreement between the Agency and BVIIAC came to an end and the lease liability and associated right-of-use asset were derecognized resulting in an expense of \$6,127 being recognized in the Statement of Comprehensive Income within “lease modification” in “Administrative expenses”.

In January 2021 the Agency entered in an agreement with Tortola Pier Park Limited (“TPPL”). Under the terms of the agreement, the Agency sub-leases office space from TPPL at an initial rent of \$25 per square foot for the Second Floor and \$30 per square foot for the First Floor. The lease is accounted for as a short-term lease.

Right-of-use asset

Refer to Note 4 for the carrying amounts of the right-of-use asset and the movements during the year.

Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the year.

	2021	2020
	\$	\$
Lease liability	-	75,075
Less: current portion of lease	-	(75,075)
Non-current portion of lease	-	-
	2021	2020
	\$	\$
Beginning balance	75,075	237,412
Effect of lease modification	(75,075)	-
Interest expense	-	8,744
Less: lease payments	-	(171,081)
Ending balance	-	75,075

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

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9 Lease (Continued)

Lease liabilities (Continued)

The maturity analysis of the undiscounted lease liabilities is disclosed below.

	2021	2020
	\$	\$
Up to 3 months	-	42,772
Between 3 and 12 months	-	33,273
	-	76,045

Leasehold improvements financing

Under the terms of the lease agreement with the BVIIAC, the Agency will also pay a total of \$550,000 to cover the cost associated with the fit out of the premises in sixty-six (66) monthly instalments of \$8,333. In the event that after execution, the sub lease is terminated by any party prior to the payment of the build cost in full, the remaining amount shall become immediately due and payable by the Agency. The liability for fit out costs was initially recognised at an amount of \$467,474 which represents the present value of the cumulative fit out payments using an imputed rate of interest of 6% with a corresponding asset recognized in leasehold improvements.

The agreement between the Agency and BVIIAC came to an end on January 15, 2021. The leasehold improvements and leasehold improvements financing balances were derecognized with an overall impact of income of \$108,880 being recorded within "lease modification" in "Administrative expenses".

Set out below are the carrying amounts of borrowings and the movements during the year.

	2021	2020
	\$	\$
Leasehold improvements financing	-	294,610
Less: current portion of leasehold improvements financing	-	(84,626)
Non-current portion of leasehold improvements financing	-	209,984

	2021	2020
	\$	\$
Beginning balance	294,610	374,323
Effect of lease modification	(294,610)	-
Interest	-	20,290
Less: payment of principal during the period	-	(100,003)
Ending balance	-	294,610

The maturity analysis of the leasehold improvements financing is disclosed below.

	2021	2020
	\$	\$
Up to 3 months	-	25,000
Between 3 and 12 months	-	75,000
Between 1 and 2 years	-	100,000
Between 2 and 5 years	-	125,000
	-	325,000

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

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9 Lease (Continued)

Leasehold improvements financing (Continued)

The following are the amounts recognised in profit and loss.

	2021	2020
	\$	\$
Depreciation expenses of right-of-use assets	-	162,405
Effect of lease modification	(108,880)	-
Short term lease	84,087	-
Interest expenses on leasehold improvement financing	-	20,290
Interest expenses on lease liabilities	-	8,744
Total amount recognised in profit and loss	(24,793)	191,439

The Agency had total cash outflows for leases of \$nil (2020: \$242,050).

10 Staff costs

	2021	2020
	\$	\$
Salaries, allowances and benefits	636,752	688,997
Payroll taxes	97,773	123,978
National health insurance	55,933	61,054
Social security	38,841	42,792
Staff relocation expense	1,200	14,982
Recruitment and training expense	-	2,903
	830,499	934,706

11 Administrative expenses

	2021	2020
	\$	\$
Project management	929,471	1,331,887
Office expenses	114,846	107,416
Professional fees	85,168	128,987
Rent expense	84,087	-
Board costs	59,018	36,251
Capacity building	41,388	4,214
Other	16,973	22,791
Public relations and communications	16,908	34,968
Bank charges	5,550	2,996
Travel and accommodation	2,825	10,905
Staff welfare	-	120,842
Lease modification	(108,880)	-
	1,247,354	1,801,257

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements
For the Year Ended December 31, 2021
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12 Programme expenses

December 31, 2021	2021		Total
	UK Government \$	BVI Government \$	
Virgin Gorda Sports Complex	-	241,044	241,044
Tortola Landfill	-	40,430	40,430
Temporary school units	-	14,681	14,681
TBL Airport	-	980	980
Road Town Police Station	188,579	-	188,579
Renewable Energy Installations	83,186	253,623	336,809
Removal of derelict boats	-	9,000	9,000
Redevelopment of Elmore Stoutt High School	-	160,641	160,641
Other	-	8,293	8,293
Judge and AG residences	-	475,030	475,030
East End Police Station and Marine Base	355,210	-	355,210
Dismantling of incinerator	-	8,702	8,702
Bregado Flax Education Centre	-	390	390
Anegada Recreational Grounds	-	169,568	169,568
Anegada Police Station	-	234,739	234,739
Alexander Ogilvie Shirley Grounds	-	80,045	80,045
	626,975	1,697,166	2,324,141

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements
For the Year Ended December 31, 2021
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12 Programme expenses (Continued)

December 31, 2020	2020		Total
	UK Government \$	BVI Government \$	
Judge and AG residences	-	4,750	4,750
East End Police Station and Marine Base	-	24,925	24,925
Virgin Gorda Sports Complex	-	430,706	430,706
Anegada Police Station	-	367	367
Road Town Police Station	-	159,257	159,257
Anegada Recreational Grounds	-	2,639	2,639
Redevelopment of Elmore Stoutt High School	-	56,548	56,548
Alexander Ogilvie Shirley Grounds	-	782,892	782,892
Tortola Landfill	-	980	980
Temporary school units	-	48,422	48,422
Removal of derelict boats	-	1,496	1,496
Dismantling of incinerator	-	120,490	120,490
Other	-	3,889	3,889
Temporary Housing	-	103,386	103,386
Sea Markers	-	60,193	60,193
Repairs to damaged homes	-	48,030	48,030
Bregado Flax Junior School Internal Walls	-	43,750	43,750
West End Ferry Terminal	-	16,306	16,306
Virgin Gorda Baths	-	14,979	14,979
National sewage programme	-	11,123	11,123
VHF network design and build	-	11,019	11,019
Jost Van Dyke Police Barracks	-	627	627
Incinerator scrubber	-	494	494
Marine Survey	-	490	490
Virgin Gorda Administration Building	-	148	148
Jost Van Dyke Primary School	-	204	204
	-	1,948,110	1,948,110

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements For the Year Ended December 31, 2021 (Expressed in United States Dollars)

12 Programme expenses (Continued) Judge and AG residences

This project includes full replacement of roof and structural elements, windows, doors, drywall, new kitchen cabinetry, closets, electrical, plumbing, air conditioning and exterior works.

During the year ended December 31, 2021, the Agency incurred costs of \$475,030 (2020: \$4,750) in relation to the project.

The project is expected to be completed in the first quarter of 2022.

East End Police Station and Marine Base

The fencing, gates and drains activity for the Marine Base reached practical completion in July 2021 with final works for the motorized gates and installation of drainage grills and security spikes completed.

During the year ended December 31, 2021, the Agency incurred costs of \$355,210 (2020: \$24,925) in relation to the project.

The contract for the provision of mechanical and electrical design services for the main building was awarded in May 2021. Preparation of tender documents for the reconstruction and retrofitting of the building are ongoing.

Renewable Energy Installations

The purpose of this project is renewable energy installations. In June 2021 all required approvals were received from British Virgin Islands Electricity Corporation and Town and Country Planning Department for the grid-tie system installed at the Lenora Delville Primary School in March 2021. The approval processes for the Ivan Dawson school interconnections following installation of the solar system have now been completed. Installation of the photovoltaic system at the Jost Van Dyke clinic was completed in September 2021 followed by the required inspections in October 2021 facilitating full approval of this activity.

During the year ended December 31, 2021, the Agency incurred costs of \$336,809 (2020: \$nil) in relation to the project.

Funding has been received for additional renewable energy installations at the Enis Adams and Francis Lettsome Primary Schools and in a mobile containerized power box which is envisioned will be used for educational purposes.

Virgin Gorda Sports Complex

The purpose of this project is to re-establish recreational facilities for children and youth and improve education through sports. Phase one of this project involved rehabilitation of the main court. Works on the restroom facilities under phase two were completed during the 2020. Additional activities including installation of the rubberised court surface reached practical completion in May 2021.

During the year ended December 31, 2021, the Agency incurred costs of \$241,044 (2020: \$430,706) in relation to the project.

Additional activities to be done include work on the car park which is scheduled to be completed by the first quarter of 2022.

Anegada Police Station

Works on the Anegada Administration Building began in March 2021. In July, works were completed in the water heater room, handrails, landscaping, plumbing and electrical works, repair of the cistern and tile works. This work brought the project to practical completion in July 2021. During the year ended December 31, 2021, the Agency incurred costs of \$234,739 (2020: \$367) in relation to the project.

Road Town Police Station

The purpose of this project is to ensure a functioning law enforcement institution and communication network to restore a sense of safety and improved communication. Repairs and renovations were implemented and the police station is now fully functional. During the year ended December 31, 2021, the Agency incurred costs of \$188,579 (2020: \$159,257) in relation to the project.

This project was completed in April 2021.

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements For the Year Ended December 31, 2021 (Expressed in United States Dollars)

12 Programme expenses (Continued)

Anegada Recreational Grounds

The basketball court surfacing activity has been completed, with the court demarcation and backboards and hoops installed in April 2021. In November 2021, work on the perimeter fencing reached practical completion. In December 2021, work on the snag list continued to finalise this activity. Installation of playground equipment at the site is scheduled to be completed in 2022. During the year ended December 31, 2021, the Agency incurred costs of \$169,568 (2020: \$2,639) in relation to the project.

Redevelopment of Elmore Stoutt High School

In December 2021, work began on the slab demolition and design services for installation of structures at the main campus. Demolition is scheduled to be completed by the end of January 2022, setting the stage for procurement and construction of the buildings. During the year ended December 31, 2021, the Agency incurred costs of \$160,641 (2020: \$56,548) in relation to the project.

13 CDB Programme expenses

	2021	2020
	\$	\$
Water Network Improvement	1,194,766	3,265,520
Government Buildings	1,365,594	1,958,538
Bregado Flax Educational Centre	837,237	1,084,748
Roads, Slopes and Coastal Defence	3,349,671	820,464
Consultancy	328,109	210,445
Magistrates Court Rehabilitation	39,850	17,950
West End Terminal Development	52,123	1,094
Eslyn Henley Special Needs	107,807	-
Other	2,059	647
	7,277,216	7,359,406

Water network improvement

This project consists of the construction/installation of a variety of elements in three locations:

Carrot Bay

- Construction of 2 water tanks with nominal capacity of 340,437 US Gallons (1,288.69 m³) each, with ancillary piping and fittings along the distribution system of Carrot Bay.
- Supply and installation of 18 bulk flow meters, data loggers, pressure sensors, and pressure reducing valves.
- Supply and Installation of 11 Gate valves along the distribution system of Carrot Bay.
- Supply and installation of 86 customer water meters at Carrot Bay, which is the equivalent of about 30% of the total amount of the residential households.
- Restoration of the roads, drains, kerbs and all areas affected by the construction works.

Long Bush

- Construction of 1 water tank with nominal capacity of 816,819 US Gallons (3,092.54m³), with ancillary piping and fittings along the distribution system of Long Bush.
- Supply and installation of 25 bulk flow meters, data loggers, pressure sensors, and pressure reducing valves.
- Supply and Installation of 21 Gate valves along the distribution system of Long Bush.
- Supply and installation of 239 customer water meters at Long Bush, which is the equivalent of about 30% of the total amount of the residential households;
- Restoration of the roads, drains, kerbs and all areas affected by the construction works.

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements
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13 CDB Programme expenses (Continued)

Water network improvement (Continued)

Zion Hill

- Construction of 1 water tank with nominal capacity of 104,100 US Gallons (394.06 m³), with ancillary piping and fittings along the distribution system of Zion Hill.
- Supply and installation of 17 bulk flow meters, data loggers and pressure sensors, and pressure reducing valves.
- Supply and Installation of 16 Gate valves along the distribution system of Zion Hill.
- Supply and installation of 188 customer water meters at Zion Hill, which is the equivalent of about 30% of the total amount of the residential households.
- Restoration of the roads, drains, kerbs and all areas affected by the construction works.

Government Buildings

This project involves the extensive refurbishment and restoration of three government buildings on Virgin Gorda. The damage to each building varied and for one building the entire roof had to be replaced.

- North Sound Administration Building. The electrical safety of the building was compromised by water damage. The majority of the works are to the building internals and include minor repairs to the roof. Construction started in June 2020 and achieved practical completion in April 2021.
- Flax Building, The Valley. This building was the most damaged, the roof of the building was completely replaced, and an extensive refurbishment of all the rooms was completed. Construction started in June 2020 and achieved practical completion in March 2021.

Vanterpool Building, The Valley. This building was the least damaged, however the repairs were still extensive. This includes the refurbishment and restoration to good working order of the septic tank system. Construction started in November 2020 and achieved practical completion in December 2021.

Bregado Flax Educational Centre

This project is to rehabilitate the damaged buildings while adding resiliency through the installation of a concrete roof. The buildings to be refurbished are Block 4, Block 3, Block 2 and the Administration building. Construction of this project started in June 2020 and achieved practical completion in May 2021.

Roads, Slopes and Coastal Defence

This project includes several sub-projects which consist of the refurbishment of several roads geographically dispersed and of varying size and complexity. Estimated construction period range from six to eight months. Total of signed contract amount is \$6,656,000.

Fish Bay Road - The Fish Bay Road works encompass the new construction of 313m of roadway. Other associated works include construction of storm-water drainage systems comprising lined roadside drains with metal gratings, reinforced concrete box culverts, storm-water drainage outfall and sidewalks. Construction of this project started in October 2021 and is currently ongoing.

Little Dix Hill - The Little Dix Hill works encompass 32m of slope stabilization. Other associated works include construction of storm-water drainage systems comprising lined roadside drains and pavement rehabilitation. Construction of this project started in October 2020 and achieved practical completion in April 2021.

Hope Hill to Sabbath Hill - The Hope Hill to Sabbath Hill works encompass 122m of slope stabilization and 130m of road reconstruction. Other associated works include construction of storm-water drainage systems comprising lined roadside drains and storm-water drainage outfall. Construction of this project started in September 2020 and achieved practical completion in March 2021.

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Notes to the Financial Statements For the Year Ended December 31, 2021 (Expressed in United States Dollars)

13 CDB Programme expenses (Continued)

Roads, Slopes and Coastal Defence (Continued)

Great Mountain 1 - The Great Mountain 1 Works encompass 22m of slope stabilization and attendant road reconstruction. Other associated works include the construction of kerb walls to the road edge, and refurbishment and reinstallation of road furniture. Construction of this project started in July 2020 and achieved practical completion in January 2021.

Great Mountain 2 - The Great Mountain 2 Works encompass the reconstruction of 120m of roadway. Other associated works include the construction of a stormwater drainage system comprising lined roadside drains to be connected to an existing outfall, reinforced concrete box culverts, bridges, gully training works and slope stabilization works. Construction of this project started in October 2020 and achieved practical completion in June 2021.

Road above Bob's Gas Station - The Bob's Gas Station works encompass 34m of slope stabilization and 35m of road reconstruction. Other associated works include construction of storm-water drainage systems comprising lined roadside drains to be connected to an existing storm-water drainage outfall. Construction of this project started in October 2020 and achieved practical completion in April 2021.

Long Trench - The Long Trench works encompass 127m of slope stabilization and attendant road reconstruction. Other associated works include construction of kerb walls to road edge and refurbishment and reinstallation of road furniture. Construction of this project started in August 2021 and achieved practical completion in December 2021.

Ballast Bay - The Ballast Bay works encompass the reconstruction of 120m of roadway. Other associated works include construction of storm-water drainage systems comprising lined roadside drains, reinforced concrete pipe culverts, bridges, storm-water drainage outfall, shoreline protection and slope stabilization works. Construction of this project started in October 2020 and achieved practical completion in June 2021.

Asphaltic Works (6 sites) - The Asphaltic Works (6 sites) project consists of asphaltic concrete surfacing 50mm thick to six (6) existing rigid pavement sites, including tack coat: Great Mountain 1 (240m²), Great Mountain 2 (1,024m²), Lower Fort Hill (217m²), Little Dix Hill (384m²), Hope Hill to Sabbath Hill (1,180m²) and Ballast Bay (720m²). This project started in August 2020 and achieved practical completion in October 2021.

Asphaltic Works (Fish Bay) - The Asphaltic Works (Fish Bay) project consists of asphaltic concrete surfacing 50mm thick to existing road pavement at Fish Bay Road (4,100m²). This project is out to tender and bids are expected at 30 June 2022.

14 Financial risk management

Financial risk factors

The Agency's activities expose it to a variety of financial risks; market risk (foreign exchange risk, interest rate risk), credit risk and liquidity risk. The Agency's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Agency's financial performance.

Risk management is carried out by management under policies approved by the Board. Management identifies, evaluates and hedges financial risks in close co-operation with the Board. The Board provides guidance for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Financial assets of the Agency include cash and cash equivalents. Financial liabilities include trade and other payables, borrowings and lease liabilities.

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements
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14 Financial risk management (Continued)

Financial risk factors (Continued)

(a) Market risk

Market risk arises from the Agency's use of interest bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (foreign currency risk) or other market factors (other price risk).

(i) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. In the normal course of business, the Agency may enter into transactions denominated in foreign currencies. As a result, the Agency is subject to transaction and translation exposure from fluctuations in foreign exchange rates.

(ii) Interest rate risk

Interest rate risk is the risk that changes in market interest rates will cause fluctuations to the fair values and cash flows of the Agency's financial instrument holdings. Floating rate instruments expose the Agency to cash flow interest rate risk whereas fixed rate instruments expose the Agency to fair value interest rate risk.

(iii) Cash flow interest rate risk

The Agency's exposure to the risk of changes in market interest rates relates primarily to the Agency's cash and cash equivalents. As at December 31, 2021 approximately 61% (2020: 82%) of the Agency's assets were held in bank accounts, with floating interest rates.

With all other variables held constant, given a 25 basis point increase in the market interest rate, the Agency's surplus would increase by \$1,111 (2020: \$6,309). A decrease of 25 basis points in the market interest rate, with all other variables held constant, would decrease the Agency's surplus by an equal amount.

(b) Credit risk

Credit risk arises from fixed deposits, cash and cash equivalents.

The Agency's cash and cash equivalents and fixed deposits are held by financial institutions with the following rating per Standard & Poor's ratings:

	2021	2020
	\$	\$
A+	89,339	1,449,483
BB+	364,819	1,083,830
Unrated	163	283
	454,321	2,533,596

(c) Liquidity risk

Liquidity risk is the risk that the Agency may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Agency is exposed to liquidity risk from its financial liabilities which include trade and other payables.

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents to meet its current operating and programme requirements. The Agency is not exposed to significant liquidity risk within this period as it maintains sufficient cash and cash equivalents to meet its current and foreseeable future obligations. The Agency's ability to meet its obligations is dependent on funding provided by the Government of the VI, UK Government, and Donors.

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

Notes to the Financial Statements
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14 Financial risk management (Continued)

(c) Liquidity risk (Continued)

The table below shows the Agency's aging of its contractual repayment period to its creditors as of December 31, 2021:

	On demand	Within one year	Total
	\$	\$	\$
December 31, 2021			
Trade and other payables	-	837,133	837,133
	-	837,133	837,133
December 31, 2020			
Trade and other payables		1,744,935	1,744,935
		1,744,935	1,744,935

15 Property held by Trust

On November 30, 2018, the Government of the Virgin Islands contributed \$9,995,000 via a deed of contribution to the Trust towards the charitable purposes of the Trust, which are to fund the objects and purpose of the RDP. At December 31, 2021 \$3,646,412 (2020: \$4,086,399) was held in the form of cash in a non-interest bearing account at a third-party financial institution. Additionally, an amount of \$2,741,937 (2020: \$nil) is held on demand at a third-party financial institution. These assets do not represent assets of the Agency as explained in Note 1. During the year ended December 31, 2021, amounts of \$7,667,995 (2020: \$75,950) were received directly in the Trust. Access to property by the Agency is in accordance with the requirements as detailed in Note 1.

	2021	2020
	\$	\$
Government of the Virgin Islands	1,454,861	-
FCDO	813,813	-
CDB RRL	5,399,321	-
Donors	-	75,950
	7,667,995	75,950

16 Commitments

As explained in note 12, the Agency enters into various contracts for the execution of projects under the RDP. At December 31, 2021 the Agency had commitments of \$6,981,069 (2020: \$7,611,820) relating to the completion of various projects under the RDP.

The Agency entered into various professional service contracts for auditing, payroll and website development and maintenance services. As at December 31, 2021, total commitments under these contracts amounted \$27,850 (2020: \$25,435).

VIRGIN ISLANDS RECOVERY AND DEVELOPMENT AGENCY

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17 Risk and uncertainties

Implications of COVID-19

On March 11, 2020, the World Health Organization declared the outbreak of a respiratory disease caused by a new coronavirus as a “pandemic”. First identified in late 2019 and known now as COVID-19, the outbreak has impacted thousands of individuals worldwide. In response, many countries have implemented measures to combat the outbreak which have impacted global business operations.

As of the date of issuance of the financial statements, the Agency’s operations have not been significantly impacted, however, the Agency continues to monitor the situation. No impairments were recorded as of the statement of financial position date as no triggering events or changes in circumstances had occurred as of yearend; however, due to significant uncertainty surrounding the situation, management’s judgement regarding this could change in the future.

18 Subsequent events

Management evaluated all activity of the Agency from January 1, 2022 through the issuance date of the financial statements and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the related notes to the financial statements.