



Auditors Oversight Authority

CAYMAN ISLANDS

Annual Report on activities for the year ended 31 December 2025

This report is made pursuant to Rule 101(i) which requires the Authority to report publicly on its activities at least annually.

Who we are

We are a Cayman Islands independent statutory authority established by The Auditors Oversight Act (the “Act”; previously known as The Auditors Oversight Law).

What we do

Our current mandate is to regulate and supervise, through conducting inspections, Cayman Islands auditors who audit the financial statements of entities which come under our purview. At 31 December 2025, there were two auditors registered with us who audit collectively one such entity.

Leadership

The Board of the Authority provides the leadership of the Authority. Normally, the Board is comprised of five persons, three of whom are retired public accountants of whom one is a non-resident of the Cayman Islands. The Auditor General of the Cayman Islands and the Financial Secretary of the Cayman Islands are Board members, and the Managing Director of the Authority is a non-voting ex-officio member of the Board. The Managing Director is entrusted with the day-to-day administration of the AOA under authority delegated by the Board. Since Donald Cockburn retired as the Managing Director in 2019, Paul Anderton (who had served as Deputy Chairman since 2012) has performed the role of acting Managing Director, relinquishing his role as a voting director. He is expected to continue as acting Managing Director until the future of the AOA becomes clearer at which time the AOA can recruit a suitably qualified person to take over from him.

Inspection results for the period

The Managing Director is responsible for leading the inspection activities of the Authority. The Authority has entered into an arrangement with the Institute of Chartered Accountants in England and Wales whereby personnel from the Institute assist the Managing Director in the conduct of the Authority’s inspection activities. No inspections were carried out in 2025. There were no matters arising from inspections in previous years which required further action by the AOA in 2025.



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Other events and developments in the year

International Co-operation:

The International Forum of Independent Audit Regulators (IFIAR): The AOA continues to be a member of IFIAR. The AOA was represented at the IFIAR Annual Plenary Meeting in Berlin in April 2025 and participated in other IFIAR activities when appropriate.

Other equivalent overseas regulators: There were no significant inter-actions with other equivalent overseas regulators in 2025.

Scope of activities/Future of the AOA:

During 2025, we continued our review of the scope of the AOA's activities and of the options for the future of the AOA in the absence of a currently sustainable scope of operations. We held consultations with the Cayman Islands Institute of Professional Accountants, Government and other stakeholders including the Cayman Islands Monetary Authority. Although some progress was made, no formal decisions on the future of the AOA were taken in 2025. We expect that the future of the AOA will be addressed by the Cayman Islands Government in 2026.

Financial information

Currently, virtually all of our funding is derived from the Cayman Islands Government. A modest annual fee is paid by the registered audit firms, and we charge the audit firms inspected the direct costs of the inspection (being the costs of the Institute of Chartered Accountants of England & Wales personnel and the costs of the Managing Director during the inspection).

Our annual financial statements are audited by the Office of the Auditor General of Cayman Islands and are included on our website. The Auditor General is a Board member of the AOA and is recused from involvement in the audit. The audit report is signed off by his Deputy who is delegated Acting Auditor General authority to carry out the function of the Auditor General in this circumstance.

16 January 2026