

Financial Statements of

CAYMAN TURTLE FARM (1983) LIMITED

June 30, 2011



CAYMAN TURTLE FARM (1983) LIMITED

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Independent Auditors' Report to the Shareholder and Directors

In accordance with section 52(3) of the *Public Management and Finance Law (2010 Revision)*, we have audited the accompanying financial statements of Cayman Turtle Farm (1983) Limited (the "Company"), which comprise the statement of financial position as at June 30, 2011 and the statements of comprehensive loss, changes in shareholder's deficit and cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

This report is prepared for and only for the Shareholder and Directors of the Company in accordance with the terms of an engagement letter dated September 23, 2011 and for no other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. Except as discussed in the Basis for Qualified Opinion paragraphs, we conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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

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

(continued)

Independent Auditors' Report to the Shareholder and Directors (continued)

Basis for Qualified Opinion

International Accounting Standard 36: "Impairment of Assets" ("IAS 36") requires management to assess whether there is an indication that the Company's assets may be impaired and, if such indication exists, to estimate the recoverable amount of the assets and to recognise an impairment loss to the extent that the carrying value exceeds the recoverable amount. Due to the nature, size and complexity of the Company's property, plant, equipment and exhibits, management were unable to determine whether there was any indication of impairment nor determine an estimate of the recoverable amount. We were therefore unable to determine whether any adjustments to property, plant, equipment and exhibits recorded on the statement of financial position at June 30, 2011 and any impact on the statement of comprehensive loss for the year then ended.

As described in note 10, the statement of financial position at June 30, 2011 include a provision for pensions payable of CI\$1,022,000. This provision is based on the June 30, 2009 estimate provided to the Company by the Public Service Pensions Board. In the absence of an actuarial valuation as at June 30, 2011, we were unable to obtain sufficient appropriate audit evidence to form an opinion on the provision for pensions payable in the statement of financial position at June 30, 2011, nor the related change recognised in the statement of comprehensive loss and the related information disclosed in note 10.

During the years ended June 30, 2007 to June 30, 2011, the Cayman Islands Government, the sole shareholder of the Company, made insurance premium payments on behalf of the Company totalling CI\$4,640,301 which are included in accounts payable and accrued charges at June 30, 2011 (refer note 15). There is no agreed schedule of repayment and it is not possible to estimate when this amount will be repaid due to the financial condition of the Company (see emphasis of matter paragraph below). Under International Financial Reporting Standards, the insurance premium payments are in substance capital contributions as the Company does not have the ability to repay this obligation back to the shareholder. Therefore, in our opinion, the classification of this amount of CI\$4,640,301 as a liability in the statement of financial position at June 30, 2011 should be reflected as a contribution from the shareholder.

Qualified Opinion

In our opinion, except for the effects of such adjustments, if any, as might have determined to be necessary in respect of the matters discussed in the "Basis for Qualified Opinion" paragraphs above, the financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2011 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

(continued)

Independent Auditors' Report to the Shareholder and Directors (continued)

Emphasis of Matter

Without further qualifying our opinion we draw attention to note 12 which discloses that the Company is dependent upon the financial support of the Government of the Cayman Islands to enable it to meet its obligations as they fall due. Without this ongoing support a material uncertainty exists that casts significant doubt about the Company's ability to continue as a going concern.

KPMG

October 26, 2011

A. S. Swarbrick

Alastair Swarbrick, MA (Hons), CPFA
Auditor General
October 26, 2011



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CAYMAN TURTLE FARM (1983) LIMITED

Statement of Financial Position

June 30, 2011

(expressed in Cayman Islands dollars)

	Note	2011	2010
Assets			
Current assets			
Bank balances	4	636,727	446,767
Accounts receivable		676,327	245,020
Prepayments and accrued interest		35,211	15,003
Inventories	5	92,968	82,844
Biological assets	6	1,704,592	1,871,003
		3,145,825	2,660,637
Non-current assets			
Property, plant, equipment and exhibits	7	37,683,811	40,193,924
Total assets	CI\$	40,829,636	42,854,561
Liabilities and shareholder's deficit			
Current liabilities			
Bank overdraft	4	4,414,496	4,457,737
Accounts payable and accrued charges		5,525,170	5,445,566
Interest payable		108,555	120,704
Guaranteed senior notes	8	2,483,040	2,354,520
Bank debt	9	1,665,067	1,951,579
		14,196,328	14,330,106
Non-current liabilities			
Guaranteed senior notes	8	23,865,239	26,242,756
Long term bank debt	9	7,015,810	8,418,304
Provision for pensions payable	10b	1,022,000	1,022,000
Provision for severance payable	10c	29,771	29,771
		31,932,820	35,712,831
Total liabilities		46,129,148	50,042,937
Shareholder's deficit			
Share capital			
- Authorised, issued and fully paid 400,000 shares of \$3 each and 50,000 shares of \$1 each			
		1,250,000	1,250,000
Contributed capital	11	44,434,068	34,581,499
Accumulated loss		(50,983,580)	(43,019,875)
	12	(5,299,512)	(7,188,376)
Total liabilities and shareholder's deficit	CI\$	40,829,636	42,854,561

See accompanying notes to financial statements.

Approved on behalf of the Board of Directors on October 26, 2011

TIMOTHY P. ADAM

Director

KENNETH L. HYDES

Director

CAYMAN TURTLE FARM (1983) LIMITED

Statement of Comprehensive Loss

For the year ended June 30, 2011
(expressed in Cayman Islands dollars)

	Note	2011	2010
Operations			
Revenue		4,842,521	4,574,054
Cost of sales	19	(1,378,133)	(1,118,412)
Change in fair value of biological assets	19	174,533	1,187,268
Gross profit	19	3,638,921	4,642,910
Direct expenses	19	(6,545,763)	(6,958,552)
Net operating loss	19	(2,906,842)	(2,315,642)
Rental and other income	19	197,348	231,934
Administrative expenses			
Administration and overheads	19	(2,450,573)	(2,955,257)
Interest and amortisation	19	(2,058,908)	(2,270,150)
Depreciation	19	(365,533)	(542,466)
Research expenses	19	(205,015)	(364,475)
Marketing expenses	19	(174,182)	(134,745)
Net change in defined benefit liability	19	0	0
Total administrative expenses		(5,254,211)	(6,267,093)
Net loss for the year	12	CIS (7,963,705)	(8,350,801)

See accompanying notes to financial statements.

CAYMAN TURTLE FARM (1983) LIMITED

Statement of Changes in Shareholder's Deficit

For the year ended June 30, 2011
(expressed in Cayman Islands dollars)

	Share capital	Contributed capital (Note 11)	Accumulated loss	Total
Balance at June 30, 2009	1,250,000	25,025,889	(34,669,074)	(8,393,185)
Capital contribution from shareholder	0	9,555,610	0	9,555,610
Net loss for the year	0	0	(8,350,801)	(8,350,801)
Balance at June 30, 2010	CIS 1,250,000	34,581,499	(43,019,875)	(7,188,376)
Capital contribution from shareholder	0	9,852,569	0	9,852,569
Net loss for the year	0	0	(7,963,705)	(7,963,705)
Balance at June 30, 2011	CIS 1,250,000	44,434,068	(50,983,580)	(5,299,512)

See accompanying notes to financial statements.

CAYMAN TURTLE FARM (1983) LIMITED

Statement of Cash Flows

For the year ended June 30, 2011
(expressed in Cayman Islands dollars)

	Note	2011	2010
Cash flows from operating activities			
Net loss for the year		(7,963,705)	(8,350,801)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation of property, plant, equipment and exhibits		2,801,662	2,982,963
Increase/(decrease) in breeder herd valuation		(322,761)	106,861
Amortisation of transaction costs		105,523	128,641
Changes in:			
Decrease in accounts receivable		(431,307)	(85,725)
(Increase)/decrease in prepayments and accrued interest		(20,208)	18,382
(Increase)/decrease in inventories		(10,124)	8,681
Decrease/increase in biological assets		489,172	(1,050,415)
Decrease in interest payable		(12,149)	(9,017)
Increase in accounts payable and accrued charges		79,604	739,119
Net cash used in operating activities		(5,284,293)	(5,511,311)
Cash flows from investing activities			
Additions to property, plant, equipment and exhibits		(291,549)	(15,759)
Net cash used in investing activities		(291,549)	(15,759)
Cash flows from financing activities			
Long term bank debt paid		(1,689,006)	(1,520,308)
Repayment of guaranteed senior notes	8	(2,354,520)	(2,231,040)
Capital contributions from shareholder	11	9,852,569	9,555,610
Net cash from financing activities		5,809,043	5,804,262
Net increase in cash and cash equivalents		233,201	277,192
Cash and cash equivalents at beginning of year		(4,010,970)	(4,288,162)
Cash and cash equivalents at end of year	4	CIS (3,777,769)	(4,010,970)
Supplementary information:			
Interest paid	CIS	1,965,533	2,270,150
Interest received	CIS	213	4,131

See accompanying notes to financial statements.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements

June 30, 2011

(expressed in Cayman Islands dollars)

1. Incorporation and activity

Cayman Turtle Farm (1983) Limited (the "Company") is incorporated in the Cayman Islands and is 100% owned by the Government of the Cayman Islands (the "Government"). Initially, the sole operation of the Company was rearing green sea turtles under controlled farm conditions. However, due to the world-wide ban on the export of turtle products, the Company shifted its primary objective to the operation of a tourist attraction, including a gift shop. The production of turtle meat and related products is limited to that necessary to meet local demand within the Cayman Islands. The secondary objective is the conservation and re-population of sea turtles within the waters of the Cayman Islands.

The Company's address is 786 North West Point, West Bay, Grand Cayman. The Company had a staff complement of 88 and 108 in 2011 and 2010, respectively.

The Company's operations consists of a marine park and related developments on a 23.5 acre site located in West Bay, Grand Cayman. The marine park (the "Park") includes a shopping bazaar, a turtle interactive area, educational pavilion, hatchery and science laboratory, fresh water pool, saltwater snorkel lagoon, predator tank, crocodile marsh, nature trail and aviary.

See Note 12 for discussion of matters relating to the ability of the Company to continue as a going concern.

2. Accounting policies

Basis of preparation

These financial statements are prepared under the historical cost convention, modified by the valuation of biological assets at fair value, and in accordance with International Financial Reporting Standards ("IFRS"). As outlined in Note 12, the continued existence of the Company is contingent on the ongoing support from the Company's shareholder and the maintenance of the credit facilities provided by the Company's bankers. As management consider that this support will be ongoing and there are no indications which suggest otherwise, management consider the preparation of the financial statements under the going concern assumption to be appropriate.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

2. Accounting policies (continued)

Basis of preparation (continued)

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to these financial statements, relate to management's assessment of whether an impairment provision is required in respect of property, plant, equipment and exhibits (Note 7), the valuation of biological assets (Note 6) and the provisions for pensions payable and severance payable (Note 10). Unless otherwise disclosed, these financial statements are presented in Cayman Islands dollars ("CI\$").

(a) New standards and amendments to published standards effective during the year ended June 30, 2011

The Company has adopted the new and revised standards and interpretations issued by the International Accounting Standards Board and the International Financial Interpretations Committee of the IASB that are relevant to the Company's operations and effective for annual reporting periods beginning July 1, 2010. The adoption of these new and revised standards and interpretations during the year ended June 30, 2011 did not have any significant impact on the Company's financial statements, or result in any changes to the Company's accounting policies, other than additional disclosures. Comparatives are included for these additional disclosures where applicable.

(b) Relevant standards and amendments issued prior to June 30, 2011 but not yet effective

As at the date of approval of these financial statements, certain standards and interpretations were in issue but not yet effective. Management anticipates that the adoption of these new standards in the relevant future periods will not have a material financial impact on the financial statements. The relevant standards not yet effective are:

- IFRS 9 – Financial Instruments – Effective for financial reporting periods commencing on January 1, 2013.
- IFRS 13 – Fair Value Measurement – Effective for financial reporting periods commencing on January 1, 2013.
- IAS 19 – Employee Benefits (Revised) – Effective for financial reporting periods commencing on January 1, 2013.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

2. Accounting policies (continued)

The significant accounting policies adopted in the preparation of these financial statements are:

Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents consists of cash on hand, balances with banks (including overdrafts) on demand and at short notice, and short-term highly liquid investments with original maturity dates of less than 90 days.

Accounts receivable

Accounts receivable comprise receivables from customers and are reduced by any allowance for doubtful accounts where there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Biological assets - Secondary herd

The secondary herd, which is reared for slaughter, is valued at fair value, calculated using market prices and expected yields of each type of product based on historical data. Changes in the carrying amount attributable to physical change in such biological assets and changes attributable to price change are recognised as income or expense in the statement of comprehensive loss.

Biological assets - Breeder herd

It is management's policy to differentiate between turtles which were acquired from the wild and will be released at the end of their breeding lives, and farm bred turtles which may be slaughtered at the end of their breeding lives. Mature turtles (i.e. those that have reached breeding age) acquired from the wild have been fully depreciated over their useful lives of 20 years and have a zero carrying value. Mature farm-bred turtles have an estimated net realisable value that exceeds cost and are not depreciated.

The direct costs of maintaining the farm-bred turtles are allocated between the mature turtles and those that have not yet reached maturity.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

2. Accounting policies (continued)

Property, plant, equipment and exhibits

Property, plant, equipment and exhibits are recorded at cost and, with the exception of land which is not depreciated, are depreciated using the straight line method over their estimated useful lives as follows:

Buildings and lagoons	10 - 20 years
Plant and equipment	4 - 10 years
Motor vehicles	3 - 4 years
Furniture and office equipment	4 - 5 years
Exhibits	6 years
Computer hardware and software	3 years

The estimated useful lives, residual values and depreciation method are reviewed at year-end and the effect of any changes in the estimate is accounted for on a prospective basis.

Cost comprises the purchase price of an asset plus any directly attributable costs of bringing the asset to working condition for its intended use such as import duties, site preparation, initial delivery and handling cost, installation cost and professional fees (e.g. architects and engineers). Certain borrowing costs are also included in the cost basis of the related asset; see “borrowing costs” below. Costs of improvements are included in the cost of the applicable asset.

New and redeveloped assets are not depreciated until the assets are placed into service. Capitalized cost includes direct labor and benefits for employees specifically identified with the project. Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable.

Repairs and maintenance are charged to production or overhead expenses in the statement of comprehensive loss as incurred.

Donated assets are recorded at their estimated fair value at the date of receipt.

Exhibits represent the cost of various marine life, including acquisition costs, contained within the salt water lagoons at the park. Management estimate that the total life of these marine life to be approximately 10-12 years. As the Company has acquired these marine life at a mature status in their life cycle, management have assumed that the remaining useful life for the exhibits from the date of acquisition to be approximately 6 years.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

2. Accounting policies (continued)

Financial assets and liabilities

(i) Classification

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset, or to exchange financial instruments with another enterprise under conditions that are potentially favorable or an equity instrument of another enterprise. A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

(ii) Recognition

The Company recognises financial assets and liabilities on the date it becomes a party to the contractual provisions of the instrument. From this date, any gains and losses arising from changes in financial liabilities measured at amortised cost are recognised in the statement of comprehensive loss.

Financial assets comprise cash and cash equivalents, accounts receivable and prepayments and accrued interest. Financial liabilities comprise as bank overdraft, accounts payable, guaranteed senior notes, long term bank debt and the provisions for pensions payable and severance payable. Management determines the classification of its financial assets and liabilities at initial recognition.

(iii) Measurement

Financial instruments are measured initially at cost, including transaction costs. For financial assets acquired, cost is the fair value of the consideration given, while for financial liabilities cost is the fair value of consideration received.

Financial assets classified as loans and receivables and financial liabilities measured at amortised cost are carried at amortised cost using the effective interest rate method, less impairment losses, if any, for financial assets.

(iv) Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Company has transferred all the risks and rewards of ownership. A financial liability is derecognised when it is discharged, cancelled or expires.

(v) Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when the Company has a legally enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis. At June 30, 2011 and 2010, there were no assets or liabilities reported on a net basis.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

2. Accounting policies (continued)

Financial assets and liabilities (continued)

(vi) Impairment

A financial asset is impaired if there is objective evidence indicating that one or more events have had a negative effect on the estimated future cash flows of that asset. The amount of the impairment loss for assets carried at amortised cost is calculated as the difference between the asset's carrying amount and the present value of expected future cash flows discounted at the financial instrument's original effective interest rate. All impairment losses are recognised in the statement of comprehensive loss.

At June 30, 2011 and 2010, no impairment loss was recognised in the financial statements.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition or development of an asset which takes a substantial period of time to ready it for its intended use are capitalised and included as part of the cost of the asset. Such costs include interest, the amortisation of discounts or premiums on issue, and amortisation of transaction costs associated with the arrangement of the borrowings. To the extent funds borrowed for the acquisition or development of a specific asset are invested on a temporary basis, the interest income is netted with the related borrowing costs to determine the amount of borrowing costs eligible for capitalisation. Capitalisation ceases when the related asset, or completed part thereof, is effectively ready for use. All other borrowing costs are expensed in the statement of comprehensive loss during the period in which they are incurred.

Employee benefits

(a) Defined contribution pension plan

The Company's contributions are charged to the statement of comprehensive loss in the period to which the contributions relate (Note 10(a)).

(b) Defined benefit plan

Pension costs are recognised based upon the results of periodic actuarial assessments conducted in respect of the Cayman Islands Public Service Pension Plan. The cost of providing pensions is charged to the statement of comprehensive loss so as to spread the regular cost over the service lives of employees. The pension obligation is measured as the present value of the estimated future cash outflows using interest rates of government securities which have terms to maturity approximating the terms of the related liability. Actuarial gains and losses are recognised over the average remaining service lives of employees. Changes in the estimate of the amount required to fund past service pension benefits are recognised immediately when advised to the Company.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

2. Accounting policies (continued)

Employee benefits (continued)

(c) Severance benefits for long-serving retired employees

Employees with over 25 years of service at retirement are entitled to an additional benefits package comprising a cash payment and payment of medical insurance premiums for a specified period. The costs of the benefits are accrued over the period of employment based on estimated valuations of these obligations determined by the Board of Directors.

Foreign currencies

The Company's transactions occur in United States dollars ("US\$") and Cayman Islands dollars ("CIS"). The Company translates US\$ transactions into CIS using a rate of US\$1.00 to CIS0.84.

Notes issued

The Guaranteed Senior Notes (the "Notes") were initially recognised at "cost", being the issue proceeds net of transaction costs incurred. The liability is subsequently stated at amortised cost and the difference between the net proceeds of the issue of the Notes and the principal amount of the Notes is amortised over the term to the maturity of the Notes using the effective yield method and accounted for in accordance with the accounting policy described under "borrowing costs". Transaction costs include those incremental fees, commissions and payments to agents and advisors that are directly attributable to the Notes issuance.

Inventories of marketable products

Farm produced marketable products are valued at net realisable value.

Products purchased for resale and food and beverage are valued at the lower of cost on the first in, first out basis, and estimated net realisable value.

Inventories of feeds and other supplies

Feed and other supplies are valued using the weighted average cost basis.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Company's activities. Revenue is shown net of returns, rebates and discounts. The Company sells merchandise and turtle meat and charges admission fees to customers for entry to the farm. Sales of goods or services are recognised when the Company sells a product to the customer or the customer is admitted to the farm. Retail sales are usually in cash or by credit card.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

2. Accounting policies (continued)

Comparative figures

Certain of the prior year's figures have been reclassified to conform with the current year's presentation.

3. Fair value of financial instruments

Fair value amounts represent estimates of the consideration that would be agreed upon between knowledgeable willing parties who are under no compulsion to act and is best evidenced by a quoted market price if one exists.

The carrying value reflected in the financial statements for cash and cash equivalents, accounts receivable, prepayments and accrued interest, bank overdraft and accounts payable are assumed to approximate to their fair values due to their short-term nature. Long-term liabilities are carried at their contracted settlement value. Additionally, the cost of all monetary assets and liabilities has been appropriately adjusted to reflect estimated losses on realisation or discounts on settlement.

4. Cash and cash equivalents

	2011	2010
Current accounts	636,727	446,767
Bank overdraft	(4,414,496)	(4,457,737)
	CIS (3,777,769)	(4,010,970)

The Cayman Islands Government, by way of letter of undertaking, guarantees overdraft facilities up to CI\$4,200,000 (2010: CI\$4,583,333).

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

5. Inventories

	2011	2010
Marketable products	57,599	62,259
Food and beverage	18,670	13,693
Feeds and other supplies	16,699	6,892
	CIS\$ 92,968	82,844

6. Biological assets

	2011	2010
Livestock, at fair values:		
Secondary herd	1,074,049	1,563,221
Breeder herd	630,543	307,782
	CIS\$ 1,704,592	1,871,003

The movements in the carrying value of the secondary herd are outlined as follows:

	2011	2010
Carrying value at beginning of year	1,563,221	512,806
Change attributable to differences in fair values	(584,184)	1,187,268
Biological transformation	317,382	423,456
Sales, at year end fair values	(222,370)	(660,150)
Transfer of breeders to Secondary herd	0	99,841
Net change in biological assets included in income	(489,172)	1,050,415
Carrying value at end of year	CIS\$ 1,074,049	1,563,221

Biological transformation comprises the net effect of births, deaths and other losses, and growth within the secondary herd, measured at year-end fair values. Due to the continuing limitations surrounding the market for the products of the secondary herd, shells are valued at C\$Nil.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

6. Biological assets (continued)

The movements in the net book value of the breeder herd are outlined as follows:

	2011	2010
Carrying value at beginning of year	307,782	414,643
Net increase during the year	322,761	(7,020)
Transfers to Secondary herd	0	(99,841)
	CIS 630,543	307,782

Net additions during the year comprise the costs attributable to new breeders added, weight gained during the year, less mortalities. During the years ended June 30, 2011 and 2010 no new breeders were added to the herd. During the year ended June 30, 2011, no turtles were transferred to the secondary herd (2010: 117). As of June 30, 2011 there was CI\$500,000 insurance coverage associated with the livestock.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

7. Property, plant, equipment and exhibits

		Land	Buildings and lagoons	Plant and equipment	Motor vehicles	Furniture and office equipment	Exhibits	Computer hardware & software	Total
Cost:									
As at June 30, 2010		1,251,349	48,227,793	1,273,357	241,583	1,089,724	657,176	145,644	52,886,626
Additions		0	198,741	17,584	0	8,423	15,611	51,190	291,549
As at June 30, 2011		1,251,349	48,426,534	1,290,941	241,583	1,098,147	672,787	196,834	53,178,175
Accumulated depreciation:									
As at June 30, 2010		0	10,243,755	731,507	228,354	1,030,237	380,106	78,743	12,692,702
Depreciation		0	2,421,316	169,907	13,075	33,639	110,333	53,392	2,801,662
As at June 30, 2011		0	12,665,071	901,414	241,429	1,063,876	490,439	132,135	15,494,364
Net book value:									
As at June 30, 2011	CIS	1,251,349	35,761,463	389,527	154	34,271	182,348	64,699	37,683,811
As at June 30, 2010	CIS	1,251,349	37,984,038	541,850	13,229	59,487	277,070	66,901	40,193,924

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

7. Property, plant, equipment and exhibits (continued)

In 2004, the Company received land from its shareholder by way of donation with a fair value at that date of CI\$195,000. This donation is reflected in these financial statements.

Certain parcels of the Company's land have charges registered on them in connection with a loan from a bank (Note 9).

8. Guaranteed senior notes

Pursuant to a confidential placement memorandum, the Company issued Notes in the amount of US\$44,600,000 (equivalent to CI\$37,464,000) primarily for the purpose of funding the Park.

The Notes were issued at par and were placed by William Blair & Company, L.L.C. (the "Placement Agent") with third party institutional investors. The Notes are guaranteed by the Cayman Islands Government up to an amount of CI\$36,600,000. The Notes mature on March 1, 2019 and bear interest at a fixed rate of 4.85% per annum, payable quarterly in arrears. Quarterly payments commenced on June 2, 2004. The first 9 quarterly payments were interest only, and quarterly payments of principal and interest commenced on September 1, 2006. The principal amount of the Notes will amortise quarterly to an approximate final principal payment of US\$5,400,000 (CI\$4,536,000) due on March 1, 2019.

The anticipated principal repayment schedule is as follows:

	2011	2010
Due within 1 year	2,483,040	2,354,520
Due between 2 and 5 years	11,381,160	10,785,660
Due in more than 5 years	12,994,800	16,073,400
	CI\$ 26,859,000	29,213,580

The Company has the right to prepay all or a portion of the Notes after March 12, 2005 (being the first anniversary of the closing date) at an amount equal to the remaining mandatory principal and interest payments discounted by the lesser of (i) the coupon on the Notes or (ii) 50 basis points over the yield on the US Treasury obligation having a maturity equal to the then remaining life of the Notes. The Company did not exercise its right to prepay the Notes as at June 30, 2011.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

8. Guaranteed senior notes (continued)

Movements in the carrying value of the Notes, which is inclusive of unamortized transaction costs, in the year to June 30, 2011 and 2010 are:

	2011	2010
Carrying value at beginning of year	28,597,276	30,699,675
Repaid during the year	(2,354,520)	(2,231,040)
Amortisation of transaction costs for the year	105,523	128,641
Carrying value at end of year	CIS 26,348,279	28,597,276

At June 30, 2011, unamortised transaction costs amounted to CI\$510,722 (2010: CI\$616,245). During the year ended June 30, 2011 amortised transaction costs of CI\$105,523 (2010: CI\$128,641) were charged to the statement of comprehensive loss as part of interest and amortisation. The effective yield on the Notes, after taking into account the coupon rate and amortisation of costs, is approximately 5.3%.

9. Long term bank debt

On October 30, 2002, the Company obtained a loan facility ("Facility 1") from Cayman National Bank for the redevelopment of certain buildings and other structures damaged by Hurricane Michelle. The loan facility is secured by a floating debenture over the Company's assets to cover US\$1,500,000 (CI\$1,260,000) and the first legal charge over land and buildings to cover US\$1,500,000.

The terms of this loan are as follows:

On demand, repayable at blended monthly payments of principal and interest of US\$13,632 (CI\$11,451) over a term of 68 months.

Total loan facility available to the Company	US\$	1,000,000
Equivalent to	CI\$	840,000
Balance outstanding at June 30, 2011	CI\$	66,454
Balance outstanding at June 30, 2010	CI\$	197,467

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

9. Long term bank debt (continued)

On March 26, 2006, the Company obtained a loan facility ("Facility 2") from Cayman National Bank to assist the Company with budget shortfalls relating to the Park which is guaranteed by the Cayman Islands Government.

The terms of this loan are as follows:

On demand, repayable at blended monthly payments of principal and interest of US\$37,196 (CIS\$31,245) over a term of 118 months.

Total loan facility available to the Company	US\$	3,400,000
Equivalent to	CIS	2,856,000
Balance outstanding at June 30, 2011	CIS	1,767,005
Balance outstanding at June 30, 2010	CIS	2,082,753

On November 7, 2006, the Company obtained a loan facility ("Facility 3") from Cayman National Bank to assist the Company with budget shortfalls relating to the Park which is guaranteed by the Cayman Islands Government.

The terms of this loan are as follows:

On demand, repayable at blended monthly payments of principal and interest of US\$130,340 (CIS\$109,486) over a term of 10 years.

Total loan facility available to the Company	US\$	10,400,000
Equivalent to	CIS	8,736,000
Balance outstanding at June 30, 2011	CIS	4,693,871
Balance outstanding at June 30, 2010	CIS	5,809,473

On May 21, 2009, the Company obtained a loan facility ("Facility 4") from First Caribbean International Bank to assist the Company with operating cashflow shortfalls. The facility is fully guaranteed by the Cayman Islands Government.

The terms of this loan are as follows:

During the availability period (May 21, 2009 to October 30, 2009) the facility is carried on an interest only basis, payable monthly in arrears. Subsequent to this availability period, the facility will be repaid in blended principal and interest monthly installments of US\$22,000 (CIS\$18,480) commencing on November 30, 2009 for a period of 15 years.

Total loan facility available to Company	US\$	2,800,000
Equivalent to	CIS	2,352,000
Balance outstanding at June 30, 2011	CIS	2,153,547
Balance outstanding at June 30, 2010	CIS	2,280,190

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

9. Long term bank debt (continued)

The Cayman Islands Government by way of letter of undertaking guarantees the loan facilities for US\$14,800,000 (CIS\$12,432,000). Facilities 1 to 3 bear interest between 0.5% and 1.0% above US Dollar prime rate, reset monthly. Facility 4 bears interest at 3.75% above the 90-day London Interbank offer rate (LIBOR). The effective rate at June 30, 2011 is between 4.0% and 4.1% (2010: between 3.8% and 4.3%).

The combined anticipated repayment schedule is:

	2011	2010
Due within 1 year	1,665,067	1,951,579
Due between 2 and 5 years	5,488,200	6,622,314
Due in more than 5 years	1,527,610	1,795,990
Total long term bank debt	CIS 8,680,877	10,369,883
Current portion	1,665,067	1,951,579
Long term portion	7,015,810	8,418,304
	CIS 8,680,877	10,369,883

10. Provision for pensions payable and severance payable

The Company and its employees participate in the Cayman Islands Public Service Pension Plan (the "Plan") on both a defined contribution and defined benefit basis as explained below:

a) *Defined contribution plan*

For employees enrolled in the defined contribution plan, the Company and the employee each contribute 6% of the employee's salary or wage each year. During the year ended June 30, 2011 contributions of CIS\$186,905 (2010: CIS\$256,319) were made by the Company and included in the statement of comprehensive loss.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

10. Provision for pensions payable and severance payable (continued)

b) Defined benefit plan

Employees who served with the Company prior to January 1, 2000 are enrolled in the defined benefit program. Contributions towards benefits accruing in respect of current service (i.e. for the period since the employee was enrolled in the plan) are funded at rates periodically advised to the Company by the Pensions Board and are recognised as an expense in the period incurred. The Company is also required to make payments to the plan to fund benefits accruing in respect of past service (the "past service funding liability"). This past service funding liability, which is generally equivalent to the actuarially determined present value of the defined benefit obligations less the value of the assets available to meet such obligations, is calculated periodically by the Plan actuaries and advised to the Company by the Pensions Board. The Company recognises changes in the past service funding liability, adjusted for funding payments made, as an expense or gain in the period in which such changes are incurred. In the absence of formal notification from the Pensions Board, the Company has no reliable way to quantify its liability to the Plan in respect of unfunded past service benefits.

The most recent actuarial valuation was performed as of June 30, 2009 and the results, which was advised to the Company by the Public Service Pension Board ("PSPB") in July 2010 indicated a Plan deficit attributable to the Company of CI\$1,022,000. Therefore, no provision expense has been recognized in 2011 and 2010.

	2011	2010
Provision at beginning of year	1,022,000	1,022,000
Pension expense for the year	N/A	N/A
Provision at end of year	CI\$ 1,022,000	1,022,000

Reconciliation of funded status:

	2011 CI\$000's	2010 CI\$000's
Company's share of Defined benefit obligation	1,022	2,187
Fair value of Plan assets	N/A	(1,047)
Funded status	1,022	1,140
Unrecognised actuarial loss	N/A	(118)
Defined benefit liability	CI\$ 1,022	1,022

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

10. Provision for pensions payable and severance payable (continued)

b) *Defined benefit plan (continued)*

Movement in defined benefit obligations during the year:

	2011 CIS\$000's	2010 CIS\$000's
Defined benefit obligation at beginning of year	2,187	2,187
Current service cost	N/A	N/A
Interest cost	N/A	N/A
Contributions paid into the plan	N/A	N/A
Net actuarial loss/(gain)	N/A	N/A
Defined benefit obligation at end of year	2,187	2,187

Movement in fair value of plan assets during the year:

	2011 CIS\$000's	2010 CIS\$000's
Fair value of plan assets as beginning of year	1,047	1,047
Employer contributions	N/A	N/A
Plan participant contributions	N/A	N/A
Expected return on assets net of expense	N/A	N/A
Fair value of plan assets at end of year	1,047	1,047

N/A – information not available

As required by IAS 19 the Projected Unit Credit has been used as the Cost Method. Assumptions regarding future mortality rates are based on the published Standard US Mortality Rates. The retirement age is completion of age 57 and 10 years service.

c) *Severance payable*

In 1997 the Board of Directors approved a severance pay package entitling employees with over 25 years of service to a cash payment on retirement and payment of their health insurance premiums after retirement for a period to be determined by the Board of Directors. There are no eligible employees at June 30, 2011 and the total liability of the Company in respect of past service benefits for retired employees is approximately CIS\$29,771 (2010: CIS\$29,771).

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

11. Contributed capital

During the year ended June 30, 2011, the Cayman Islands Government made an equity injection of CI\$9,852,569 (2010: CI\$9,555,610) which related to the 2011 Appropriation Law.

12. Going concern

Historically the Company has been able to realise its assets and discharge its liabilities in the normal course of business. However, cost overruns of the development of the Park, lower than projected visitor numbers and operating costs in excess of initial budgets, have given rise to significant business risks that cast uncertainty over the Company's ability to continue as a going concern.

The matters described above have resulted in significant operational losses to the Company since the financial year ended June 30, 2006. These conditions have resulted in the Company being unable to discharge its obligations as they fall due in the ordinary course of business without recourse to lending facilities from the Company's bankers (which were only obtained through a guarantee from the Company's shareholder, the Government), or by means of equity injections from the Government. Furthermore, operational results subsequent to June 30, 2011 indicate that the Company continues to generate significant losses from operations and experience cash flow difficulties. The Board of Directors has been working to design and implement a number of other cost-saving measures as well as increasing profitability by exploring new revenue streams. These include the sale of turtle shells locally, increasing the price of turtle meat and turtle products, and the possible closure of non-profitable sections of the facility.

In May and June 2010, in order to reduce operating costs of the Company, 20 employees were made redundant. Total redundancy payments made to these employees amounted to CI\$107,971 which was included in the statement of comprehensive loss. In addition, during the year ended June 30, 2011 the Company reduced salaries by 5% to 15%.

The Government continues to provide financial support to the Company in the form of further equity injections. The total funds approved by Government subsequent to June 30, 2011 are shown below:

Facility type	Appropriation law reference	Amounts approved	Amounts received
Equity injection	EI 49 (FY 2012)	9,500,000	0
Total funding, approved and advanced from Government	CI\$	9,500,000	0

13. Taxation

The Cayman Islands Government does not currently levy taxes on income or capital gains, consequently no tax liability or expense is recorded in these financial statements.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

14. Financial risk management

The Company's activities expose it to various types of risk that are associated with the financial instruments and markets in which it operates. The Company's Board of Directors have overall responsibility for the establishment and oversight of its risk management framework. The Company's risk management policies are established to identify and analyse the risks, set appropriate risk limits and controls and to monitor risks and adherence to limits. The most important types of financial risk to which the Company is exposed to are credit risk, liquidity risk and market risk. This note presents information about the Company's exposure to each of these risks and the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. To mitigate this risk, the Company has adopted a policy of dealing only with counterparties which it believes to be credit worthy. Financial assets which potentially subject the Company to credit risk consist principally of cash and cash equivalents and trade receivables.

The main credit risk to the Company is the potential loss that would be incurred if the counterparty to the bank balances or accounts receivable fail to discharge their obligations to repay. Most of the Company's sales transactions are on a cash basis, which limits the credit risk relating to accounts receivable. Further, cash and cash equivalents are placed with two financial institutions in the Cayman Islands (CNB & FCIB), which management consider to be of good standing. The Company has no other significant credit risk.

The maximum exposure to credit risk for financial assets at the reporting date without taking account of any collateral held or other credit related enhancements and based on the net carrying amounts as reported in the statement of financial position, is:

	2011	2010
Cash and cash equivalents	636,727	446,767
Accounts receivable	676,327	245,020
	CIS\$ 1,313,054	691,787

As at June 30, 2011, a provision for doubtful receivables of CI\$37,851 has been made against accounts receivable (2010: CI\$1,400).

No collateral is required from the Company's debtors.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

14. Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to predict and manage the Company's expected cash outflows. Management monitors rolling forecasts of the cash and cash equivalents on the basis of expected cash outflows. Furthermore, throughout the year and subsequent to the year end, the Company has relied significantly on the support from the Government, as Shareholder, to provide funds in the form of bank guarantees and equity injections. The ability of the Company to meet its obligations is dependent on the ongoing financial support provided by the Government (Notes 11 and 12).

As at June 30, 2011, accounts payable, accruals and interest payable are all due within 3 months of the statement of financial position date. The repayment dates on the bank debt and Guaranteed Senior Notes are as described in Notes 8 and 9 above.

Market risk

Market risk is the risk that changes in interest rates, foreign exchange rates or equity and commodity prices will affect the positions held by the Company making them less valuable or more onerous. The Company's activities expose it to financial market fluctuations. Market risk includes price risk, interest rate risk and currency risk.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Long term bank debt is subject to interest rate risk. As outlined in Note 9, the long term bank debt attracts variable interest rates based on market interest rates which are reset monthly. Management does not consider there to be an interest rate risk on cash and cash equivalents as it is due on demand. As outlined in Note 8 above, the Notes were issued at fixed rates of interest and therefore management does not consider there to be any interest rate risk on the Notes.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

14. Financial risk management (continued)

Interest rate risk (continued)

As at June 30, 2011, the interest rate profile of the Company's interest-bearing financial instruments was:

	2011	2010
Fixed rate instruments		
Financial liabilities	(26,348,279)	(28,597,276)
	CIS\$ (26,348,279)	(28,597,276)
	2011	2010
Variable rate instruments		
Financial assets	636,727	446,767
Financial liabilities	(13,095,373)	(14,827,620)
	CIS\$ (13,732,100)	(14,380,853)

The nature of the Company's exposures to interest rate risk and its objectives, policies and processes for managing interest rate risk have not changed significantly from the prior year. Subsequent to June 30, 2011 the market interest rates have remained static and the Company has therefore not experienced any adverse effects as a result of interest rate risk.

Price risk

Price risk is the risk that factors specific to individual securities or their issuer or factors affecting all securities traded in the market will fluctuate. The Company does not hold securities as at June 30, 2011 and 2010 and as such is not exposed to price risk.

Currency risk

As substantially all transactions are denominated in Cayman Island dollars, the Company is not significantly exposed to currency risk due to the Cayman Islands dollar being fixed to the United States dollar. The nature of the Company's exposure to currency risk has not changed significantly from the prior year.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

15. Related party transactions and key management remuneration

As outlined in Note 1, the Company is wholly owned by the Cayman Islands Government (“the Government”). The Company engages with other entities and bodies which are related to the Government in the ordinary course of business, at arm’s length.

All of the activities with other Government entities and related parties are conducted at an arm’s length basis other than those relating to the significant financial support from the Shareholder as described in Note 11.

As at June 30, 2011, included in accounts payable and accrued charges are amounts due to the Government of CI\$4,640,301 (2010: CI\$4,182,019).

Total remuneration paid to key management during the year was CI\$543,635 (2010: CI\$548,859).

Members of the Board of Directors are voluntary and do not receive salaries for services rendered, however, all Directors not employed by the Government receive an amount of CI\$200 for each board meeting attended. The total remuneration paid to the Board of Directors was CI\$15,400 (2010: CI\$9,400).

16. Contingencies

(a) Breach of contract claim

Subsequent to year end, during September 2011, a tour operator raised a potential breach of contract claim against the Company. The claim is for an amount of CI\$90,450 (US\$107,679) and relates to the wholesale admission price the Company had charged the tour operator from December 2008. Legal representatives are waiting for further documentation and are unable to advise on the merits of this claim. Management considers that the claim is without merit therefore no provision has been raised in the financial statements as at June 30, 2011.

(b) Construction claim

During the year ended June 30, 2006 the Company was involved in a dispute with one of the contractors for the Park. The contractor filed a claim under the terms of the contract for costs of CI\$530,000 associated with their structural concrete contract. The Company made a counter claim for the reimbursement of an account payment of CI\$221,044 made to the contractor. There has been no further development of this claim and as at June 30, 2011 management considers it difficult to make any assessment of outcome with any degree of certainty.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

16. Contingencies (continued)

(c) Discharge permit

The nature of the operations of the Company requires it to obtain a discharge permit from the Water Authority of the Cayman Islands (the "Water Authority") in order to discharge waste water from the turtle tanks into the ocean. During the years ended June 30, 2008 and 2007 the Company did not hold such a discharge permit and was therefore not compliant with the environmental laws of the Cayman Islands. A permit was granted on October 1, 2008 for a period of two years. The failure of the Company to comply with the environmental laws prior to October 1, 2008 has left the Company exposed to possible litigation and the imposition of fines. As of the date these financial statements were available to be issued there has been no legal action initiated against the Company nor any fines levied.

The two year permit granted (as above) required the Company to reduce its effluent discharge by 50% by July 1, 2009. The Company engaged external consultants who were recommended to the Company to assist in complying with the terms of the permit and the relevant laws, however, as of July 1, 2009 and through the date that these financial statements were available to be approved the Company has not met the 50% reduction criteria.

The Company has not been able to meet the effluent reduction goals of the permit due to cutbacks and cost constraints preventing the Company from making the required capital investment to install a system appropriate to meet these requirements. In addition, management has looked further into the system design that the external consultant has proposed and management now considers some aspects of that design would not be appropriate as its possible adverse impact on air quality in the community could be much more noticeable and objectionable than the status quo which has been running for several years.

The Company was required to renew the permit subsequent to the expiration of the previous permit on September 30, 2010, and an application for renewal has been submitted. As part of the application process the permit was publicly advertised. The Company continues to work cooperatively with the Water Authority doing frequent measurement of the effluent discharge, and is also considering alternative techniques in the use of the existing infrastructure to reduce the potential environmental impact of its effluent discharge.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

17. Operating leases

The Company leases an area of 46,400 square feet to Dolphin Discovery for the operations of a dolphin park. The lease is a non-cancellable operating lease and the future incoming cash flows associated with this lease are as follows:

Within one year	231,640
Between one year and five years	927,360
Later than five years	0

18. Subsequent events

All subsequent events have been disclosed in the other notes to the financial statements and management is not aware of any other material subsequent events requiring disclosure as of the date that these financial statements were available to be issued.

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

19. Schedule of income and expenses

	Retail operations	Farm operations	Sub-total	Admin and overheads	Research expenses	Marketing Expenses	Other	2011 Total
Income								
Retail tours	3,119,553	0	3,119,553	0	0	0	0	3,119,553
Retail merchandise sales	614,485	0	614,485	0	0	0	0	614,485
Food and beverage	709,714	0	709,714	0	0	0	0	709,714
Wholesale sales	0	376,490	376,490	0	0	0	0	376,490
Turtle release program	0	22,279	22,279	0	0	0	0	22,279
Change in fair value of biological assets	0	174,533	174,533	0	0	0	0	174,533
Cost of sales	(1,037,426)	(340,707)	(1,378,133)	0	0	0	0	(1,378,133)
Gross profit	3,406,326	232,595	3,638,921	0	0	0	0	3,638,921
Rental and other income	0	0	0	0	0	0	197,348	197,348
Expenses								
Personnel expense	(1,013,673)	(953,246)	(1,966,919)	(1,155,445)	(188,406)	(45,427)	0	(3,356,197)
Depreciation expense	(1,654,701)	(781,428)	(2,436,129)	0	0	0	(365,533)	(2,801,662)
Interest and amortisation	0	0	0	0	0	0	(2,058,908)	(2,058,908)
Utility expense	(305,621)	(905,974)	(1,211,595)	(196,608)	0	0	0	(1,408,203)
Insurance expense	(56,250)	(6,692)	(62,942)	(457,948)	0	0	0	(520,890)
Maintenance costs	(98,622)	(325,580)	(424,202)	(89,935)	(1,579)	0	0	(515,716)
Feed and other operating expenses	(11,425)	(330,513)	(341,938)	0	0	0	0	(341,938)
Professional fees	0	0	0	(284,055)	0	0	0	(284,055)
Other expenses	0	0	0	(167,127)	(15,030)	(7,626)	0	(189,783)
Advertising	0	0	0	0	0	(121,129)	0	(121,129)
Bank fees	0	0	0	(82,414)	0	0	0	(82,414)
Telephone	0	0	0	(65,450)	0	0	0	(65,450)
Retail operating expense	(47,620)	0	(47,620)	0	0	0	0	(47,620)
Travel and entertainment	0	0	0	(6,009)	0	0	0	(6,009)
Total expenses	(3,187,912)	(3,303,433)	(6,491,345)	(2,504,991)	(205,015)	(174,182)	(2,424,441)	(11,799,974)
Net profit/(loss)	CI\$ 218,414	(3,070,838)	(2,852,424)	(2,504,991)	(205,015)	(174,182)	(2,227,093)	(7,963,705)

CAYMAN TURTLE FARM (1983) LIMITED

Notes to Financial Statements (continued)

June 30, 2011

(expressed in Cayman Islands dollars)

19. Schedule of income and expenses (continued)

	Retail operations	Farm operations	Sub-total	Admin and overheads	Research expenses	Marketing Expenses	Other	2010 Total
Income								
Retail tours	2,845,061	0	2,845,061	0	0	0	0	2,845,061
Retail merchandise sales	694,469	0	694,469	0	0	0	0	694,469
Food and beverage	675,746	0	675,746	0	0	0	0	675,746
Wholesale sales	0	334,251	334,251	0	0	0	0	334,251
Turtle release program	0	24,527	24,527	0	0	0	0	24,527
Change in fair value of biological assets	0	1,187,268	1,187,268	0	0	0	0	1,187,268
Cost of sales	(872,698)	(245,714)	(1,118,412)	0	0	0	0	(1,118,412)
Gross profit	3,342,578	1,300,332	4,642,910	0	0	0	0	4,642,910
Rental and other income	0	0	0	0	0	0	231,934	231,934
Expenses								
Personnel expense	(1,568,462)	(1,176,861)	(2,745,323)	(1,381,193)	(331,214)	(76,386)	0	(4,534,116)
Depreciation expense	(1,663,062)	(777,435)	(2,440,497)	0	0	0	(542,466)	(2,982,963)
Interest and amortisation	0	0	0	0	0	0	(2,270,150)	(2,270,150)
Utility expense	(190,761)	(802,131)	(992,892)	(197,950)	0	0	0	(1,190,842)
Insurance expense	(46,748)	(4,760)	(51,508)	(719,220)	0	0	0	(770,728)
Feed and other operating expenses	(35,259)	(383,334)	(418,593)	0	0	0	0	(418,593)
Maintenance costs	(44,035)	(228,534)	(272,569)	(103,463)	(1,451)	0	0	(377,483)
Professional fees	0	0	0	(243,871)	0	0	0	(243,871)
Other expenses	0	0	0	(165,577)	(31,810)	(479)	0	(197,866)
Telephone	0	0	0	(75,244)	0	0	0	(75,244)
Advertising	0	0	0	0	0	(57,880)	0	(57,880)
Travel and entertainment	0	0	0	(45,982)	0	0	0	(45,982)
Retail operating expense	(37,170)	0	(37,170)	0	0	0	0	(37,170)
Bank fees	0	0	0	(22,757)	0	0	0	(22,757)
Total expenses	(3,585,497)	(3,373,055)	(6,958,552)	(2,955,257)	(364,475)	(134,745)	(2,812,616)	(13,225,645)
Net loss	CIS\$ (242,919)	(2,072,723)	(2,315,642)	(2,955,257)	(364,475)	(134,745)	(2,580,682)	(8,350,801)