

CAYMAN ISLANDS GOVERNMENT

Financial Statements of

TOURISM ATTRACTION BOARD

For the Year Ended 30 June 2006 and
The Year Ended 30 June 2005

TOURISM ATTRACTION BOARD

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Tourism Attraction Board
Financial Statements
June 30, 2006

STATEMENT OF RESPONSIBILITY FOR FINANCIAL STATEMENTS

These financial statements have been prepared by Tourism Attraction Board in accordance with the provisions of the *Public Management and Finance Law, (2005 Revision)*. The financial statements comply with generally accepted accounting practice as defined in International Financial Reporting Standards

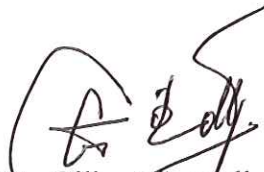
We accept responsibility for the accuracy and integrity of the financial information in these financial statements and their compliance with the *Public Management and Finance Law, (2005 Revision)*.

To the best of my knowledge the statements are:

- (a) complete and reliable;
- (b) fairly reflect the financial position as at June 30, 2006 and performance for the financial year ended June 30, 2006; and
- (c) comply with generally accepted accounting practice



Mr. Kirkland Nixon
Chairman
Tourism Attraction Board
Date:



Mr. Gilbert Connolly
Chief Executive Officer
Tourism Attraction Board
Date:



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Auditor General's Report

To the Members of the Tourism Attraction Board

I have audited the accompanying consolidated financial statements of the Tourism Attraction Board (the "Board") which comprise the balance sheet as at 30 June 2006, the statement of income and expenses, statement of equity, statement of cash flows for the year then ended, statement of segmented operations and a summary of significant accounting policies and other explanatory notes in accordance with provisions of Section 9 (2) of the *Tourism Attraction Board Law, 1996* and Section 52(3) of the *Public Management and Finance Law (2005 Revision)*

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair representation of these consolidated 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 consolidated 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.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with 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 upon the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained, except for the matters I raise in the paragraph below, is sufficient and appropriate to provide a basis for my audit opinion.

Basis for my Opinion

The entity did not maintain adequate internal control systems and accounting records for certain operating activities. The Queen Elizabeth II Botanic Park did not issue invoices for the sale of plants and events and did not maintain adequate controls over admission fees income. Pedro St. James did not maintain adequate controls over admission fees, bar sales and events income. The Pirates Week National Festival did not maintain adequate controls over sales. The Hell Attraction did not maintain adequate controls over rental income. I was unable to apply alternative procedures to satisfy myself as to the completeness of revenues for these entities.

In addition, the Queen Elizabeth II Botanic Park could not provide documentation to substantiate the amount recorded for inventory and I was unable to apply alternative procedures to satisfy myself as to its accuracy.

Lastly, the Hell Attraction could not provide bank reconciliations for its US dollar bank account from August 2004 through June 2006. I determined that the balance at year end was approximately three thousand dollars higher than the balance presented in the financial statements.

Opinion

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had I been able to satisfy myself as to the completeness of revenues and the accuracy of inventories and cash, the consolidated financial statements present fairly, in all material respects, the financial position of the Tourism Attraction Board and its subsidiaries as at 30 June 2006, and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Don Duguay

Dan Duguay MBA, FCA
Auditor General

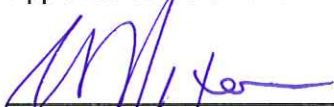


Cayman Islands
March 8, 2010

Tourism Attraction Board
Balance Sheet
as at 30 June 2006
(in Cayman Islands dollars)

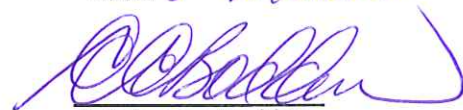
	<u>Note</u>	<u>2006</u>	<u>2005</u>
		\$	\$
ASSETS			
Current Assets			
Inventories		111,696	119,112
Accounts receivable	4	29,203	279,885
Prepaid expenses		13,294	5,055
Cash and cash equivalents		163,573	210,508
		<u>317,766</u>	<u>614,560</u>
Non-Current Assets			
Property, plant and equipment	3	<u>9,455,520</u>	<u>8,665,161</u>
TOTAL ASSETS		<u>9,773,286</u>	<u>9,279,721</u>
EQUITY AND LIABILITIES			
Equity	5	6,403,832	5,621,742
Current Liabilities			
Current portion of long term loan	6	374,762	384,540
Accounts payable and accrued liabilities		<u>347,461</u>	<u>251,447</u>
		<u>722,223</u>	<u>635,987</u>
Non-Current Liability			
Long term loan	6	<u>2,647,231</u>	<u>3,021,992</u>
TOTAL EQUITY AND LIABILITIES		<u>9,773,286</u>	<u>9,279,721</u>

Approved on behalf of the Board



Mr. Kirkland Nixon MBE, QFSM, JP.
Chairman

Date: 8th March 2010



Eziethamae Bodden
Deputy Chairman

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

Tourism Attraction Board
Statement of Income and Expenses
for the year ended 30 June 2006
(in Cayman Islands dollars)

	<u>Note</u>	<u>2006</u>	<u>2005</u>
		\$	\$
INCOME			
Events, gift shop, café, and bar	7	1,668,937	777,108
Cost of goods sold		(340,881)	(138,424)
		<u>1,328,056</u>	<u>638,684</u>
Admission fees		122,424	66,984
Government subsidy	9	<u>1,721,000</u>	<u>1,477,084</u>
Total Income		<u>3,171,480</u>	<u>2,182,752</u>
EXPENSES			
Salaries and benefits		1,156,870	1,110,449
Other expenses		446,858	125,897
Loan interest and charges	6	199,139	267,630
Depreciation	3	246,185	222,006
Insurance		220,050	122,099
Advertising and marketing		115,547	55,934
Utilities		144,471	124,072
Building and equipment maintenance		101,984	53,269
Professional fees		60,423	54,388
Rent		51,378	41,880
Telephone and communications		48,758	30,305
Nursery supplies and ground maintenance		46,879	25,495
Administrative expenses		36,567	55,969
Security		35,966	44,528
Vehicle expenses		25,566	19,495
Uniform, training and immigration		9,054	1,349
Conferences		5,378	1,845
Duty		3,983	3,754
Subscriptions and donations		2,041	2,936
Bad debts		1,771	-
Equipment Write-off		592	476,561
Miscellaneous		112	795
Total Expenses		<u>2,959,572</u>	<u>2,840,656</u>
Net income for the year		<u>211,908</u>	<u>(657,904)</u>

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

Tourism Attraction Board
Statement of Equity
for the year ended 30 June 2006
(in Cayman Islands dollars)

	<u>2006</u>	<u>2005</u>
DONATED CAPITAL	9,186,147	8,436,912
Balance at beginning of year	(3,564,405)	(2,918,256)
Donated capital received during the year	570,182	749,235
Net income for the year	211,908	(657,904)
Adjustment to opening equity	-	11,755
Balance at end of year	<u>(2,782,315)</u>	<u>(2,815,170)</u>
TOTAL EQUITY	<u><u>6,403,832</u></u>	<u><u>5,621,742</u></u>

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

Tourism Attraction Board
Statement of Cash Flows
for the year ended 30 June 2006
(In Cayman Islands dollars)

	2006	2005
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income for the year after government subsidy	211,908	(657,904)
Add adjustments to reconcile net income to net cash from operating activities		
Depreciation	246,185	223,999
Charges on Disposal	-	(928,451)
Operating Income before working capital changes	458,093	(1,362,356)
Changes in working capital balances		
Decrease/(Increase) in inventories	7,416	(604)
Decrease/(Increase) in accounts receivable	250,682	(258,149)
(Increase)/Decrease in prepaid expenses	(8,239)	6,863
Increase in accounts payable and accrued liabilities	96,014	83,012
Net cash used in operating activities	803,966	(1,531,234)
CASH FLOWS FROM INVESTING ACTIVITY		
Purchase of fixed assets	(1,036,544)	(378,233)
Disposal of assets	-	1,398,100
Net Cash used in investing activity	(1,036,544)	1,019,867
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital donated by government	570,182	749,235
Loan principal repaid during the year	(384,539)	(375,075)
Net cash provided by financing activities	185,643	374,160
Net decrease in cash and cash equivalents	(46,935)	(137,207)
Cash and cash equivalents at beginning of year	210,508	347,715
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	163,573	210,508

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

Tourism Attraction Board
Statement of Segmented Operations
as at 30 June 2006

	Cayman Craft Market	Hell	Pedro St.James	Botanic Park	Pirates Week Festival	Tourism Attraction Board	Adjustments	TOTAL
ASSETS								
Non-Current Assets								
Property, Furniture and Equipment	189,098	-	7,397,869	1,841,903	6,908	19,742		9,455,520
								-
Current Assets								
Inventories	-	-	18,956	54,035	38,705			111,696
Trade and Other Receivables	300	1,120	13,346	5,860	6,829	1,748		29,203
Prepayments	40	-	5,858	4,344	2,203	849		13,294
Due from Related Party	-	6,775	282,118	-	-	119,557	(408,450)	-
Cash and Cash Equivalents	1,112	5,830	37,227	45,262	34,410	39,732		163,573
	<u>1,452</u>	<u>13,725</u>	<u>357,505</u>	<u>109,501</u>	<u>82,147</u>	<u>161,886</u>		<u>317,766</u>
TOTAL ASSETS	<u>190,550</u>	<u>13,725</u>	<u>7,755,374</u>	<u>1,951,404</u>	<u>89,055</u>	<u>181,628</u>		<u>9,773,286</u>
CAPITAL AND LIABILITIES								
Capital and Deficit								
Donated Capital	110,000	-	7,244,403	2,401,926	0			9,756,329
Accumulated Deficit	(24,576)	6,879	(2,721,439)	(815,483)	44,760	157,362		(3,352,497)
	<u>85,424</u>	<u>6,879</u>	<u>4,522,964</u>	<u>1,586,443</u>	<u>44,760</u>	<u>157,362</u>		<u>6,403,832</u>
Non-Current Liability								
Long Term Loan	-	-	2,647,231	-	-			2,647,231
Current Liabilities								
Current Portion of Long Term Loan	-		374,762	-	-			374,762
Accounts Payable and Accruals	8,849	5,540	210,417	73,697	24,692	24,266		347,461
	<u>96,277</u>	<u>1,306</u>	<u>-</u>	<u>291,264</u>	<u>19,603</u>		(408,450)	<u>-</u>
	<u>-</u>							<u>-</u>
TOTAL CAPITAL AND LIABILITIES	<u>190,550</u>	<u>13,725</u>	<u>7,755,374</u>	<u>1,951,404</u>	<u>89,055</u>	<u>181,628</u>		<u>9,773,286</u>

Tourism Attraction Board
Statement of Segmented Operations
For the year ended 30 June 2006

	Cayman Craft Market	Hell	Pedro St.James	Botanic Park	Pirates Week Festival	Tourism Attraction Board	Adjustments	TOTAL
INCOME								
Gift Shop, Café, Events, Bar and Other	5,362	-	1,190,364	217,250	237,991			1,650,937
Management Fees	-	-	-	-	-	262,696	(262,726)	-
Rental Income	-	18,000	-	-	-			18,000
Cost of Goods Sold	-	-	(56,584)	(58,193)	(226,104)			(340,881)
	5,362	18,000	1,133,780	159,057	11,887	262,696		1,328,056
Admission Fees	-	-	4,413	118,011	-	-		122,424
Total Income	5,362	18,000	1,138,193	277,068	11,887	262,696		1,450,480
EXPENSES								
Salaries and Benefits	45,499	14,264	313,264	443,431	151,739	188,672		1,156,869
Depreciation	6,806		145,690	76,855	9,090	7,744		246,185
Loan Interest and Charges			196,093	948	1,800	298		199,139
Management Fees	7,200	5,000	105,221	102,703	42,602		(262,726)	-
Insurance	4,944	959	165,092	44,498	3,954	603		220,050
Utilities	6,273	1,044	40,209	83,017	10,386	3,542		144,471
Security	205		31,890	2,723	1,148			35,966
Building and Equipment Maintenance	10,466	7,098	28,995	49,770	4,092	1,563		101,984
Advertising and Marketing	4,459	540	43,566	39,910	13,899	13,173		115,547
Professional Fees	3,000	2,500	16,856	17,625	6,750	13,692		60,423
Administrative Expenses	3,208	97	10,368	6,961	7,863	8,070		36,567
Telephone and Communication Costs	1,849		15,755	14,181	9,309	7,664		48,758
Nursery Supplies and Grounds	143	120	14,406	32,210				46,879
Vehicle Expenses and Mileage			13,207	9,569		2,790		25,566
Theatre			18					18
Bad Debt				69	1,702			1,771
Conference, Subsistence and Official Travel				2,034		3,344		5,378
Subscription and Donation			775	766	500			2,041
Uniform, Training and Immigration		99	425	8,530				9,054
Great House			68					68
Equipment Write-off			592					592
Inventory write-off								-
Duty					3,983			3,983
Subsidy						1,721,000	(1,721,000)	-
Photo Processing					27			27
Other		2,000	218,024	16,336		210,459		446,858
Rent					30,650	20,728		51,378
Total Expenses	94,052	33,721	1,360,514	952,136	299,494	2,203,342		2,959,572
Net loss for the year before Government Subsidy	(88,690)	(15,721)	(222,321)	(675,068)	(287,607)	(1,940,646)		(1,509,092)
Government Subsidy	80,217	23,700	741,764	610,907	264,412	1,721,000	(1,721,000)	1,721,000
Net income for the year after Government Subsidy	(8,473)	7,979	519,443	(64,161)	(23,195)	(219,646)		211,908

Tourism Attraction Board
Notes to the Financial Statements
30 June 2006

1. BACKGROUND INFORMATION

The Tourism Attraction Board (TAB) was established under the *Tourism Attraction Board Law, 1996 (Law 17 of 1996)* on 25 November 1996. The primary function of the Tourism Attraction Board is the general and financial management of Pedro St. James as a building of historic interest and a heritage site for visitors, and of such other land and buildings as may be vested in it or placed under its management, in accordance with the general policies of the Government. The Queen Elizabeth II Botanic Park is a conservation effort of both the Cayman Islands Government and the National Trust for the Cayman Islands and was the second site placed under the management of the Tourism Attraction Board.

The Tourism Attraction Board also manages Pirates Week Festival, Hell and the Cayman Craft Market.

The Tourism Attraction Board Office is located at Suite 203 Crighton Building, Crewe Road George Town, PO Box 31783 KY1-1207.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Tourism Attraction Board are stated in Cayman Islands dollars. These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). A summary of the significant accounting and reporting policies used in preparing these statements are as follows: -

(a) Basis of accounting

The financial statements have been prepared in accordance with IFRS, on an accrual basis under the historical cost convention. No account is taken of the effects of inflation.

(b) Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during year. Actual results could differ from these estimates.

Tourism Attraction Board
Notes to the Financial Statements
30 June 2006

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Depreciation

Fixed assets are recorded at cost and depreciated using the straight-line method. The following rates estimated to write off the cost of the assets over their expected useful lives are shown below:-

Visitors' Centre	2.0%
Multimedia, Furniture and Fixtures	12.5%
Motor Vehicles	20.0%
Start-up Costs and Computer Equipment	33.3%

The capital costs of the Great House, period furnishings and the Botanical Gardens have not been depreciated since these will be maintained in perpetuity. All future expenditures on these assets will be expensed in the year that these costs are incurred.

(d) Foreign Currency Translation

Assets and liabilities denominated in currencies other than the Cayman Islands dollar are translated at exchange rates in effect at the balance sheet date. Revenue and expense transactions denominated in currencies other than Cayman Islands dollar are translated at exchange rates at the time of those transactions. Gains and losses on exchange are recorded the Statement of income and expenses.

(e) Inventory

Inventory is valued at the lower of cost and net realisable value on a first-in, first-out method. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less applicable selling expenses.

(f) Pensions

In accordance with the *Cayman Islands National Pensions Law*, the Tourism Attraction Board joined a defined contribution pension plan. The employer and employees began monthly contributions at a rate of 5%. The employer's contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that the cash refund or a reduction in the future payments is available.

A defined contribution plan is a pension plan under which the Tourism Attraction Board pays fixed contribution into a separate entity (British Caymanian). The Tourism Attraction Board has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Defined pension scheme contributions are charged to the Statement of Income and Expenditure based on a set contribution rate. The total amount recognised as pension expense as at 30 June 2006 was \$40,775 and (2005 - \$37,315). There was an average of 43 employees at Tourism Attraction Board during the year ended 30 June 2006 (2005 - 43 employees).

Tourism Attraction Board
Notes to the Financial Statements
30 June 2006

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Borrowing cost

A portion of the interest charges on the loan received for the restoration of the Pedro Castle heritage site has been capitalised. The amount used for capitalisation was determined based on the terms of the loan agreement which requires that the actual interest be calculated and a portion as determined by the Caribbean Development Bank is capitalised and added to the total loan outstanding. There was no interest capitalised during the year.

All interest and other costs incurred in connection with borrowings and leasing for the Queen Elizabeth II Botanic Park and Pirates Week Festival, respectively, are expensed as incurred and recognised in the income statement using the effective interest rate method.

(h) Revenue recognition

Revenue comprises the fair value of the consideration, received or receivable for the sale of goods or services in the ordinary course of the Tourism Attraction Board's activities. Revenue is shown net of returns and discounts. Income is recognised upon delivery of goods and customer acceptance, or on the performance of services

(i) Government grants

Grants that compensate the Tourism Attraction Board for expenses incurred are recognised as revenue in the income statement in the same period in which the expenses are incurred.

(j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at cost less provisions for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Tourism Attraction Board will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquencies in payments (more than 180 days overdue) are considered indicators that the trade receivable is impaired

(k) Cash and cash equivalents

For purposes of reporting cash flows, cash and cash equivalents includes cash in hand and cash deposits with original maturities of three months or less. All cash and cash equivalents are held at commercial banks in the Cayman Islands

Tourism Attraction Board
Notes to the Financial Statements
30 June 2006

3. PROPERTY, PLANT AND EQUIPMENT

Description	Land	Botanical Gardens Great House Period Furnishings	Visitors' Centre/Bu ildings	Multimedia Furniture & Fixtures	Motor Vehicles	Computer	Start-up Costs	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Cost:								
At 30 June 2005	865,894	1,862,352	6,626,961	488,040	55,084	54,015	214,838	10,167,184
Additions	183,149	146,807	402,757	282,638	-	21,193	-	1,036,544
Disposals	-	-	-	-	-	-	-	-
At 30 June 2006	1,049,043	2,009,159	7,029,718	770,678	55,084	75,208	214,838	11,203,728
Accumulated Depreciation:								
At 30 June 2005	-	-	889,245	297,135	55,084	45,721	214,838	1,502,023
Charge for Period	-	-	137,052	95,198	-	13,935	-	246,185
Charge on Disposal	-	-	-	-	-	-	-	-
At 30 June 2006	-	-	1,026,297	392,333	55,084	59,656	214,838	1,748,208
Net Book Value:								
At 30 June 2006	1,049,043	2,009,159	6,003,421	378,345	-	15,552	-	9,455,520
At 30 June 2005	865,894	1,862,352	5,737,716	190,905	-	8,294	-	8,665,161

The cost of land purchased for Pedro St. James is included in fixed assets. The land at the Queen Elizabeth II Botanic Park (Park) is owned 50% each by the Park and the National Trust of the Cayman Islands. The value of this land has not been estimated and therefore not included in these financial statements. Prior to the official opening of the Park, the National Trust for the Cayman Islands contributed volunteer labour and funding to assist in the development of the Park. These cash and non-cash expenditures have not been included in the financial statements since the donations were made prior to the establishment of the Tourism Attraction Board.

4. ACCOUNTS RECEIVABLE

	2006	2005
	\$	\$
Trade receivables	25,488	281,019
Less provision for bad debts	2,930	2,930
	22,558	278,089
Un-deposited funds	6,645	1,796
Total	29,203	279,885

**Tourism Attraction Board
Notes to the Financial Statements
30 June 2006**

5. DONATED CAPITAL

The Cayman Islands Government made principal repayments and paid interest charges on the loan for the restoration of Pedro St. James. These amounts increased the capital donated by Government. Capital donated by the Government was \$570,182 (2005 - \$749,235).

The Cayman Islands Government incurred all expenditures for the construction work and establishing the Queen Elizabeth II Botanic Park. The results of the costs of construction and other costs and any other assets less all liabilities was classified as donated capital at the commencement of operations. The government provided no additional capital during the year ended 30 June 2006 (2005 - nil).

6. LONG TERM LOAN

	Current	1-2 yrs	2-5 yrs	5+yrs	2006	2005
	\$	\$	\$	\$	\$	\$
Caribbean Development Bank	374,762	749,523	1,124,285	773,422	3,021,993	3,396,755
Royal Bank of Canada	-	-	-	-	-	9,778
					3,021,993	3,406,533
				Less Current Portion:	374,762	384,540
				Long Term Portion:	2,647,231	3,021,993

Caribbean Development Bank

A loan of US\$5,790,000 from the Caribbean Development Bank (CDB) to finance the Pedro St. James restoration project is in the name of the Cayman Islands Government. A total of US\$5,369,720 was withdrawn from the loan leaving a balance of US\$420,280, which was duly cancelled by the CDB. During the year to 30 June 2006, principal, interest and commitment fees of US\$680,758 was charged to and paid by, the Government (2005 - US\$691,209).

Loan interest and commitment fees during the year ended 30 June 2006 averaged 6.03% and 1% respectively (2005 - 6.03% and 1%). The loan had 60 months moratorium on the principal repayment, which ended in 2002 thereafter is, repayable quarterly over 13 years.

Royal Bank of Canada

On the 24 September 2002, the Queen Elizabeth II Botanic Park obtained a loan from the Royal Bank of Canada in the amount of \$36,000 for the financing of the publication of the "Botanic Park Book". The loan bears interest at 1% below CI dollar prime rate, current applicable rate as at 30 June 2006 being 3.00% per annum. The loan was fully repaid in May 2006.

Tourism Attraction Board
Notes to the Financial Statements
30 June 2006

7. INCOME

	2006	2005
	\$	\$
Events	387,960	111,730
Gift Shop	124,057	43,782
Café	39,751	55,362
Other	1,108,511	547,813
Bar	8,658	18,421
Total	1,668,937	777,108

Income for the Gift Shop, Café and Bar represents the invoice price of goods sold net of discounts, while income for Admissions (Theatre) and Events, represents the invoice price of services rendered net of discounts.

Other income includes \$1,064,974 which represents insurance proceeds received during the year as claims for damage caused by hurricane Ivan in September 2004.

8. RELATED PARTY TRANSACTIONS

In the year ended 30 June 2006 the Cayman Islands Government's subsidy to the Tourism Attraction Board's heritage sites was \$1,721,000 (2005 - \$1,477,084). The Tourism Attraction Board will require annual assistance from the Government to continue its operations for the foreseeable future.

The Tourism Attraction Board also relies on the Cayman Islands Government to provide or arrange long-term financing for capital development projects.

Insurance coverage for assets of the historic sites and the Pirates Week Festival managed under the Tourism Attraction Board is provided through the Cayman Islands Government.

The Auditor General has statutory responsibility for the audit of the Tourism Attraction Board and entities that it manages. Audit fees charged in year ended 30 June 2006 were \$49,500 (2005 - \$48,300).

There is one (1) full-time equivalent personnel considered at the senior management level. The total remuneration includes: regular salary, allowances and pension contributions. Total remuneration for this individual in 2006 was \$84K (2005: 82K). There have been no loans made to key management personnel or close family members in 2006.

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9. FINANCIAL INSTRUMENTS

Fair Values

The methods and assumptions used to estimate the fair value of each class of financial instruments for which it is practical to estimate a value are as follows:

i) Short-term financial assets and liabilities

The carrying value of these assets and liabilities is a reasonable estimate of their fair value because of the short maturity of these instruments. Short-term financial assets comprise cash, accounts receivable, and prepayments. Short-term financial liabilities comprise accounts payable, accrued expenses and deferred revenue.

ii) Long-term financial assets and liabilities

The carrying value of the long – term liabilities approximates their fair value.

Credit Risk

The entity offers its services to customers primarily in the Cayman Islands. Credit risk arises from the possibility that customers and counterparties may default on their obligations to the entity. The amount of the entity's maximum exposure to credit risk is indicated by the carrying amount of its financial assets. The entity performs ongoing credit reviews on its customers and counterparties and provisions are set aside against amounts deemed irrecoverable.