



CTCEC



CAYMAN TURTLE CONSERVATION
AND EDUCATION CENTRE LTD

ANNUAL REPORT

FOR THE YEAR ENDED
31ST DECEMBER 2021



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Note:

Audited Financial Statements of the Company are attached as a separate PDF bearing the signatures of the auditors.



INTRODUCTORY MESSAGE

This report summarises the performance of **Cayman Turtle Conservation and Education Centre Ltd.**, a Cayman Islands Government Company (hereinafter referred to as “the Company” or “CTCEC”), for the financial year ended 31st December 2021.

CORPORATE NAME AND BRANDING

Cayman Turtle Conservation and Education Centre Ltd. is the official registered name of a Government Company that is 100% owned by the Governor in Cabinet of the Cayman Islands.



For the year under review it traded under the brand-names:

- **Cayman Turtle Centre: Island Wildlife Encounter** (CTC), the brand used for our visitor attraction, conservation, research, and education activities.
- **Cayman Turtle Products** (CTP), the brand used for our subsidised turtle meat production, distribution and sale activities.



The Company’s current Articles of Association were adopted by Special Resolution dated 23rd August 2005, amended to reflect the change of company name (from *Cayman Turtle Farm (1983) Ltd.*) that had been approved by a Special Resolution dated 16th March 2017 of the Sole Member of the Company (Governor in Cabinet of the Cayman Islands).

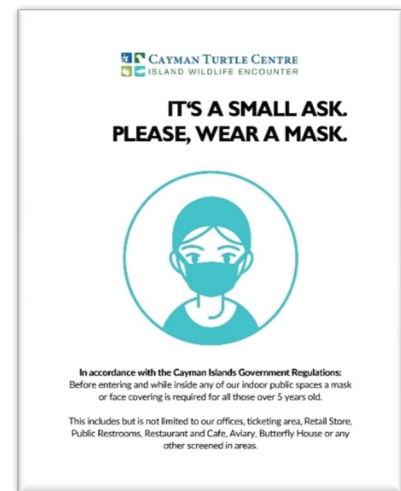
Its current Memorandum of Association was also adopted by a Special Resolution dated 16th March 2017 of the Sole Member of the Company (Governor in Cabinet of the Cayman Islands). The amended wording of the Memorandum focuses heavily on its first two statements of purpose:

That focus is reflected in the Company’s name **Cayman Turtle Conservation and Education Centre Ltd.** which was also adopted by a Special Resolution dated 16th March 2017 of the Sole Member of the Company (Governor in Cabinet of the Cayman Islands).

SUMMARY COMMENTS ON COVID-19 IMPACTS

It is important to note, as it will be referenced throughout this year's Annual Report, as it initially reported in last year's report, the unprecedented global pandemic that we have faced. COVID-19 disrupted our financial year in 2020 and has done so again in 2021. It is wildly unpredictable and has had entirely unforeseen, major impacts on the Company, its Crew Members, its customers, and its business performance.

In March 2020, COVID-19 and the novel coronavirus caused a world-wide lockdown and a first-ever seen global hiatus in tourism. While this began in 2020, our borders remained fully and partially closed throughout the entire year of 2021. After the initial outbreak in 2020 the Cayman Islands Government successfully created a "bubble" and the local community lived virus free from July 2020 through September 2021. This was at a major cost to tourism.



In the third quarter of 2021, our virus free bubble burst wide open, coinciding with our borders soft opening to relaxed phase 3 COVID restrictions. Our community went through multiple waves of the Delta and Omicron variations of the Coronavirus disease. However, due to our governments excellent vaccination campaign, we saw little hospitalizations and one of the world's lowest death-rates, if not the lowest per capita. By the end of 2021, the rate of infection in the Cayman Islands was at an all-time high with 1 in 6 persons infected with COVID, and all three islands suffering. Still, our fatality rates, remained low. The infection rates however affected our organizations 3rd and 4th quarter performance earnings with fewer admissions than forecasted. COVID obliterated almost all Christmas gatherings and events, as well as New Year's Eve parties and gatherings. Government encouraged families to stay with their households and to gather in their own safe bubbles to prevent spreading the disease. CTC continues to abide by and surpass all Government COVID protocols and recommendations to keep our employees, guests, and animals safe from COVID. Even with extra protocols in place our employees have suffered from COVID, with approximately 1/3 of our staff having contracted COVID in 2021. Despite these figures, the infections were spread out over various periods of time and in different departments. Our ability to remain open during our posted operational hours is a testament to our diligent staff and their perseverance through learning new tasks.

ABOUT THE COMPANY

The Company's operations are based in North West Point, West Bay, on some 23 acres of land. The address of the main centre of operations is 786 North West Point Road, West Bay.

During 2021 the sales outlet for Cayman Turtle Products ("CTP") was co-located with the Company's seaside pumping station across the street from the main site on North West Point Road, West Bay. CTP has arrangements in place to make it turtle meat products available to customers in Cayman Brac through a distributor that sends products to individuals and businesses on that island. Due to extensive damage caused by Tropical Storm Grace, a new outlet office has been purchased and located across the street from the original location. The new structure is a modern, container office.

During non-pandemic times when cruise ships visit our shores, CTC operates a retail souvenir and gift shop in combination with its shore excursion dispatch functions, in a rented kiosk at the Royal Watler Cruise Terminal in George Town. This has been inoperable and shut down during the entire year of 2021 due to our borders being closed to cruise ships – as have the majority of the cruise shops at the Port. The rent for this shop has been reduced to only US\$166 per month by the landlord, given this situation.

Cayman Turtle Conservation and Education Centre Ltd. is therefore a multi-function Government Company comprising four main types of activities.

TIMELINE AND HISTORY

We are the Cayman Islands largest land-based tourist attraction, trading as Cayman Turtle Centre: Island Wildlife Encounter. During normal, non-pandemic years with fully open borders, we host more than 200,000 visitors annually. Educational, cultural and entertainment programmes are consistently being created, improved, and updated to enhance the experience that can only be found at our world-renowned attraction.

We are global innovators in the conservation of green sea turtles. Cayman Turtle Conservation and Education Centre Ltd (CTCEC) has been successfully captive breeding sea turtles in a closed cycle longer than anyone else in the world. This phenomenal achievement started in 1968 when Maritime Culture Ltd. was started, which led to what is now known at CTCEC. We are a government owned company, with one shareholder, the Cayman Islands Government. Our employees are Public Servants, and we are referred to as a SAGC or Statutory Authority or Government Company.

The green sea turtles' captive breeding activities continued throughout all of 2021. This involves the husbandry of turtles both for conservation, display, and for turtle meat production purposes, without requiring collection of any eggs, hatchlings, or turtles of this species from the wild. The Government-mandated turtle meat production and sale to the resident population is a deliberate, price-subsidised yet often misunderstood program which conservation authorities acknowledge probably is the program that has the highest direct numerical impact on maintaining the Cayman Islands' marine turtle population. The Company remains the only such enterprise anywhere in the world to have achieved the second generation and beyond of sea turtles bred, laid, hatched and raised entirely in captivity.

OUR VISION AND MISSION STATEMENT

VISION

To inspire people to make a difference through sustainable conservation of sea turtles and other island and marine wildlife.

MISSION

To provide a unique and lasting experience with endangered sea turtles and other wildlife, through conservation, education, research, and sustainability in the Cayman Islands and beyond.

A WAY FORWARD IN A PANDEMIC WORLD

Because we are a Government Owned company, our relationship with our sole shareholder is established via an ownership agreement. The Government also provides financial support to the Company. It is our long term goal to become financially self-sustainable and to produce annual profits for our shareholder. Given the state of the global pandemic, our leadership team intends to create a “Way Forward” Strategic plan with a 5- and 10-year financial viability plan with various Revenue Generation projects and projections that we feel will make our company profitable.

As part of this, the Executive Management Team has created a Revenue Generation Team. This team has the responsibility to identify new ways to use the Company’s buildings and grounds to generate additional revenue for the Company. The team has come up with new events, including all areas of revenue including Conservation, F&B, Splash and Admissions. Additionally, since November 2021 the website has been further upgraded to receive online sales bookings and purchases.

ABOUT OUR PEOPLE

MAJOR ISLAND EMPLOYER

As an employer, the Company has been particularly exemplary in its success in hiring and developing local people. Of an actual headcount of 88 Full-Time Equivalents (FTE’s) as at the financial year-end 31st December 2021 there were only three (i.e., less than 4%) employees on Work Permits.

During non-pandemic times, when the borders are open, the company employs as many as 112 FTE employs and has a further reach into the community of indirect employment, according to a PricewaterhouseCoopers economic impact study in 2013, of over 500 persons. These persons would include independent tour operators, tour guides, independent restaurant owners, souvenir and apparel providers and other tourism related providers.

ABOUT OUR MINISTRY

As a Government Owned Company, referred to as an SAGC in the Cayman Islands. CTCEC reports to the Ministry of Tourism and Transport. We work closely and depend on our Ministry for support.

- **Hon. Kenneth Bryan**, Minister for Tourism & Transport
- **Stran Boddien**, Chief Officer, Ministry of Tourism & Transport
- **Perry Powell**, Deputy Chief Officer, Ministry of Tourism
- **Jonathan Jackson**, Deputy Chief Officer, Ministry of Tourism
- **Neyka Webster**, Chief Financial Officer, Ministry of Tourism & Transport
- **Judy Powery**, Administrative Officer II, Ministry of Tourism & Transport

We also work closely with other Government Departments including the Port Authority, the Public Transport Unit, Cayman Airways, Airports Authority, Department of Tourism, Tourism Attraction Board, Department of Environment, Department of Environmental Health, The Agricultural Department, and many others. Without the cooperation of all of these many departments and their dedicated employees, civil and public servants, CTCEC could not provide the great service it provides every day.

BOARD OF DIRECTORS

The Company is governed by a Board of Directors appointed by the sole shareholder, the Governor in Cabinet of the Cayman Islands. During the 2021 Year, a new Board of Directors was appointed.

The Board meets monthly. The Board of Directors for this financial year, comprised in accordance with the Articles of Association, comprises independent and ex-officio members as follows:

INDEPENDENT

- **Mr. Kenneth Hydes**, Chairman
- **Mr. Attlee Ebanks**, Deputy Chairman
- **Mr. James Parsons**, Director
- **Mr. Burns Rankine**, Director
- **Mr. Wil Pineau**, Director (Chamber of Commerce Representative)

EX-OFFICIO

- **Mr. Michael Nixon**, Senior Asst. Financial Secretary, Director
- **Mr. Stran Bodden**, Chief Officer, Ministry of Tourism, Director
- **Ms. Leyda Nicholson-Makasare**, Deputy Chief Officer, Ministry of Agriculture, Director
- **Mr. Christopher Jackson**, Acting Chief Executive Officer & Chief Infrastructure officer, Company Secretary
- **Ms Katherine Jackson**, Office Manager CTC, Recording Secretary for the proceedings of the Board.

EXECUTIVE MANAGEMENT TEAM

During 2021 The Executive Management Team (“EMT”) worked closely together. As of December 31, 2021 the EMT consisted of the following members:

- **Mr. Christopher Jackson, Acting Chief Executive Officer (ACEO)**, Chief Infrastructure Officer (CIO), (Company/Board Secretary)
- **Dr. Walter Mustin**, Chief Research and Conservation Officer (CRCO)
- **Mr. Raymond Hydes**, Chief Tours and Customer Experience Officer (CTCEO)
- **Mrs. Renee Howell**, Chief Marketing and Merchandising Officer (CMMO)
- *Mr. Timothy Adam, Chief Executive Officer (CEO), went on extended leave for the majority of the year.*

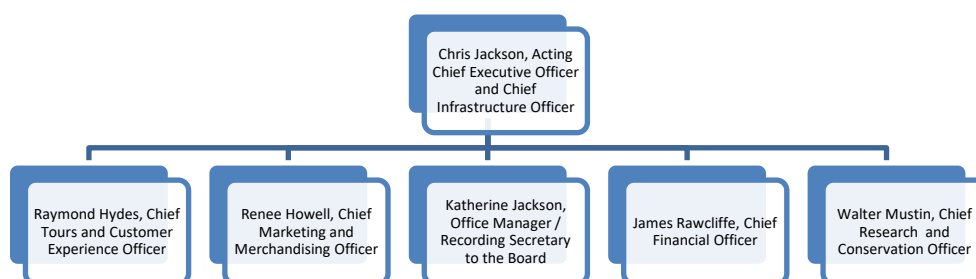


Figure 1 Executive Level Organization Chart up to 31st December 2021

Ms Katherine Jackson is the **Office Manager** (also **Recording Secretary** to the Board of Directors and support to the Executive Management Team). She also has the official responsibilities of **FOI Manager** and **Complaints Manager** and is our primary liaison for various official contacts as well as corporate travel arrangements.

COMPANY MEMBERSHIPS, ASSOCIATIONS AND EMPLOYEE COMMUNITY INVOLVEMENT

The Company is an active member of:

- Cayman Islands Chamber of Commerce, (CICoC)
- Cayman Islands Tourism Association, (CITA)
- Florida-Caribbean Cruise Association, (FCCA), Platinum Member
- International Association of Amusement Parks and Attractions (IAAPA)
- Cayman Islands Marketing Professionals Association (CIMPA)

During the 2021 year, the Executive Team and Managers held memberships in several professional associations as well as serve on several Boards and/or Committees including:

- | | |
|--|---|
| • Cayman Islands Marketing Professionals Association (CIMPA) | • Cayman Islands Veterinary Medical Association |
| • Public Transport Board | • International Sea Turtle Association |
| • CI Sport Shooting Association (CISSA) | • American Fisheries Society |
| • Cayman Islands Institute of Professional Accountants (CIIPA) | • National Security Services |
| • Cayman Maritime Heritage Foundation | • Cayman Islands Society of HR Professionals (CISHRP) |
| • CI Earth Day Committee | • Disability Council |
| • National Cultural And Heritage Plan Committee | • Jasmine |
| • Aquatic Animal Life Support Operators Association | • MS Foundation Cayman (MSFC) |
| • The Duke of Edinburgh's International Award | • Cayman Maritime Heritage Foundation |
| • Cayman Airways Ltd | • Cayman Catboat Club |
| | • Institute of Engineering Technology |
| | • Aircraft Owners and Pilots Association |

Company staff members are also encouraged to participate in charitable, cultural and other civic-minded initiatives, and the Company itself supports some such causes directly. During the period under review several of its staff members have been personally involved as volunteers in:

- | | |
|--|--|
| • Meals on Wheels fundraising and weekly meal deliveries | • Cayman Aids Foundation |
| • Rotary Club of Grand Cayman | • NCVO |
| • Rotary Central Science Fair | • And other organizations and non-profits on the island. |
| • Jasmine | |

The Company's Veterinarians continue to assist, on an *ad-hoc* **voluntary basis** other Government and private sector businesses that need their services, such as: the Department of Environment and the Guy Harvey Ocean Foundation. Some of their voluntary services include:

- | | |
|---|---|
| • Consulting / advising on various animal care (mostly terrestrial animals) | confiscated or rescued parrots, feeding, growth stages, age identification, etc.) |
| • Bird Rescue Consulting | • Parrot releases with public participation alongside CTCEC's Veterinarian Team |
| • Bird Rehabilitation | • White-Crowned Pigeon releases alongside CTC Veterinarian Team |
| • Advice on Cayman Parrots (captive assessment, various matters related to | • Cayman Parrot Amnesty Program assistance |

- Marine life rescues with sharks, stingrays and turtles as well as other ocean animals.

The Company is a participant in the annual Earth Day Clean-Up event hosted by the Cayman Islands Chamber of Commerce. CTCEC continues to annually support this event through volunteering and by being a major sponsor. The Company also makes a conscious effort to support and sponsor other eco and environmentally important events hosted at CTC such as the annual Easter Dig and Halloween events organized by DMS Broadcasting. CTCEC continues to support the community through “in kind” donations to charitable organizations, with free admission prize



MAJOR FUNCTIONS OF THE COMPANY

NATURE AND SCOPE OF ACTIVITIES

The major portion of the company's revenues is derived from the tourist attraction components of the business, as the site remains the most-visited land-based attraction on the island. During non-pandemic times, the Company's admissions ("Tours") revenues are normally derived from cruise passengers, who comprise over 50% of the guests visiting the facility. In 2021 our borders were closed to cruise passengers, so all of our revenue was derived from locals or during the latter part of the year some stayover guests. The local community has been tremendous at supporting CTCEC and we are grateful for their support.

CTCEC has five revenue generating branches of business:

These are:

- Retail business (Admissions, tours, restaurant and retail sales)
- Wholesale business (wholesale tour ticket sales)
- Conservation, education, and research
- Cayman Turtle Product Sales
- Landlord

RETAIL BUSINESS (ADMISSIONS, TOURS, RESTAURANT AND SPLASH STORE SALES)

By far, during normal times the greatest portion of the Company's revenues comes from its "tourist attraction" lines of business. Even during the past year while going through a global pandemic, the largest part of our revenue was seen in the combined sums of the retail business:

- Admissions: 16%
- Food & Beverage: 15%
- Retail (Gift Shop): 12%

for a combined total of 43% of our revenue.

During the 12-month financial period ended 31st December 2021, total visitors to CTC numbered 17,436 (2020: 84,501) which is a 79% decrease from 2020.

- 4% were "stay-over" visitors,
- 96% were residents.

The number of stay-over arrivals via air to the Island for the year 2021 was 17,308 as compared to 121,819 in 2020. The number of arrivals via cruise ship to the Island for the year 2021 was zero as compared to 538,140 in 2020. The latter is attributable to the continued closure of the Island to cruise ship arrivals throughout all of 2021.

As a tourist attraction, throughout 2021 Cayman Turtle Centre offered two different types of admissions:

- Turtle Centre Exploration Tour - turtle exhibits zone (excluding Turtle Lagoon)
- Turtle Adventure Tour-entire Park (including both lagoons, the Predator Reef exhibit, the aviary, nature trail and other features.

TURTLE CENTRE EXPLORATION TOUR (TURTLE EXHIBITS)

The “Turtle Centre Exploration Tour (turtle exhibits only)” admission gives visitors access to the following features and exhibits:

The Green’s Breeding Pond - The Breeding Pond is home to our green sea turtles which have matured and are at the age to start reproducing, which is usually at about 16 years of age or occasionally younger. Green Sea turtles are the second largest of all the sea turtle species and here guests will find a few weighing in at more than 500 pounds.

Turtle Touch Tanks - Here guests will find yearling turtles swimming and playing. This zone **includes the Turtle Touch Wading Pool** where guests are allowed into the shallow pool where the young turtles are swimming. The interactive exhibit pools in this zone are supervised by a Lifeguard and/or a Security Guard, and under supervised instructions guests can touch a juvenile turtle and to take a photo or video while touching them.

Smiley’s (crocodile) Saltwater Cove – “Smiley” is a 1212-foot hybrid (saltwater + freshwater) crocodile of the same species that in the mid to late 1500’s gave our country the transliterated name “Caimanes”.¹ “Smiley” has been trained to jump and put on a show during enrichment exercises and health observations at her feeding times.

Education Centre & Hatchery – Guests visiting the Education Centre can learn more about the turtles, in a short continuous-loop video playing in a mini theatre, in various static displays, and in various literature in a library in the public access area. Guests can also view our turtle Hatchery where during breeding season (May – October) guests can witness new hatchlings making their way up through the sand of our incubation boxes specially designed and purpose-built to enable our scientific team to monitor selected clutches of eggs as they incubate, hatch, and make their way up through the sand column to the surface as they would do at the normal depth of a green sea turtle nest in the wild.²

Schooner’s Bar and Grill - an open-air bar and grill where diners can relax on a covered screened deck overlooking Turtle Lagoon. The menu boasts a selected range of Caribbean and international items to tease and please every palate. Guests can enjoy a tropical drink or select from the brands of the island’s very own brewery - Caybrew.

Toddler’s Playground - a partially shaded safe dry play area for young children one to five years old with swings, slides and playhouses. It is conveniently located between Schooner’s Bar & Grill and our fresh-water Breakers Lagoon.

Local artisans’ booth — This activity was suspended due to lack of visitation. We are hopeful to resume once the borders are fully reopened to include cruise tourism.



CTC’s Touch tank experience is a guest favorite. The guests and the turtles are both big fans of the experience. Turtles have the opportunity to swim out of the touch tanks often swim back in for the “back scratching” feel of the gentle touch of the guests.

¹ Transliterated from the Taino language word meaning “crocodile”, and pluralized by early Spanish explorers and cartographers.

² Our scientific team also uses these boxes to monitor the progress of the “control group” of siblings of the eggs assigned to our nest translocation program which places half of a selected clutch in a created nest on a wild beach to hatch and emerge into the sea, in our program of education and tourism outreach to selected tourist accommodation properties with suitable beaches.

Splash Gift Shop – our retail store which has an attractive range of gifts and souvenirs, and functions as the exit for both types of admissions. The product selection protocols emphasize eco-friendly and locally-sourced products as much as possible, featuring a range of made-in-Cayman products including pepper jelly and other condiments, locally roasted coffees, soaps and lotions, jewellery using local materials such as black coral and the semiprecious stone Caymanite, artwork, Christmas ornaments and other types of giftware.

Silver Thatch Café (STC) – previously known as Turtle Nest Café, our newly branded STC is still undergoing some renovations to become the best coffee shop in West Bay! Our food and beverage outlet on the courtyard at the front of the park, serving specialty coffees, other hot and cold beverages, hot patties, sandwiches, fresh pastries and other snacks.



Splash Gift Shop is often touted as the best on the Island. It has one of the largest selections of souvenirs and gifts on island. It is easy to see why it warrants this title.

TURTLE ADVENTURE TOUR (ENTIRE PARK)

The “Turtle Adventure Tour (Entire Park)” admission gives guests access to all of the “Exploration Tour” features **in addition** to a unique opportunity to interact with island wildlife in aquatic and other features and exhibits:



Turtle Lagoon - Snorkel in the lagoon with juvenile green sea turtles up to two years old and enjoy this wonderful experience of observing them “up close and personal”. It is supervised by a team of trained Lifeguards. There are also hundreds of colourful reef fish and little islands where our breeding peacocks and their offspring live. One of the islands houses our model lighthouse.

Predator Reef - Watch sharks, Great Barracuda, tarpons and other predators through the underwater or dry view panels, or from the bridge. On weekdays (Monday to Friday) at the 11:00 AM feeding time guests can view our marine animal programs team as they give an educational narration about sharks, barracuda and other wildlife while hand-feeding our sharks and

doing their health observations.

Caribbean Free-Flight Aviary - Caribbean birds fly freely in this large aviary, and guests can hand-feed them under supervision. The several different species include colourful nectar feeders, seed eaters, and pellet feeders especially the impressive Scarlet Ibis native to Trinidad and the White Ibis native to the Cayman Islands and other Caribbean islands; they also include both subspecies of our islands’ **National Bird the Cayman Parrot**. There are 10:00 AM to 3:00 PM daily bird hand-feeding opportunities for guests. Our keepers are on-site during the feedings, to assist guests with the various types of feeding and to answer guests’ questions about the various species in the sanctuary. This facility also incorporates our White Crowned Pigeon captive breeding and release program that has helped to replenish Cayman’s population of this species (locally called “Bald Pate”) that had been somewhat depleted over the years as it had been a target for sport shooting. There is also a breeding pair of the indigenous parrots, the offspring of which are released annually after habituation to transition to wild food sources.

Our **Shoreline Nursery** habitat complete with young mangroves, conch, juvenile fish, tube worms and other shallow-water flora and fauna.

Butterfly Garden, a free-flight habitat, hosts indigenous and migratory butterflies in the various stages of their life cycle.

Breakers Lagoon is the largest fresh-water swimming pool in Cayman with two waterfalls and an underwater view of the predator tank. It is supervised by a team of trained Lifeguards.

Turtle Twister Waterslide at the Breakers Lagoon accommodates guests of a wide range of ages and features two loops for over 100 feet of sliding thrills with a pumping capacity of some 600 gallons of rushing water per minute.

Budgie's Snack Shop at the Breakers Lagoon offers a range of "fast food" and cold beverages.



Blue Hole Nature Trail - Stroll along this trail and view the beautiful nature that Cayman has to offer, including the **National Flower the Wild Banana Orchid**. The Wild Fig trees growing out of the Blue Hole cavern host the rare endemic Ghost Orchid, rescued by the National Trust from other locations and planted there for safety. The trail also hosts both native and migratory butterflies, and various birds frequently visit. This zone incorporates an original forest where several of Cayman's indigenous species of trees and bushes have been growing for hundreds of years. The Blue Hole itself is the name given to a cave that contains a natural pool in which scientists have discovered a rare endemic subspecies of the tiny aquatic Blind Cave Isopod³ (a white

crustacean related to shrimps). Cayman Turtle Centre's Blue Hole site has been found to be presently the only known habitat for this particular subspecies remaining anywhere on the planet.

Cayman Street - Walk down this gravel street to view old Cayman architecture, featuring traditional gardens and a variety of local garden trees, shrubs, and herbs such as "Fever Grass" (Lemon Grass) and "Cayman Mint". The various species of flora on display include the **National Tree the Silver Thatch**, which also grows in the landscaping of various other parts of the park. This tree was vital to the island's economy up to a generation or two ago, used in the local production and export of Cayman thatch rope that earned the reputation of being "the strongest natural fibre" that was in demand by mariners in Cayman and in other countries as it was much more resistant to usage in seawater than its counterparts back in the day before nylon and other synthetic fibres were invented to manufacture rot-resistant ropes. Silver Thatch is still important in the creation of various crafts by local artisans. The **Cayman Mahogany**, a hardwood that was used in past years in the islands' shipbuilding industry, is also featured in various areas of the park.

³ Bass, D. "The Status of Four Aquatic Crustaceans from Grand Cayman, West Indies." *Living World*, Journal of The Trinidad and Tobago Field Naturalists' Club (2012): 77-78.

SALES CHANNELS FOR TOURS

The admissions are sold as “tours” or “shore excursions” through various sales channels normally:

- The majority of visitors comprise “turtle exploration” admissions sold as a key feature of island activities offered to cruise visitors by Independent Tour Operators (ITOs) whose customers are primarily cruise tourists. Both of the dolphinariums on the island also offer their “dolphin swim” guests a visit to CTC included in their price (which applies to all except for one or two cruise lines). CTC provides these admissions to ITOs and dolphinariums at wholesale prices.
- The Company sells tours directly to customers at full price at its Ticket Counter in the Reception building at the park entrance. The “*Turtle Adventure Tour (Entire Park)*” admission is available for online purchase through the Company’s website www.turtle.ky at discount prices. There are also admission discounts available by association with various “partners” such as *Explore* magazine, *Cayman Coupons*, *Your Cayman*, *Island Map*, *American Express*, car rental companies (Andy’s and Budget), concierge coupons, and certain taxis.
- During this year the Company had two vans providing free shuttle bus service for stay-over visitors, with pick-up and drop-off at various resorts in the Seven Mile Beach area. The colourful branding of these vehicles also serves as mobile advertisement for the park.



WHOLESALE SALES (TOURS AND EXCURSIONS)

- During non-pandemic times and when our seaports are open and cruise ships visit our borders, the Company sells wholesale to some cruise lines the equivalent of “*Turtle Adventure Tour (Entire Park)*” admissions including a guided tour of the turtle exhibits. Those cruise lines in turn market them to their cruise passengers as shore excursions. These wholesaled excursions include ground transportation from and to the cruise terminal. In some cases, these tours include a buffet lunch at the Company’s on-site Schooner’s Bar & Grill. In addition, the Company provides to the cruise lines “combo” shore excursion packages which also include visits to other attractions. There are various combinations such as Pedro St. James National Historic Site, Hell tourist attraction, and Stingray Sandbar in the North Sound. The Company also is a channel for wholesaling to cruise lines the shore excursion to the Queen Elizabeth II Botanic Park. CTC provides admissions to ITOs and dolphinariums at wholesale prices as mentioned above for various shore excursions, as well.

CONSERVATION, EDUCATION AND RESEARCH

The Company operates the first and oldest closed-cycle sea turtle breeding facility in the world. As a result, the Company is recognised as an international expert in captive breeding for turtles and as a globally known innovator in sea turtle conservation, research, and husbandry across the species' full range of stages and ages. The Company has unparalleled experience and proven ability to breed sea turtles in captivity, incubate the captive-bred eggs indoors, and raise the captive-bred sea turtle offspring in captivity all the way up to full adulthood as a captive-bred breeding adult and thus complete the life cycle of these long-lived species. The Company also replenishes the wild population using its captive-bred sea turtles, in five programs:

- Egg Translocations into Nest Sites
- Hatchling Beach Releases
- Jump-Start Hatching Releases
- Head-Start Public Releases
- Head-Start Private Releases

HUGE STRIDES IN CONSERVATION

One of CTCEC's proudest moments is the conclusive results of the study from a Darwin Plus Study, that was conducted by the Department of Environment. October 2015 the results of that study, in collaboration with the University of Exeter were published, revealing that by providing affordable captive-bred sea turtle meat, the Company has a huge positive conservation impact in the reduction of the likelihood of turtles being poached.

Another part of the Darwin Plus study was done in collaboration with the University of Barcelona and revealed by painstaking DNA analysis that a minimum of 90% of Cayman's current nesting green sea turtle population shows genetic relationships to the Company's breeder turtles: in other words, at least 90% of Cayman's current breeding population came from turtles the Company had released in prior years. In Grand Cayman and the Sister Islands, green turtle nest totals for the decade ended 2021 were 176% of the corresponding total for the previous decade ending 2011, as more of the turtles released by the Company and its predecessors in prior years are coming to maturity and returning to the island's waters to breed and to their "natal beach" (from which they began their ocean swim) to make their nests and lay their eggs.

The results in nesting numbers are even more remarkable when examined over the full span of known nesting data. When the Department of Environment began the recording of nest counts in the Cayman Islands in 1999, there was only one (1) green turtle nest on the islands that year. By 2021 this figure had increased to 180.



EGG TRANSLOCATIONS INTO NEST SITES

The educational **nest translocation program** has continued to gain in popularity and has attracted a loyal following both locally and overseas. This program translocate⁴ a portion of the eggs of a captive bred nest, at one of two feasible date ranges in its incubation period, into a nest we create at the typical depth of a wild green turtle nest, in the sand on one of our nation's suitable nesting beaches in the wild. Paid and volunteer Nest Watchers then keep night-time vigil over the nests to ensure safety of the eggs throughout the final days of their hatching and their climb up through and out of the sand on the beach.

⁴ In conservation and biology, *translocation* refers to "The transport and release of plant, animal or habitat from one location to another."



Translocation Nesting: Dr. Walter Mustin, Chief Research and Conservation Officer translocates Green sea turtle eggs from CTCEC's Hatchery to a scientifically accurate man-made nest dug on world-famous seven-mile beach in Grand Cayman.

When hatchlings emerge from their nests, local and overseas followers are notified via a social media group and (except during COVID-19 restrictions on public gatherings) could attend the beach site to view first-hand the hatchlings' emergence out of the sand, down the beach and into the sea. On some occasions, overseas followers can watch these events via a live online commentary, with real-time updates through one of our social media channels. During the COVID-19 restrictions on public gatherings these egg translocations and hatchling emergence events continued, however the time of the events were not published instantly but rather distributed via social media photographs and videos that were made available afterward, so as not to violate the legal limits on public gatherings.

Those visitors and island residents who have had the opportunity to witness the hatchling emergence from the nest join the ranks of the tiny fraction of a percent of the world's population who have ever seen this natural miracle taking place. Visitors who attended have said it was by far the highlight of their vacations.

HATCHLING BEACH RELEASES

Hatchling beach releases take place within a couple of days of the baby turtle emerging from its egg in our hatchery. These releases are scheduled in the evening under the protective cover of darkness of the night, so the hatchlings are able to seek remoteness from concentrated populations of near-shore predators as they head for floating cover in the deep sea before the dawn comes.

During the 2021 Season, CTCEC began selling Hatchling Releases as “space limited” ticketed events. These are exceptionally special events, with a finite limit of guests that get a close up viewing of the hatchlings, they get to hear a brief but informative discussion on Sea Turtles and the importance of turtle friendly lighting, hazards of single use plastic and taking care of our marine environment - among other educational items. These events have proven wildly successful and have sold-out with every offering to date.



Attendees gather around the top-secret location of one of our sold-out hatchling release events. Ticket holders receive an email directing them to the secret location just hours before the release.

JUMP-START HATCHLING RELEASES

Based on the biological needs of hatchling sea turtles, CTC has recently introduced the **Jump-Start Hatchling Releases**. The day-or-two-old hatchlings are released a mile or more offshore in the daytime under supervision of one of our veterinarians, from a Dive Boat positioned downwind of floating sargassum mats away from the concentrations of near-shore predators. These mats are patches of floating macroalgae that sea turtle hatchlings typically reach after the first one to five days of their lives in a fast-paced swim away from the shore. These first few days can be very treacherous and often fatal for such small creatures. By “jumping over” the greatest risks of predation posed by crabs on the beach, near-shore birds and fish, we give these hatchlings a much less hazardous start in life by placing these vulnerable cookie-sized newly hatched turtles directly into their instinctive orientation toward and a short distance away from safe habitat. This innovative CTC program, developed in close collaboration and excellent cooperation with a private watersports firm Cayman Turtle Divers, greatly increases each Jump-Start Hatchlings’ chance of survival to adulthood.



Jump-Start Hatchling Releases: Tiny hatchlings are released at the edge of a sargassum patch to find refuge. These patches become their home for the first year or two of their life.

HEAD-START TURTLE RELEASES

One of our most popular program for our releases that is well known is the **Head-Start** releases of the juvenile sea turtles aged one year or more, into the sea from beaches around our islands. CTC also offers this to guests as a privately sponsored turtle release opportunity to share with their family, friends or colleagues, to mark a special occasion or as a corporate team building event.

Our Company's decades of **Head-Started Turtle** releases have been proven, by DNA analysis in an independent collaborative study conducted by the Cayman Islands Department of Environment, the University of Barcelona and the University of Exeter under the auspices of the UK's Darwin Plus Initiative, to be a major contributor to the sea turtle population in the wild around Cayman: at least 90% of Cayman's current Green turtle nesting population has proven to have originated from the Company's captive breeding facility.

The sustained and ongoing increases in the number of green sea turtle nests occurring in Grand Cayman, which continued into 2021, is a testament to the success of the Company's captive-bred turtle release programs. However green sea turtles typically take 20+ years to mature to breeding stage, so more and more of the turtles released over the years are now becoming breeders and returning to Grand Cayman.

Captive-bred green sea turtle releases, of both head-started and hatchling turtles, began in the 1980's in Grand Cayman and has only recently commenced in Cayman Brac and Little Cayman. The nesting populations in both those islands are likely primarily returning breeders from wild populations.

Due to the global pandemic and COVID-19 and our own local regulations regarding group gatherings we were not able to coordinate our annual Sister Islands Head Start Releases. The Company looks forward to continuing this now that group gathering restrictions have been relaxed and travel between islands are more accessible.



Head-Started Releases: A Head-Started turtle raised fully at CTCEC is released. These turtles are from clutches laid on our breeding beach located in the Centre and hatched in our hatchery. They are then raised under the care of our two full-time veterinarians for at least one full year prior to their release. Each turtle undergoes testing and quarantine protocols prior to their release for health and safety.

EDUCATION PROGRAMMES

During non-pandemic years CTC **educates** over two thousand students per year on-site about sea turtles and other wildlife and conservation efforts. In addition to its wildlife and conservation education impacts of guide talks, the education team conducts off-site educational talks in the islands' schools, displays interpretive signage and hands out literature, there is also several educational videos that are displayed during guest visits and available via our online and social channels.

The Company takes advantage of every tour on our Cayman Turtle Centre site, to educate as many guests as possible. Over the course of the pandemic the marketing and tours team have worked closely with the conservation team and created new lines of revenue by offering ticketed sales to as many items and events as possible. This was partially due to group limitations. The pandemic gave us the ability to restrict sizes of attendees and make each event more intimate, special and meaningful for all guests. It also makes each event fall into the guidelines of sustainable tourism which is strategic direction the Company wants to move in.

RESEARCH PROJECTS, PARTNERSHIPS, AND PAPERS

In addition to CTC's conservation efforts our scientists and veterinarians work tirelessly on **research projects** that are often collaborative with institutions in various parts of the world, with non-invasive field study elements that are only able to be done right here in the Cayman Islands at CTC because of the convenient, constant and safe accessibility to turtles of the full age range from egg to post-breeding adult. The unique offerings and setting at CTC provide a research haven for many scientists to tap into for exploration into many fields beyond turtle species: these include marine mammal studies, coral studies, and new types of truly biodegradable plastics. To date our scientists and veterinarians have participated in projects that have produced over 100 peer-reviewed published or presented research papers.

CAYMAN TURTLE PRODUCTS

The Company's turtle husbandry operations and unique expertise provides a reliable source of high-quality turtle meat products, sold at affordable prices, to satisfy the continuing strong local culinary traditions especially among indigenous Caymanians. This availability of farmed meat has been proven, by the carefully analysed results of a year-long independent study conducted by the Cayman Islands Department of Environment and the University of Exeter under the auspices of the UK's Darwin Plus Initiative, to be a major contributor to keeping sea turtles in the wild around the Cayman Islands because of its ongoing daily positive impact⁵ in greatly reducing incentives to poach turtles from the wild.

In addition, the Company's turtle meat production is sold at a considerable loss, because maintaining the subsidised pricing structure is part of the conservation imperative to minimise the risk of poaching occurring and thereby keep wild turtles in the wild. As a result, the Company remains dependent on subsidies in the form of Equity Injections from the Government of the Cayman Islands to assist in meeting its debt obligations and running costs. These Equity Injections form part of the Government's approved Budgets and are included in the Company's Ownership Agreement with the Government.

Currently, product lines have been limited to meat products, which are produced and sold at subsidised prices to avoid poaching of turtles from the wild to satisfy the strong ongoing local demand for turtle meat. These products are strictly for consumption and use within the Cayman Islands, thereby remaining in strict compliance with the CITES convention. Meat products are typically each sold in 5-pound "lots" and in tamper proof bags that are sealed with a tamper proof seal and label. Law enforcement action and legal penalties up to and including imprisonment and seizure of assets exist and have been imposed for persons in possession of illegal products of protected species. This new technology secure sealing arrangement therefore further assists in preventing illegal

⁵ <https://www.darwininitiative.org.uk/documents/DPLUS019/23876/DPLUS019%20FR%20-%20edited.pdf>
Accessed 26th June 2020.

take and illegal sale of wild turtle, because the illegal products would be easily recognisable upon search, by not being contained in the securely sealed bags.

The following are the types of meat products available:

- *Steak*: Only lean meat. Note: Because this is typically only used occasionally by fine-dining restaurants and priced as a premium product so as to keep demand low, most of the lean meat is sold as part of either the *Stew* or *Menavelins* lots which are the most popular ingredients for turtle dishes that feature in strong and enduring local culinary traditions especially among indigenous Caymanians, and residents originating from coastal Nicaragua, Honduras, and its Bay Islands.
- *Stew*: a mixture of cuts of lean meat, fin, neck-bone, various organs, boiled calipee, and a small quantity of fat.
- *Menavelins*: a mixture of skin, various other organs (different from “Stew” contents), a small quantity of fat, and some small cuts of lean meat.
- *Bone*: mostly bone, with a very small quantity of meat attached. This is typically only used to make Turtle Soup. (There is very little demand remaining for this product, as in the processing there is typically almost no meat left on the bone because as much as possible of the meat is taken to make the other products.)
- *Scrap Bone*: all bone, using smaller bones such as from the fins, used by local restaurants and individuals only to make the stock of Turtle Soup.
- *Un-boiled and Boiled Calipee*: This is used as a key constituent of turtle stew meals. Produced from the plastron (the cream-coloured exterior “belly”) it is boiled to become a very tender gelatinous consistency with a mild meaty flavour. However, some customers purchase it raw, to boil it themselves.
- *Corned Turtle*: Some traditional local consumers have occasionally requested that we produce this type of turtle meat product, which is treated by salting and preserving the lean meat (turtle steak) about which some older Caymanians reminisce fondly. This is only produced to order, with advance notice required due to the length of the treatment.

During the fiscal year ended 31st December 2021 total edible turtle meat products sold was 74,620 lbs, which is a decrease of 8% from the amount sold in 2020 (81,138 lbs). Income from turtle meat products comprised 50% of the Company’s revenues.

LANDLORD

During the fiscal period ended 31st December 2021, this segment of the Company’s business comprised a property lease to a dolphinarium: Dolphin Discovery (Cayman) Ltd.

This rental income totalled 2% of the Company’s revenues.

LEGISLATION GOVERNING MAJOR ACTIVITIES

As it is a Government Company, Cayman Turtle Conservation and Education Centre Ltd. operates under several Acts that pertain to the public sector as well as the legislation that pertains to the private sector. Legislation that governs our major activities includes:

- Public Authorities Act
- Public Management and Finance Act
 - Financial Regulations
- Public Service Management Act
- Labour Act
 - Labour (National Basic Minimum Wage) Order
- Health Insurance Act
- Public Service Pensions Act
 - *Note:* The Company's employees are not Civil Servants, however they are Public Servants coming under the category of "Other Public Service" as defined in the Law to mean "Service with a statutory authority or Government company that has opted to join the Plan with the approval of the Board". The Company has chosen the Public Service Pension Board to be the provider of pensions to its employees.
- Immigration Act
 - Immigration Regulations
- Procurement Act
- Standards in Public Life Act
- Veterinary Act, 1997, revised
 - Veterinary Regulations, 1998, revised
- Local Companies (Control) Act
- The Companies Act
- Liquor Licensing Act
- Music and Dancing (Control) Act
- Workmen's Compensation Act
- National Archive and Public Records Act
- Freedom of Information Act
- Data Protection Act
- Ombudsmen Act (2021 Revision)
- Animals Act
- National Conservation Act
- Water Authority Act
- Endangered Species (Trade and Transport) Act
 - *International treaty:* Convention in International Trade in Endangered Species of Flora and Fauna (CITES)

TABLE OF DELEGATED AUTHORITIES

In keeping with generally accepted good corporate governance, the Governor in Cabinet of the Cayman Islands functioning as the sole Shareholder of the Company has vested its authority in the Board of Directors of the Company. The Board of Directors in turn has exercised its authority to delegate certain matters to the management of the Company. Some of those delegated authorities are vested in certain management positions, and some are vested in the corporation's business case review board and its Tenders Assessment Committee comprised of the appropriate senior management.

There is a document entitled "*Table of Delegated Authorities*" and comprised of tables and narrative that summarises the delegated authorities. This is a "living document" as these powers can be amended or augmented by subsequent Resolution of the Board of Directors, so the document contains an Issue and Amendment Record listing the version number and date of that version. The current edition is Version I, issued 27th May 2015⁶.

This document is of course subject to relevant legislation such as the Public Management & Finance Act (PMFL) and its Financial Regulations, the Procurement Act, and the Public Authorities Act, which may require additional approvals and/or controls. For example, some transactions may require public tendering and other processes involving Central Procurement Committee, and/or approval of Cabinet. In addition, with the Standards In Public Life Act expected to come into effect in early 2021, this document will need a review to ensure it is consistent with the recently passed legislation.

PENSION

The Company participates in the scheme administered under the Public Service Pension Board (PSPB), in keeping with the Public Service Pensions Act. All employees are entitled and required to join the Company's defined contribution pension plan with the **Public Service Pension Plan** in compliance with the Public Service Pensions Act. Under this scheme, the employees and employer participation is mandatory. Currently, employees are required to contribute **6%** of their salaries to the pension fund and CTC matches this contribution. For further details of this plan, please contact the PSPB. Their website URL is: <http://www.pspb.gov.ky>.

MEDICAL INSURANCE COVERAGE

Medical insurance for the period up to June 2021 was provided by a private company – **Cayman First Insurance** (through the broker **Aon Risk Solutions (Cayman) Ltd.**), of which the Cayman Islands has a minority shareholding of 12%, with the majority shareholding by Bahamas First Holdings Ltd incorporated in the Commonwealth of the Bahamas. From July 2021 onward medical insurance was provided by a private company **Aetna**.

All employees are entitled to join the Company's medical insurance scheme unless they present documented proof of health insurance coverage by some other means such as a spouse working for a different employer in a different health insurance scheme.

If an employee elects not to join the company's medical scheme, the Company requires proof of their existing medical coverage should they choose to remain on their current plan. The Company would otherwise contribute towards their premium the same amount as we do for other Company employees on the standard group medical insurance plan. Otherwise, for each of our employees covered under our scheme the Company will pay **50%** of the monthly premium applicable to the employee in the specific medical insurance scheme, and the remainder of the premium is deducted from the employee's payroll to be consolidated into the monthly premium payment to the medical insurance provider. If the employee applies to add a spouse or child, they are responsible for full payment of the premiums relevant to the dependent(s).

⁶ The previous Version H had been issued 21st May 2014.

SUMMARY RESULTS OF KEY OWNERSHIP AGREEMENT STRATEGIC GOALS & OBJECTIVES

The full set of Strategic Goals and Objectives of the Company from an ownership perspective for the 12-month fiscal period 1st January 2021 – 31st December 2021 are contained in Section 3 *Strategic Ownership Goals* of the document “*Ownership Agreement Between the Cayman Islands Government and Cayman Turtle Conservation and Education Centre Ltd for the 2020 financial year ended 31 December 2020 and the 2021 financial year ended 31 December 2021*”. The following analysis summarises achievements against key strategic objectives for the financial year ended 31st December 2021.

In the *Ownership Agreement*, the following key strategic goals and objectives were explicitly predicated on the **Green Turtle Species Conservation Plan being in force by the start of the budget period**⁷.

The key strategic goals and objectives for the Cayman Turtle Conservation and Education Centre Ltd. for the 2021 and 2021 financial years are as follows:

Turtle Conservation and Eco-Tourism:

1. Continue annual releases of “head-started” sea turtles into the wild:

- Pre-release quarantine tests and protocols to be sustained to continue to support clinical health status of “head-started” turtles for release;

Achieved: Pre-release quarantine tests and protocols were sustained. After having been trained in 2019 by a representative of University of Georgia’s Infections Disease Laboratory (IDL), Phoenix Health Services (a privately-run health care facility functioning primarily as a clinical laboratory) in Grand Cayman performed turtle blood counts. Other types of tissue analysis continued to be performed in the CTCEC Veterinary Laboratory and in the IDL. These quarantine tests and protocols have enabled continuation of well-managed releases of 51 total head-started turtles that have been performed in Grand Cayman. During this period samples from each individual head-started turtle to be released were collected and submitted for laboratory analysis, in compliance with the Company’s pre-release protocol. In addition, all head-started turtles for release were implanted with a Passive Inductive Transducer (“PIT tag”) to uniquely identify the animal so that if in future a biologist in our country or elsewhere were to scan the turtle for its PIT tag, the unique serial number will provide the link to the database that will contain the details of the origin of the turtle and its release.

- Collaborate with beach-front tourist accommodation properties in Grand Cayman, and when feasible in Cayman Brac and Little Cayman as sites for turtle release events in various months and seasons of the year, so as to:
 - Create sustainable and eco-tourism experiences, promotional and educational opportunities, thereby supporting development and enhancement of our country’s tourism industry while raising conservation awareness;

Achieved: The turtle release team worked with 3 properties in 2021 for translocation and hatchling releases in Grand Cayman, due to COVID-19 it was not financially possible to transport turtles to either of the sister islands, nor would it have been a necessary health risk to expose the more vulnerable population to a group gathering during the pandemic. Following are the head-started turtle release numbers for the year 2021:

4	Privately Sponsored Head-Start Beach Release events
16	School & Camp Head-Start Beach-Release events
2	Dept. of Tourism Head-Start Released events
7	Head-Start Public Release event
29	Total Head-Start Release events

⁷ The Department of Environment and National Conservation Council disagreed with having individual turtle species conservation plans in other words, they did not agree that there should be a species conservation plan for Green Turtles, and a separate species conservation plan for Hawksbill turtles, and a separate species conservation plan for each of the other protected sea turtle species. CTCEC submitted to Cabinet several serious objections to the omnibus *Sea Turtle Species Conservation Plan* that the DoE drafted and that NCC submitted for Cabinet approval. CTCEC’s objections were supported by a QC opinion that we also submitted to Cabinet, in 2019.

Even amidst the COVID-19 pandemic the conservation and turtle release teams were able to meet and exceed this requirement by hosting 64+ various different types of turtle releases. This included offering a new eco-tourism experience that was a sold-out success, the Hatchling releases from the beach. A total of 12 night releases, with 20 guest tickets available for purchase for each event, sold out during the hatchling season. This will be a regular ticketed item on our product offering list moving forward.

- Encourage properties to implement “turtle-friendly” beach-front lighting, beach grooming, and beach furniture placement thereby enhancing the likelihood and success rate of sea turtles attempting to nest on tourist-zone beaches;

Not Achieved: *The intended strategy was to adopt a collaborative approach with turtle conservation experts in the Department of Environment so that together we would have approached beach-front property owners, including tourist accommodation properties, and rewarded them by conducting the various “turtle tourism” activities on their site, thereby encouraging and reinforcing their compliance with “turtle-friendly” beach-front lighting, beach grooming, and beach furniture placement. However, the Department of Environment did not collaborate with CTC on such initiatives and rebuffed CTC’s attempts to create robust species conservation plans for green sea turtles and for hawksbill turtles respectively. The matter was tabled with Cabinet for resolution and has remain unresolved.*

2. Continue annual translocations of captive-bred sea turtle eggs into the wild:

Achieved: *Even amidst the COVID-19 pandemic the conservation and turtle release teams were able to meet and exceed this requirement by hosting 3 translocations of captive-bred sea turtle nests into the wild.*

- Collaborate with a select and limited number of suitably located beach-front properties in Grand Cayman as sites for turtle nest implantation and hatchling emergence events using translocated captive-bred sea turtle eggs during turtle breeding season each year, so as to:
 - Create eco-tourism experiences, promotional and educational opportunities, thereby supporting development and enhancement of our country’s tourism industry while raising conservation awareness;
 - Encourage properties to implement “turtle-friendly” beach-front lighting, beach grooming, and beach furniture placement thereby enhancing the likelihood and success rate of sea turtles attempting to nest on tourist-zone beaches;

Achieved: *On opportunities, the turtle release team worked with the marketing and tours team and created a new product offering for hatchling releases that was wildly successful. The hatchling releases sold out each time it was offered creating an intimate offering for eco-tourism with an education element that is a truly once-in-a-lifetime experience. This will be duplicated with a sunset head-started release for luxury stay-over guests.*

Not Achieved: *Due to issues with the Department of Environment explained above we were not able to collaborate with beachfront properties regarding creating a “turtle-friendly” environment.*

3. Thereby release a combined total of at least 500 sea turtle hatchlings and “head-starts” per annum into Cayman Islands waters.

Achieved: Head-started turtle releases were done at various public beaches for various schools and at tourist accommodation properties in Grand Cayman during the year. In addition, some private releases were done for sponsors. Virtual and Live Releases were also shared on our social channels when the pandemic prevented groups of numbers from attending our popular events. Following are the head-started turtle release numbers for the year 2021:

934	Beach-Released Hatchlings
79	Hatchlings Released from Translocated Eggs
1,013	Total Hatchlings Released
5	Privately Sponsored Head-Starts Beach-Released
17	School & Summer Camp Head-Starts Beach-Released
5	Complimentary Private Head-Start Released
4	Dept. of Tourism Head-Starts Released
20	Grand Cayman Head-Starts Public Released
51	Total Head-Starts Released
1,064	Grand Total Released in 2021

4. Develop, document and implement strategies aimed at restoring endangered indigenous sea turtle species

Partially Achieved: CTC entered into a collaborative research agreement with researchers at the University of Western Australia to develop a method for aging green sea turtles using known age reference samples from the CTC herd. Sampling methodologies and protocols were developed to obtain, preserve, and ship samples for further DNA analysis. An additional collaborative research agreement was entered into with Ph.D. student George Glen of the University of Florida and CTC to evaluate reproductive senescence in a captive green turtle population.

SPS alignment: These initiatives contribute to achievement of:

2020/21 SPS Broad Outcome 1: A Strong Economy to Help Families and Businesses, and in particular

b) Continue to implement the National Tourism Plan;

2020/21 SPS Broad Outcome 7: Ensuring Caymanians Benefit from a Healthy Environment, and in particular

h) Enhance protection for Cayman's natural habitats and species, ...

Turtle Conservation and Cultural Traditions

5. Contribute to the conservation of sea turtles in the wild around the Cayman Islands, and to sustaining local culinary traditions practiced by residents, by making available from self-sustaining closed-cycle farming a stock of green sea turtle meat for local consumption thus suppressing the risk of turtles being poached from the wild.

- Production Rate: Maintain turtle meat products production capacity of at least 40,000 pounds per annum (equivalent to at least approx. 900 turtles per annum), unless and until demand for such products is reduced below that level

Achieved: There were 74,605 pounds of edible turtle meat products produced, from a total of 1,839 harvested turtles in 2021. This quantity, though substantially higher than the minimum production target for these subsidized products, was required to keep pace with the demand during the year, and thereby to suppress the risk of poaching.

SPS alignment: This program contributes to achievement of:

2020/21 SPS Broad Outcome 7: Ensuring Caymanians Benefit from a Healthy Environment, and in particular

h) Enhance protection for Cayman's natural habitats and species, ...

Research and Education

6. Continue participation in research on sea turtles in-house and in collaboration with overseas researchers.

Achieved: Even though COVID-19 halted travel our research team, specifically our Chief Research and Conservation Officer, Dr. Walter Mustin, continued to conduct viable research with overseas cohorts, by collaborative efforts through zoom conferencing and other video conferencing.

7. Host students from local and overseas schools, educating them on sea turtles and other island wildlife.

- Host at least 1,500 students and chaperones per year.
- Host interns where possible
- Host Masters and PhD level university students conducting research where possible.

Partially Achieved: The Education team hosted 2164 students & chaperones for the year. and hosted one on-site work study student, all while practicing COVID-19 protocols and keeping our animals and themselves safe. The Education team hosted one intern during the year. No graduate students were hosted during 2021.

SPS alignment: This program contributes to achievement of:

2020/21 SPS Broad Outcome 3: The Best Education Opportunities for All Our Children, and in particular

f) Invest in programmes that support improved attainment in academic disciplines at all levels with a key focus on ... science
...

Tourist Attraction

8. Provide a high-quality attraction for visitors to Grand Cayman offering display and interaction with sea turtles and other island wildlife.

- Sustain market shares of stay-over and cruise visitors to the island to above 10% of the visitors per annum in each category for CTC admissions.

Not Achieved: This target was not achievable due to the closure of our borders, quarantine restrictions and COVID-19. During the 2021 year there were no cruise calls, no independent tour calls, no regular taxi calls, and no hotel pick-ups.

9. Collaborate with other entities and entrepreneurs in the tourism industry to offer visitors “packages” incorporating a visit to CTC together with other products and services (e.g. transportation, visits to other attractions) thereby producing additional positive impact on the islands’ economy and employment.

- Maintain and develop relations with tour bus companies, watersports companies, other attractions and other tourism service providers to offer “combination” packages for cruise shore excursions.
- Maintain relations with independent car rental companies, hotels and tourist condos to promote CTC visitation by stay-over visitors.
- Maintain relations with taxis that have a high percentage of tourist clientele, to promote visitation to CTC by offering CTC admission discount vouchers to their patrons.

Not Achieved: This target was not achievable due to the closure of our borders, quarantine restrictions and COVID-19. During the 2021 year there were no cruise calls, no independent tour calls, no regular taxi calls, and no hotel pick-ups.

- Further develop relations for cross-promotion with Cayman Airways:
 - Conduct cross-promotion on social media and CTC admission discount to visitors on presentation of Cayman

Airways boarding pass stubs

- Offer CTC admission passes as prizes for in-flight “competitions”/raffles on inbound Cayman Airways flights from international gateways

Not Achieved: Cayman Airways was not able to offer cross-promotion nor CTC admission passes as prizes for in-flight “competitions”/raffles during 2021 due to our borders being closed, quarantine restrictions and COVID-19.

SPS alignment: These initiatives contribute to achievement of:

2020/21 SPS Broad Outcome 1: A Strong Economy to Help Families and Businesses

2020/21 SPS Broad Outcome 2: Achieving Full Employment - Jobs for All Caymanians

This also supports continued achievement of 2016/17 SPS Outcome 1 (d): Encourage collaboration between the Cayman Turtle Centre and other local attractions, with entities and entrepreneurs in the tourism industry (such as tour bus companies, watersports companies, hotels) to offer visitors “packages” thereby producing additional positive impact on the island’s economy and employment.

10. Revenue goals:

- Tours: Increase CTC admissions sold to “stay-over” guests by at least a factor of 50% of the percentage increase in air arrivals per annum (Year-on-Year for the fiscal period).

Not Achieved: This target was not achievable due to the reduction in air arrivals, CTCEC’s share of total air arrivals in 2021 was 4% compared with 15% in 2020.

- Gift Shop: Increase Retail (gift shop sales) Contribution per annum by at least a factor of 50% of the same percentage as annual increase in cruise tourist arrivals (Year-on-Year for the fiscal period).

Not Achieved: This target was not achievable due to the reduction in cruise ship arrivals, being zero in 2021.

- Food & Beverage: Increase F & B Contribution per annum by at least a factor of 50% of the same percentage as annual increase in cruise tourist arrivals (Year-on-Year for the fiscal period).

Not Achieved: Being for the same reasons as for Gift Shop.

SPS alignment: These initiatives contribute to achievement of:

2020/21 SPS Broad Outcome 1: A Strong Economy to Help Families and Businesses

2020/21 SPS Broad Outcome 2: Achieving Full Employment - Jobs for All Caymanians

11. Events Hosting

- Offer the park as a venue for various corporate, social and community events, including catering of food and beverages.

Achieved: Even with the restrictions on visitors caused by the COVID-19 pandemic the Company was able to host corporate and birthday events. CTC successfully launched an expanded menu at the Silver Thatch Café. In the summer Camp Shellby was fully sold out helped by the introduction of complimentary transport. CTC also hosted a highly successful Family Fun Day in October, welcoming over 345 guests while adhering to the Government COVID Regulations limiting attendance to 250 persons at any given time. “Breakfast with Santa,” also proved to be a hugely successful event.

12. Employment

- Continue employing and developing Caymanians: Maintain ratio at 5% or less of employees on Work Permits

Achieved: The company employed 89 FTE as of December 31, 2021, of which only 2 persons were work permit holders or 2.25% of our work force.

SPS alignment: This program contributes to achievement of:
2020/21 SPS Broad Outcome 2: Achieving Full Employment - Jobs for All Caymanians



AUDITED FINANCIAL STATEMENTS

The audited financial statements for the year ended 31st December 2021 currently in progress and will be published separately. The audit is performed by the Office of the Auditor General in conjunction with Grant Thornton.

The below financial information is unaudited.

BREAKDOWN OF REVENUE SOURCES

Analysis of Revenue Sources	2021 Financial Year	
	CI\$	%
Revenues		
Admissions ("Retail Tours")	197,911	16%
Retail merchandise sales	145,694	11%
Food and beverage	188,072	15%
Turtle meat sales ("Wholesale Sales")	630,563	50%
Turtle sponsorships ("Turtle Release Program")	92,247	8%

Equity Injections by the Shareholder for the previous 10 years.

Fiscal Year	CI\$
2012 audited	9,669,418
2013 audited	10,678,771
2014 audited	10,503,078
2015 audited	9,506,349
2016 audited	9,002,749
2017 audited (18 months)	13,815,709
2018 audited	8,500,000
2019 audited	9,500,000
2020 audited	3,995,995
2021 unaudited	6,111,825

Capital Withdrawals

There were no Capital Withdrawals made by the Governor in Cabinet from the Company during the financial year.

Dividends

Due to the financial condition of the Company where it relies on the sole shareholder for financial support it is exempted under the Policy for the Payment of Annual Dividends by Statutory Authorities and Government Companies (SAGCs) from paying an annual dividend.

Loans

There were no loans relating to the company made by the Governor in Cabinet during the financial year.

Guarantees

There were no new Guarantees relating to the company made by the Governor in Cabinet during the financial year. The Governor in Cabinet continues to guarantee the CI\$4.62 Million for the Overdraft facility held with CIBC First Caribbean International.

SUMMARY OF ACHIEVEMENT OF OWNERSHIP PERFORMANCE TARGETS

The Ownership Performance Targets as specified in schedule 5 to the Public Management and Finance Act (2013 Revision) compared with actual results for the 2021 fiscal year are as shown in Table 3 Ownership Performance Targets & Actuals.

FINANCIAL PERFORMANCE

	2021 Budget \$ 000'S	2021 Actual \$000'S
OPERATING STATEMENT		
SALE OF GOODS AND SERVICES	9,430	1,258
OTHER REVENUE	210	34
OPERATING EXPENSES	(16,155)	(10,587)
FINANCE COSTS	(165)	(136)
NET DEFICIT	(6,680)	(9,431)

	2021 Budget \$ 000'S	2021 Actual \$000'S
BALANCE SHEET		
ASSETS	17,910	14,105
LIABILITIES	3,453	5,016
NET WORTH	14,457	9,089

	2021 Budget \$ 000'S	2021 Actual \$000'S
STATEMENT OF CASH FLOWS		
CASH FLOWS FROM OPERATING ACTIVITES	(4,084)	(6,629)
CASH FLOWS FROM INVESTING ACTIVITES	(1,000)	(56)
CASH FLOWS FROM FINANCING ACTIVITES	3,960	6,112
CHANGES IN CASH BALANCES	3,960	6,112

	2021 Budget %	2021 Actual %
FINANCIAL PERFORMANCE RATIO		
CURRENT ASSETS : CURRENT LIABILITIES	1.1:1	0.3:1
TOTAL ASSETS : TOTAL LIABILITIES	5.19:1	2.81:1

END OF REPORT



CAYMAN TURTLE CENTRE

ISLAND WILDLIFE ENCOUNTER



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Grand Cayman, Cayman Islands
345-949-3894

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Financial statements of

CAYMAN TURTLE CONSERVATION AND EDUCATION CENTRE LTD.

For the year ended 31 December 2021

CAYMAN TURTLE CONSERVATION AND EDUCATION CENTRE LTD.
Annual Financial statements
For the year ended 31 December 2021
(Expressed in Cayman Islands Dollars)

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CAYMAN TURTLE CONSERVATION AND EDUCATION CENTRE LTD.
Statement of responsibility
For the year ended 31 December 2021
(Expressed in Cayman Islands Dollars)

Statement of Responsibility

These financial statements have been prepared by Cayman Turtle Conservation and Education Centre Ltd. in accordance with the provisions of the *Public Management and Finance Act (2020 Revision)*.

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 Act (2020 Revision)*.

As Chairman and Chief Executive Officer (CEO), we are responsible for establishing; and have established and maintained a system of internal controls designed to provide reasonable assurance that the transactions recorded in the financial statements are authorised by law, and properly record the financial transactions of the Cayman Turtle Conservation and Education Centre Ltd.

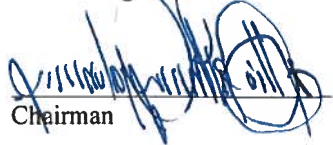
As Chairman and CEO we are responsible for the preparation of Cayman Turtle Conservation and Education Centre Ltd.'s financial statements and for the judgements made in them.

The financial statements fairly present the financial position, financial performance, changes in shareholder's equity and cash flows for the financial year ended 31 December 2021.

To the best of our knowledge we represent that these financial statements:

- (a) Completely and reliably reflect the financial transactions of the Cayman Turtle Conservation and Education Centre Ltd. for the year ended 31 December 2021;
- (b) fairly reflect the financial position as at 31 December 2021 and performance for the year ended 31 December 2021;
- (c) comply with International Financial Reporting Standards under the responsibility of the International Accounting Standards Board.

The Office of the Auditor General conducts an independent audit and expresses an opinion on the accompanying financial statements. The Office of the Auditor General and its agent have been provided access to all the information necessary to conduct an audit in accordance with International Standards on Auditing.



Chairman

28th March 2024



Chief Executive Officer

28th March 2024

AUDITOR GENERAL'S REPORT

To the Board of Directors of the Cayman Turtle Conservation and Education Centre Ltd.

Opinion

I have audited the financial statements of the Cayman Turtle Conservation and Education Centre Ltd. (the "Company"), which comprise the statement of financial position as at 31 December 2021 and the statement of comprehensive loss, statement of changes in shareholder's equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 10 to 30.

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

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)*, together with the ethical requirements that are relevant to my audit of the financial statements in the Cayman Islands, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion. In rendering my audit opinion on the financial statements of the Company, I have relied on the work carried out on my behalf by a public accounting firm who performed their work in accordance with International Standards on Auditing.

Material Uncertainty Relating to Going Concern

I draw attention to Note 20 to the financial statements which discloses that the Company is dependent upon the continued financial support of the Cayman Islands Government (the "Government") to enable it to meet its obligations as they fall due.

The global outbreak of the coronavirus or COVID-19 in 2020, and the measures taken by the Government to mitigate the threat to the Cayman Islands, including the closure of the cruise port, the airports and the Company's facility, has increased the Company's financial dependency on the Government. Without this ongoing support, a material uncertainty exists that casts significant doubt about the Company's ability to continue as a going concern. My opinion is not modified with respect to this matter.

Emphasis of Matters

I also draw attention to Note 19 to the financial statements, which discloses that the Public Authorities Act 2020 paragraph 47 – Terms and conditions and remuneration of staff, requires all Statutory Authorities and

AUDITOR GENERAL'S REPORT (continued)

Government Companies to comply with its requirements to standardise salaries and benefits from June 1, 2019. The Company started paying its employees according to correct salary scale and updated job grades only in May 2022, with retroactive effect from January 1, 2022, as the Portfolio of the Civil Service only completed the job evaluation of all public authorities by July 2021. My opinion is not modified with respect to this matter.

I also draw attention to Note 9 to the financial statements, which discloses that the Cabinet authorised additional funding of \$2,151,824 for 2021 as additional operating appropriation in accordance with the Public Management and Finance Act (2020 Revision) ("PMFA"). The Company received the appropriation during the year ended 31 December 2021 and recognised the amount as an additional capital contribution of the Company's Shareholder, the Cayman Islands Government. A Supplementary Appropriation Bill for the funding was not introduced in Parliament by March 31, 2022, as required by section 11 (6)(b) of the PMFA. My opinion is not modified with respect to this matter.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

AUDITOR GENERAL'S REPORT (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I have undertaken the audit in accordance with the provisions of Section 60(1)(a) of the *Public Management and Finance Law (2020 Revision)*. I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.


Sue Winspear, CPFA
Auditor General

28 March 2024
Cayman Islands

CAYMAN TURTLE CONSERVATION AND EDUCATION CENTRE LTD.
Statement of financial position
31 December 2021
(Expressed in Cayman Islands Dollars)

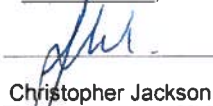
	Notes	2021	2020
ASSETS			
Current assets			
Cash and cash equivalents	4	598,697	401,698
Accounts receivable		16,180	12,694
Prepayments and accrued interest		36,834	44,554
Inventories	5	218,817	267,129
Biological assets	6	465,233	561,928
		<u>1,335,761</u>	<u>1,288,003</u>
Non-current assets			
Property, plant, equipment and exhibits	7	12,695,611	15,448,644
Exhibits under construction		85,418	77,987
TOTAL ASSETS	CIS	<u>14,116,790</u>	<u>16,814,634</u>
LIABILITIES			
Current liabilities			
Bank overdraft	4	3,254,162	2,484,444
Accounts payable and accrued expenses	20	1,372,138	868,180
		<u>4,626,300</u>	<u>3,352,624</u>
Non-current liabilities			
Defined benefit pension liability	8	287,000	911,000
Long-term staff service awards payable	8	138,871	142,572
		<u>425,871</u>	<u>1,053,572</u>
TOTAL LIABILITIES	CIS	<u>5,052,171</u>	<u>4,406,196</u>
SHAREHOLDER'S EQUITY			
Share capital			
Authorized, issued and fully paid 400,000 shares of \$3 each and 50,000 shares of \$1 each		1,250,000	1,250,000
Additional paid-in capital	9, 10	140,148,160	134,036,335
Accumulated deficit		(132,333,541)	(122,877,897)
TOTAL SHAREHOLDER'S EQUITY	CIS	<u>9,064,619</u>	<u>12,408,438</u>
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	CIS	<u>14,116,790</u>	<u>16,814,634</u>

See accompanying notes to financial statements.

Approved on behalf of the Board of Directors on 28th March, 2024


Ellio Solomon

Chairman
Name


Christopher Jackson

Chief Executive Officer
Name

CAYMAN TURTLE CONSERVATION AND EDUCATION CENTRE LTD.
Statement of comprehensive loss
For the year ended 31 December 2021
(Expressed in Cayman Islands Dollars)

	Notes	2021	2020
Operations			
Revenue	2	1,258,488	2,555,467
Cost of sales		(765,807)	(1,266,191)
Fair value of biological assets		450,754	211,045
Gross profit		<u>943,435</u>	<u>1,500,321</u>
Operating expenses	12	(8,094,223)	(8,383,895)
Net operating losses		<u>(7,150,788)</u>	<u>(6,883,574)</u>
Other income	13	34,437	72,132
Administrative expenses	12		
Administration and overheads		(1,860,595)	(2,715,433)
Interest and amortization		(136,432)	(87,390)
Research expense		(598,505)	(564,662)
Marketing expenses		(367,761)	(404,598)
Defined benefit pension credit/(charge)		(56,000)	(125,000)
Total administration expenses		<u>(3,019,293)</u>	<u>(3,897,083)</u>
Net loss for the year	CIS	(10,135,644)	(10,708,525)
Other comprehensive income/(loss)			
Remeasurement of defined benefit pension		680,000	(207,000)
Comprehensive loss for the year	CIS	(9,455,644)	(10,915,525)

See accompanying notes to financial statements.

CAYMAN TURTLE CONSERVATION AND EDUCATION CENTRE LTD.
Statement of changes in shareholder's equity
For the year ended 31 December 2021
(Expressed in Cayman Islands Dollars)

		Share capital	Additional paid-in capital	Accumulated deficit	Total
Balance at 31 December 2019	CIS	1,250,000	130,036,340	(111,962,372)	19,323,968
Net loss for the year		-	-	(10,708,525)	(10,708,525)
Contributed capital (note 9)		-	3,999,995	-	3,999,995
Other comprehensive loss for the year (note 8b)		-	-	(207,000)	(207,000)
Balance at 31 December 2020	CIS	1,250,000	134,036,335	(122,877,897)	12,408,438
Net loss for the year		-	-	(10,135,644)	(10,135,644)
Contributed capital (note 9)		-	6,111,825	-	6,111,825
Other comprehensive income for the year (note 8b)		-	-	680,000	680,000
Balance at 31 December 2021	CIS	1,250,000	140,148,160	(132,333,541)	9,064,619

See accompanying notes to financial statements.

CAYMAN TURTLE CONSERVATION AND EDUCATION CENTRE LTD.
Statement of Cash Flows
For the year ended 31 December 2021 (with comparatives)
(expressed in Cayman Islands dollars)

	Year ended Dec 31, 2021	Year ended Dec 31, 2020
Cash flows from operating activities		
Net loss for the period	(10,135,644)	(10,708,525)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation of property, plant, equipment and exhibits	2,808,812	2,958,430
Gain on disposal of property, plant, equipment and exhibits	-	(48,210)
Movement in biological assets	96,695	333,957
Changes in:		
(Increase)/decrease in accounts receivable	(3,486)	427,339
Decrease in prepayments and accrued interest	7,720	139,876
Decrease/(increase) in inventories	48,312	(58,664)
(Increase) in work in progress	(7,431)	(44,212)
Increase in accounts payable and accrued expenses	503,958	168,012
Increase in defined benefit pension liability	56,000	125,000
(Decrease)/increase in long-term staff service awards payable	(3,701)	60,139
Net cash used in operating activities	(6,628,765)	(6,646,858)
Cash flows from investing activities		
Purchase of property, plant, equipment and exhibits	(55,779)	(287,460)
Proceeds from sale of property, plant, equipment and exhibits	-	163,928
Net cash used in investing activities	(55,779)	(123,532)
Cash flows from financing activities		
Capital contributions from shareholder	6,111,825	3,999,995
Net cash generated from financing activities	6,111,825	3,999,995
Net decrease in cash and cash equivalents	(572,719)	(2,770,395)
Cash and cash equivalents at beginning of year	(2,082,746)	687,649
Cash and cash equivalents at end of year (note 4)	CI\$ (2,655,465)	(2,082,746)
Supplementary information:		
Interest paid	CI\$ 136,432	87,390

See accompanying notes to financial statements.

1. Incorporation and activity

Cayman Turtle Conservation and Education Centre Ltd. (the "Company" or "CTCEC") 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, restaurant, and bar. The production of turtle meat and related products is limited to what is 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 and in the wider Caribbean.

The Company's address is 786 Northwest Point Road, West Bay, Grand Cayman. The Company had a staff complement of 88 in 2021 (2020: 94).

The Company's operations consist 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 turtle interactive area, educational pavilion, hatchery and science laboratory, freshwater pool, saltwater snorkel lagoon, predator tank, crocodile marsh, nature trail, aviary, shopping bazaar, restaurant and bar.

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).

Unless otherwise disclosed, these financial statements are presented in Cayman Islands dollars (CI\$).

Use of estimates

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 the expected credit losses against accounts receivable, the valuation of biological assets (note 6), and the defined benefit pension liabilities and long-term service awards payable (note 8).

Provision for expected credit losses of trade receivables

Accounts receivable comprise receivables from customers and contributions from the Government (a related party) and are reduced by any expected credit losses 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.

2. Accounting policies (continued)

Provision for expected credit losses of trade receivables (continued)

CTCEC analyzed all of the outstanding receivables as at 31 December 2021. CTCEC determined that trade receivables did not have a significant financing component and therefore chose to use the Simplified Approach (as defined in IFRS 9) and simplified 'provision matrix'. The Expected Credit Loss (ECL) using the following formula: $ECL = \text{Exposure at Default (EAD)} * \text{Probability of Default (PD)} * \text{Loss Given Default (LGD)}$ was calculated for two different categories, one for an over 90-day receivable for Caymanian Land and Sea Cooperative Society Ltd. ("Land & Sea"); and the other for the trade receivables in over 90-day categories.

Biological assets

The secondary herd, which is reared for the purpose of selling the herd's meat and by-product to satisfy local market demand, 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. 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 no carrying value. The remainder of the breeder herd is valued at fair value, calculated using market prices and expected yields of each type of product based on historical data, less cost to maintain.

The fair value measurements for the Breeder Herd and Secondary Herd have been categorized as Level 3 fair values based on the inputs to the valuation techniques used.

The following valuation techniques and significant unobservable inputs have been used in determining the Level 3 fair values of the breeder herd and secondary herd:

Valuation technique: The valuation model considers the percentage of steak, stew, fin, bone and menavelin that can be yielded as well as the current selling prices for these items. This is considered to be the "Cash Inflows" and is estimated for the applicable herd for that remaining herd to be processed and sold.

The "Cash Outflows" is the cost to process the remaining live weight of the applicable herd based on the costing for the 2021 production.

Unobservable inputs: Percentage yields, estimated weight gain as well as the directly attributable processing costs to the Company are considered to be unobservable inputs.

2. Accounting policies (continued)

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 8a).

(b) Defined benefit plan

The Company's net obligation in respect of defined benefit plan is calculated by:

- estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount (defined benefit obligation) and
- deducting the fair value of any plan assets.

The Company's qualified actuary calculates the defined benefit obligation using the projected unit credit method. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements. Plan assets are measured at fair value. Fair value is determined based on quoted market prices in active markets where available.

The Company is one of several individual entities that participates in the Public Service Pension Plan ("PSPP") administered by the Public Service Pensions Board ("PSPB"). In addition to the PSPP, two other statutory plans for public servants are in place. The PSPB pools together contributions and earnings from these three plans under a consolidated Public Service Pensions Fund ("the Fund"), and also pays benefits to members in accordance with the terms of the individual plans.

The assets are notionally allocated to each of the three participating pension plans through an internal accounting mechanism that tracks, for each accounting period, actual cash flows and allocates investment income based on the rate of return earned by the Fund. Based on the data provided, the gross rate of return earned by the Fund over the 12-month period, January 1, 2021 to December 31, 2021, was 13.02% per annum. Similar internal accounting is used for developing each participating entity's share of the asset portfolio of the Fund.

Remeasurement of the net defined benefit liability, which comprises actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in the statement of comprehensive loss.

When the plan benefits are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

2. Accounting policies (continued)

Employee benefits (continued)

(c) Long-term service awards 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.

For crew members who have not contributed 25 or more years of service to the Company but have reached retirement age as defined by law, worked for 1 year or more, and voluntarily retire are entitled to a retirement allowance pay equal to 1 week of the crew member's salary at the time of retirement for each completed year.

Going concern assumption

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern. Refer to note 19 for detailed disclosure regarding the going concern assumption.

New and revised accounting standards and interpretations that are effective:

Management have reviewed standards, interpretations and amendments to published standards effective for the period commencing after 1 January 2021 and have determined none have a material impact on these financial statements.

Standards issued and effective

New standards, amendments to standards and interpretations issued and effective from 1 January 2021, but do not affect the Company's financial statements, are as follows:

- Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16): Phase 2 of the Interest Rate Benchmark Reform deals with the issues that might affect financial reporting when an existing interest rate benchmark is actually replaced. The proposed amendments apply to changes to financial instruments and hedging relationship required by the reform.

Standards issued but not yet effective

New standards, amendments to standards and interpretations issued but not yet effective, which the directors deem will not have a material impact on the financial statements of the Company and thus have not been applied in preparing these financial statements, are as follows:

- Annual improvements to IFRS Standards 2018-2020 cycle (Amendments to IAS 1, IAS 8, IAS 12, IAS 16, IAS 37, IFRS 1)

Foreign currencies

The Company's transactions occur in United States dollars ("US\$") and Cayman Islands dollars ("CI\$"). The Company translates US\$ transactions into CI\$ using a fixed rate of US\$1.00 to CI\$0.84.

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.

Property, plant, equipment and exhibits

Property, plant, equipment and exhibits is stated at historical cost less accumulated depreciation. With the exception of land which is not depreciated, items of property, plant, equipment and exhibits 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. Capitalised cost includes direct labor and benefits for employees specifically identified with the project.

Property, plant, equipment and exhibits 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 estimates that the total life of these marine life to be approximately 10-12 years. As the Company has acquired the marine life at a mature stage in their life cycle, management has assumed the remaining useful life for the exhibits from the date of acquisition to be approximately 6 years.

Property, plant, equipment and exhibits subject to operating lease (see Note 13) are included within Property, plant, equipment and exhibits schedule in Note 7.

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 assets and financial liabilities measured at amortised cost are recognised in the statement of comprehensive loss.

Financial assets comprise cash and cash equivalents, accounts receivable and accrued interest. Financial liabilities comprise bank overdraft, accounts payable and accrued expenses, bank debt, pensions payable and long-term staff service awards payable. Management determines 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.

(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 as required.

2. Accounting policies (continued)

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.

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

The Company recognizes revenue to depict transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for goods or services. IFRS 15 – Revenue from contracts with customers provides for a single, principles-based, five-step model to be applied to all contracts with customers.

To determine whether to recognize revenue, the Company follows IFRS 15's five-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied

The Company sells merchandise and turtle meat and charges admission fees to customers for entry to the Centre. Sales of goods or services are recognised when the Company sells a product to the customer or the customer is admitted to the Centre. Retail sales are usually in cash or by credit card.

The Company's revenue for yearend 31 December 2021 amounting to CI\$1,258,488 (2020: CI\$2,555,467) comprised of retail tours of CI\$197,911 (2020: CI\$1,186,355) and sales of merchandise, turtle meat and others of CI\$1,060,577 (2020: CI\$1,369,112).

Of the retail tours revenue amounting to CI\$197,911 (2020: CI\$1,186,355), nil % (2020: 27%) or \$ nil (2020: CI\$325,487) relates to ship tours (cruise lines) and the remaining amount relates to admissions through direct walk-in or online guest admissions, as well as wholesale wristband sales.

3. Fair value of financial instruments

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair value is categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable input).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The carrying value reflected in the financial statements for cash and cash equivalents, accounts receivable, accrued interest, bank overdraft, interest payable and accounts payable/accrued expenses are assumed to approximate to their fair values due to their short-term nature.

4. Cash and cash equivalents, net

	2021	2020
Current accounts (shown under current assets)	598,697	401,698
Bank overdraft (shown under current liabilities)	(3,254,162)	(2,484,444)
Cash and cash equivalents as presented in the statement of cash flows	CIS (2,655,465)	(2,082,746)

At 31 December 2021 the limit on the overdraft facility was US\$5,500,000 (2020: US\$5,500,000) at an interest rate of 5% (2020: 5%). The Government, by way of letter of undertaking, guarantees overdraft facilities up to CI\$4,620,000 (2020: CI\$4,620,000).

5. Inventories

	2021	2020
Marketable products	218,817	267,129
	CIS 218,817	267,129

6. Biological assets

	2021	2020
Livestock at fair values:		
Secondary herd	172,904	269,245
Breeder herd	292,329	292,683
	CIS 465,233	561,928

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6. Biological assets (continued)

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

	2021	2020
Carrying value at the beginning of the period	269,245	556,339
Change attributable to differences in fair values	364,048	73,883
Biological transformation	87,061	184,025
Processed during the period	(547,450)	(545,002)
Net change in biological assets included in income	(96,341)	(287,094)
Carrying value at the end of period	CI\$ 172,904	269,245

Biological transformation comprises the net effect of births, deaths and other losses, and growth within the secondary herd, measured at period-end fair values. Due to the continuing limitations surrounding the market for the products of the secondary herd, shells are valued at CI\$ nil (2020: CI\$ nil).

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

	2021	2020
Carrying value at beginning of period	292,683	339,546
Net decrease during the period	(354)	(46,863)
Carrying value at the end of period	CI\$ 292,329	292,683

The lower net decline during the period is attributable to new breeders added, weight gained during the period, and fewer mortalities. During the year ended 31 December 2021, 12 new breeders (2020: 10) were added to the herd and 5 turtles (2020: 7) were transferred to the secondary herd or died. As of 31 December 2021, there was CI\$500,000 insurance coverage associated with the livestock (2020: CI\$500,000).

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7. Property, plant, equipment and exhibitions

	Land*	Buildings and lagoons	Plant and equipment	Motor vehicles	Furniture and office equipment	Exhibits & Portable Structures	Computer hardware & software	Total
Cost								
As at 31 December 2020	1,251,349	49,630,091	2,326,111	437,716	280,769	149,261	1,371,546	55,446,843
Additions	-	-	25,866	-	2,398	24,743	2,772	55,779
As at 31 December 2021	1,251,349	49,630,091	2,351,977	437,716	283,167	174,004	1,374,318	55,502,622
Accumulated depreciation								
As at 31 December 2020	-	36,223,627	1,817,303	377,059	250,947	63,400	1,265,863	39,998,199
Depreciation	-	2,465,401	197,863	24,808	22,092	29,526	69,122	2,808,812
As at 31 December 2021	-	38,689,028	2,015,166	401,867	273,039	92,926	1,334,985	42,807,011
Net book value								
As at 31 December 2021	CIS 1,251,349	10,941,063	336,811	35,849	10,128	81,078	39,333	12,695,611
Cost								
As at 31 December 2019	1,251,349	49,679,314	2,186,782	437,716	300,888	83,261	1,384,001	55,323,311
Additions	-	7,418	160,808	-	7,930	66,000	45,304	287,460
Disposals	-	(56,641)	(21,479)	-	(28,049)	-	(57,759)	(163,928)
As at 31 December 2020	1,251,349	49,630,091	2,326,111	437,716	280,769	149,261	1,371,546	55,446,843
Accumulated depreciation								
As at 31 December 2019	-	33,719,860	1,607,706	336,938	223,079	41,039	1,159,357	37,087,979
Depreciation	-	2,511,206	219,297	40,121	32,746	21,563	133,497	2,958,430
Disposals	-	(7,439)	(9,700)	-	(4,878)	798	(26,991)	(48,210)
As at 31 December 2020	-	36,223,627	1,817,303	377,059	250,947	63,400	1,265,863	39,998,199
Net book value								
As at 31 December 2020	CIS 1,251,349	13,406,464	508,808	60,657	29,822	85,861	105,683	15,448,644

*The total land cost of CIS\$1,251,349 (2020: CIS\$1,251,349) includes a parcel of land with an estimated cost of CIS\$102,349 (2020: CIS\$102,349) leased to Dolphin Discovery as part of the lease agreement detailed in Note 13.

8. Pensions payable and long-term staff service awards 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 part*

For employees enrolled in the defined contribution part of the Plan, the Company and the employee each contribute 6% of the employee's salary or wage each period. During the period ended 31 December 2021 contributions of C\$239,091 (2020: C\$265,031) were made by the Company and included in the statement of comprehensive loss.

b) *Defined benefit part*

Employees who started with the Company prior to 1 January 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 Public Service Pensions Board ("PSPB") 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 "defined benefit pensions 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 defined benefit pensions liability, adjusted for funding payments made, as an expense or gain in the period in which such changes are incurred.

The most recent actuarial valuation of the defined benefit pension liability was performed as of 31 December 2021 by Mercer and the results, which was reported to the Company by the PSPB in March 2022, indicated a plan deficit of C\$287,000 (2020: C\$911,000).

	2021	2020
Defined benefit liability at beginning of year	911,000	579,000
Defined benefit change included in profit and loss	56,000	125,000
Defined benefit change included in other comprehensive income	(680,000)	207,000
Defined benefit liability at end of year	C\$ 287,000	911,000

	2021	2020
Company's share of:		
Defined benefit obligation	2,256,000	2,892,000
Fair value of plan assets	(1,969,000)	(1,981,000)
Defined benefit liability at end of year	C\$ 287,000	911,000

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8. Pensions payable and long-term staff service awards payable (continued)

b) Defined benefit part (continued)

Movement in defined benefit obligations during the year:

	2021	2020
Defined benefit obligation at beginning of year	(2,892,000)	(2,346,000)
Current service cost	(56,000)	(44,000)
Interest expense	(64,000)	(74,000)
Benefit payments	68,000	-
Transfer between other participating employers	216,000	-
Contributions paid into plan	(10,000)	(13,000)
Remeasurements	482,000	(415,000)
Defined benefit obligation at end of year	CIS (2,256,000)	(2,892,000)

Movement in fair value of plan assets during the year:

	2021	2020
Fair value of plan assets at beginning of year	1,981,000	1,767,000
Interest income	44,000	56,000
Employer contributions	20,000	26,000
Plan participant contributions	10,000	13,000
Benefit payments	(68,000)	-
Transfer between other participating employers	(216,000)	-
Other significant events	-	(89,000)
Remeasurements	198,000	208,000
Fair value of plan assets at end of year	CIS 1,969,000	1,981,000

The defined benefit cost included in profit and loss (before other comprehensive income/(loss):

	2021	2020
Current service cost	(56,000)	(44,000)
Interest expense	(64,000)	(74,000)
Interest income	44,000	56,000
Employer contributions	20,000	26,000
Other significant events	-	(89,000)
Defined benefit cost	CIS (56,000)	(125,000)

Remeasurements of the defined benefit plan included in other comprehensive income/(loss):

	2021	2020
Effect of changes in demographic assumptions	(11,000)	61,000
Effect of changes in financial assumptions	137,000	(479,000)
Effect of experience adjustments	356,000	3,000
Return on plan assets	198,000	208,000
Remeasurements	CIS 680,000	(207,000)

8. Pensions payable and long-term staff service awards payable (continued)

b) Defined benefit part (continued)

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.

The principal actuarial assumptions are as follows:

	2021	2020
Economic assumptions		
1. Discount rate	2.9%	2.6%
2. Salary increase	2.5%	2.5%
3. Rate of price inflation	2.0%	2.0%
4. Rate of pension increases	2.0%	2.0%

The distribution of the plan assets at 31 December 2021 and 2020 is as follows:

	2021	2020
Global equities	82%	82%
Debt securities	17%	18%
Cash	1%	0%
	<u>100%</u>	<u>100%</u>

c) Long-term staff service awards payable

In 1997 the Board of Directors approved a long-term staff service awards 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. Employees who have attained age 65 and worked for one year or more are also eligible for a long-term staff service awards package of one week of each full year of work completed. There are 10 eligible employees at 31 December 2021 (2020: 9) for both of these scenarios combined, and the total liability of the Company in respect of past service benefits for retired employees is approximately CI\$138,871 (2020: CI\$142,572).

The term "long-term staff service awards payable" was previously referred to as "severance payable" in the financial statements from prior years. This change was implemented to clearly distinguish this employee benefit from the severance package for key management personnel.

9. Contributed capital

During the year ended 31 December 2021, the Government made equity injections that amounted to CI\$6,111,824 (2020: CI\$3,999,995).

The Cabinet authorized additional funding of \$2,151,824, included above, for 2021 as additional Operating Appropriation in accordance with the Public Management and Finance Act (2020 Revision) ("PMFA"), which was recognised as additional capital contribution of the Company's Shareholder, the Cayman Islands Government. A Supplementary Appropriation Bill for the funding was not introduced in Parliament by 31 March 2022, as required by section 11 (6)(b) of the PMFA.

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10. Government funding

The total funds approved by Government for future equity injections is as follows:

Facility type	Appropriation Act reference	Amounts approved	Amounts received
Equity injection	EI 49 (FY 2022)	2,500,000	2,500,000
Equity injection	EI 49 (FY 2023)	2,500,000	2,500,000
Total funding, approved and advanced from Government		CI\$5,000,000	5,000,000

11. Taxation

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

12. Operating and administration expenses

Operating Expenses	2021	2020
Personnel expense	3,328,742	3,246,031
Depreciation expense	2,808,812	2,910,221
Utility expense	802,277	971,065
Feed and other related expenses	521,387	538,253
Maintenance costs	507,155	568,415
Retail operating expenses	103,649	101,575
Other operating expenses	19,338	23,316
Insurance expense	2,863	23,932
Travel and entertainment	-	1,087
Total Operating Expenses	CI\$ 8,094,223	8,383,895
Administration Expenses	2021	2020
Personnel expense	1,464,094	1,768,422
Professional fees	457,350	589,199
Insurance expense	244,072	237,641
Other expenses	225,369	232,290
Maintenance costs	210,037	249,518
Interest and amortization	136,432	87,390
Advertising expenses	114,351	167,319
Utilities expense	71,245	137,836
Defined benefit cost	56,000	125,000
Bank charges	25,760	59,423
Travel and entertainment	24,150	26,810
Telephone expenses	-	7,016
Bad debt (recovered) / expense	(9,567)	209,219
Total Administration Expenses	CI\$ 3,019,293	3,897,083

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13. Other income

The Company leases an area of 97,574 square feet to Dolphin Discovery for the operations of a dolphin park. The Company entered a non-cancellable 5-year operating lease agreement on 12 January 2018, with one option to renew for additional 5 years.

This lease is and the expected future incoming cash flows associated with this lease are normally CI\$201,600 per year on a straight-line basis. However, due to the COVID border closures for both tourism related air and cruise arrivals, CTCEC agreed with Dolphin Discovery a 90% rent concession until June 2022, with gradual reductions in the concession until October 2022, when the full rental amount was restored. The following amounts are expected to be received:

Within 1 year	100,800
Between 2 and 5 years	201,600
	<u>302,400</u>

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. Furthermore, cash and cash equivalents are placed with two financial institutions in the Cayman Islands which management considers 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:

	2021	2020
Cash and cash equivalents	598,697	401,698
Accounts receivable	16,180	12,694
CIS	<u>614,877</u>	<u>414,392</u>

No collateral is required for the Company's debtors.

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14. Financial risk management (continued)

The ageing of the accounts receivables as at 31 December is noted below:

	2021	2020
Current	9,586	-
31 – 60 days	84	-
61 – 90 days	-	-
Over 91 days	6,510	12,694
CIS	16,180	12,694

As at 31 December 2021, an expected credit loss of CI\$867,494 (2020: CI\$877,061) has been made against gross accounts receivable of CI\$883,674 (2020: CI\$889,755). The provision consists of the ECL reserve amounting to CI\$549,642 (2020: CI\$559,209) and an additional reserve of CI\$317,852 (2020: CI\$317,852) as outlined in note 17. The movement in the allowance for doubtful accounts is included within bad debts expense within administration and overheads in the statement of comprehensive loss.

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 period and subsequent to the period 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 (note 10).

As at 31 December 2021, accounts payable, accrued expenses, and interest payable are all due within 3 months of the statement of financial position date.

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 interest rate risk, price risk and currency risk.

15. Financial risk management (continued)

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. Management does not consider there to be an interest rate risk on cash and cash equivalents as it is due on demand. As at 31 December 2021, the interest rate profile of the Company's interest-bearing financial instruments was:

	2021	2020
Variable rate instruments		
Financial assets	598,697	401,698
Financial liabilities	(3,254,162)	(2,484,444)

A change of 1% in interest rates over the financial assets throughout the reporting period would have increased comprehensive income by CI\$ 5,987 (2020: CI\$4,017). A change of 1% in interest rates over the financial liabilities throughout the reporting period would have decreased comprehensive income by CI\$32,543 (2020: CI\$24,484).

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 period. Subsequent to 31 December 2021 the market interest rates have decreased and the Company has not experienced any material adverse effects as a result of interest rate 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 period.

16. Related party transactions and key management remuneration

As outlined in Note 1, the Company is wholly owned by the Government. The Company engages with other entities and bodies which are related to the Government in the ordinary course of business.

All of the activities with other Government entities and related parties are conducted on an arm's length basis other than those relating to the significant financial support from the Government as described in note 10.

There were no loans made to key management at 31 December 2021 and 2020. Total remuneration paid to 6 personnel considered to be key management during the periods ended 31 December 2021 and 31 December 2020 was:

	2021	2020
Salaries	675,477	713,852
Severance pay (paid in 2022)	162,027	-
Pension and health insurance	32,364	45,522
Total	CI\$ 869,868	759,374

Members of the Board of Directors serve on a voluntary basis and do not receive salaries for services rendered. 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 in 2021 was CI\$16,200 (2020: CI\$8,200).

17. Contingencies

The nature of the operations of the Company requires it to obtain permission which is granted by a Marine Discharge Permit (the "Permit") from the Water Authority of the Cayman Islands (the "Water Authority") in order to discharge wastewater from the turtle tanks into the ocean. The last Marine Discharge Permit was issued by the Water Authority for 24 months commencing on 19 October 2013, expiring 31 October 2015.

This Permit identified four "Phases" of six months each. For each Phase the Water Authority specified targets comprising items to be fulfilled or achieved by the end of each Phase, included in the Permit under the section "Special Conditions" which detailed the requirements for the Company regarding:

- Develop and implement a "Waste Reduction Plan",
- Carry out the routine water quality monitoring programme,
- Carry out the flow metering programme,
- Carry out the benthic survey,
- Track turtle stock and feed rates, and
- Carry out the reporting

On 10 September 2014, the Water Authority confirmed in writing that "the October 31, 2014, six-month milestone of the Waste Reduction Plan can be met by Company submitting to Water Authority for review, a final draft RFP for a performance-based treatment system". The Company would be deemed to have met the requirement for phase #2 in respect of the "Waste Reduction Plan", provided that by 31 October 2015, (end date of phase #2) the Company submits to the Water Authority a complete RFP for the system to extract waste. On 31 October 2014, the Waste Reduction Plan was submitted to the Water Authority. As at 31 December 2021, the Water Authority has not completed the review of the plan that the Company has submitted.

On 6 November 2014, the Department of Environment confirmed that they would provide the documentation of the report and methodology which would then enable the Company to conduct benthic video surveys each summer and winter so as to monitor the benthic conditions in the vicinity of the outflow on an ongoing basis, in accordance with the methodology which the Department of Environment would provide. As at 31 December 2021, the Company and the Water Authority had not received the report or the documentation on the methodology from the Department of Environment.

On 29 October 2015 the Water Authority confirmed that it had "received the application for the renewal of CTF's discharge permit."

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. While the Company awaits further communication from the Water Authority in regard to the Waste Reduction Plan and the benthic video surveys as mentioned above, the Company continues to work cooperatively with the Water Authority doing the various other measurements and reporting, and is also considering alternative techniques to propose to the Water Authority as a better approach to reducing the potential environmental impact of its effluent discharge.

18. Anomalies in cash balances and irregularities

In January 2018, anomalies in certain cash balances/transactions were identified. The Company engaged legal counsel and an independent forensic firm to conduct an investigation of historical cash transactions. This uncovered missing cash of CI\$324,390 which was provided for in the period ended 31 December 2017. Subsequent to year-end in January 2022, charges have been filed against a former employee. The case is still ongoing.

Further, in June 2018, irregularities in purchases of information technology-related items amounting to CI\$434,999 were identified in relation to Property, Plant, Equipment and Exhibits. Subsequent to year-end in February 2023, the court heard this case and the defendants pled guilty to the charges. No recoveries have been made, however, attempts to recover the amount are ongoing.

19. Public Authorities Act paragraph 47 ("PAA 47") implemented in 2022

The Public Authorities Act paragraph 47 ("PAA 47") came into effect in June 2019. PAA 47 requires the Company to use the same salary scale determined by Cabinet (currently equivalent to the salary scale of the Civil Service) and ensure that all jobs are evaluated by the same job evaluation methodology. Cabinet designated the Portfolio of the Civil Service (POCS) to complete the job evaluation of all public authorities, which was completed in July 2021. As of December 31, 2021, the Company had not adopted the salary scale, and only started paying its employees according to correct salary scale and updated job grades in May 2022. The Company adopted the correct salary scale retroactively with effect from 1 January 2022.

20. Going concern and COVID-19 considerations

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 material uncertainty over the Company's ability to continue as a going concern.

The matters described above have resulted in significant operating losses to the Company since the financial period ended 30 June 2006. These conditions have resulted in the Company being unable to discharge its obligations as they fall due in the ordinary course of business. The Government continues to provide financial support to the Company in the form of further equity injections as outlined in notes 9 and 10. 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 and guaranteed by the Government.

Furthermore, operating results subsequent to 31 December 2021 indicate that the Company continues to generate significant losses from operations and experience cash flow difficulties, and therefore continues to rely on Government for funding. Management, in consultation with the Board of Directors, have been working to design and implement a number of other cost-saving measures as well as increasing profitability by exploring new revenue streams.

20. Going concern and COVID-19 considerations (continued)

Since 31 December 2019, the spread of COVID-19 severely impacted many local economies around the globe. In many countries, businesses were forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services triggered significant disruptions to businesses worldwide, resulting in a global economic slowdown.

On 17 March 2020, the first confirmed case was reported in the Cayman Islands and the Government immediately responded by implementing a number of mitigating measures to control the spread of the virus on these Islands. The COVID-19 Pandemic Response Plan and the Cayman Islands Government's Public Health (Prevention, Control and Suppression of COVID-19) Regulations, 2020 were put in place subsequently and included the measure of closing the cruise port and air travel for tourists that have significantly impacted the Company.

The cruise port remained close during the year ended 31 December 2021 and until July 2022. There were some air arrivals, but they were subjected to the fifteen-day mandatory quarantine and prior approval before arrival. Therefore, the Cayman Islands did not see the return of the regular stayover tourists until the latter part of 2022, and this has continued to impact the operating results negatively in 2023.

Even after the removal of the travel restrictions it is uncertain as to when the operations of the Company will return to previous levels and the continued existence of the Company will be contingent on either increased ongoing support from the Company's shareholder and/or raising additional funding through credit facilities provided by the Company's bankers.

Management considers that Government support will be ongoing. The facility reopened for public access during 2021 and all ports were reopened in July 2022. Considering all of the information available at the date of approving these financial statements, management considers the preparation of the financial statements under the going concern assumption to be appropriate.

21. Subsequent events

Management has evaluated subsequent events through 28 March 2024, the date the financial statements were available to be issued. Since the year ended 31 December 2021 the following significant events occurred:

A. Movement in key executive positions

- Tim Adam, the Chief Executive Officer (CEO) that was in post in 2021 was removed on 26 January 2022.
- On the same date, 26 January 2022, the Company appointed Christopher Jackson as Acting CEO. Christopher Jackson continued in his permanent role as Chief Infrastructure Officer (CIO) until he was appointed permanently as CEO in March 2023.
- The Company appointed Gary Phillips as Acting CIO in June 2023. He departed the Company on 30 September 2023. Christopher Jackson continues to act in this role, while awaiting effectivity of James Jackson who will start by February 2024.
- The Company appointed James Rawcliffe as acting CFO on 25 April 2022, and permanent CFO on 16 November 2022.
- The Company appointed Mario Ebanks as CHRO in July 2023 but he departed the Company on 30 August 2023. The Company is in process of hiring for replacement.
- Renee Howell, the Chief Marketing and Merchandising Officer departed the Company on 8 September 2023. She will be replaced by Tiffany Dixon-Ebanks on 17 January 2024.

After year-end 31 December 2021, the Company paid a total of CI\$162,027 in severance benefits to the former CEO and former COO, of which CI\$155,000 was accrued as at 31 December 2021 and was included under accounts payable and accrued expenses in the statement of financial position.

B. Change in accounting policy

Subsequent to the financial year end, on 1 January 2022, the Company underwent significant change in accounting policy pertaining to land and buildings, the transition involved a shift from the previously employed cost model to the revaluation model prospectively as governed by the principles outlined in International Accounting Standard (IAS) 16 – Property, Plant and Equipment.

As of 31 December 2022, a thorough revaluation exercise was conducted, resulting in the determination of the fair value of land and buildings, net of depreciation was determined to be CI\$70,402,877.

C. Promissory note agreement with CIG for a line of credit

On 17 January 2022, the Company entered into an interest-free promissory note agreement with the Treasury Department of the CIG for a line of credit amounting to CI\$10 million, to be repayable in 2024. On 16 October 2023, the promissory note was amended to provide no fixed repayment date.

Management have determined that no other subsequent events have occurred that would require recognition or additional disclosures in these financial statements.