

**CAYMAN ISLANDS NATIONAL MUSEUM**

**FINANCIAL STATEMENTS**

June 30, 2010

## CAYMAN ISLANDS NATIONAL MUSEUM

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## Auditor General's Report

### To the Board of Control and Trustees of the Cayman Islands National Museum

In accordance with section 52(3) of the *Public Management and Finance Law (2005 Revision)*, we have audited the accompanying financial statements of the Cayman Islands National Museum (the "Museum"), which comprise the statement of financial position as at June 30, 2010, and the statements of financial performance, changes in equity and cash flows for the three year period from July 1, 2007 to June 30, 2010 and a summary of significant accounting policies and other explanatory notes.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with International Standards on Auditing. Because of the matter described in the Basis for Disclaimer of Opinion paragraphs below, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

#### *Basis for Disclaimer of Opinion*

Due to the lack of supporting documentation being available, we were unable to form an opinion on the completeness and accuracy of temporary restricted funds recorded in the statement of financial position as at June 30, 2010 or the completeness, existence and accuracy of the related operating expenses recorded in the statement of financial performance for the three year period from July 1, 2007 to June 30, 2010. As a result, we were not able to determine the impact that this would have on the equity of the Museum at June 30, 2010.

Hurricane Ivan caused significant damage to the Museum's fixed assets as discussed in note 8. A complete and accurate fixed asset register was not maintained by the Museum and was therefore not available at June 30, 2010. As a result, we were unable to form an opinion on the completeness and existence of the fixed assets recorded at June 30, 2010 as well as the depreciation expense for the period then ended and the related impact that this would have on the equity of the Museum at June 30, 2010.

(continued)

## Auditor General's Report

### To the Board of Control and Trustees of the Cayman Islands National Museum (continued)

#### *Basis for Disclaimer of Opinion (continued)*

We did not attend nor observe the inventory counts during the period ended June 30, 2010 and we were unable to obtain sufficient appropriate audit evidence regarding the quantities of inventory held. As a result, we were unable to form an opinion on the existence and valuation of inventory recorded in the statement of financial position at June 30, 2010 or the related movements recorded in the statement of financial performance for the period then ended.

The system of internal controls of the Museum, in common with many other organisations of similar size and purpose, is dependent upon the close involvement of the Museum's management. The Museum derives a substantial portion of its income from sources which cannot be fully controlled until they are entered into the accounting records and are therefore not susceptible to independent audit verification. Accordingly, we were unable to form an opinion on the completeness of fundraising income and donations as recorded in the statement of financial performance for the three year period from July 1, 2007 to June 30, 2010.

#### *Disclaimer of Opinion*

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraphs, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.

In rendering the Disclaimer of Opinion on the financial statements of the Museum, 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.

#### *Other Matters:*

##### Non-compliance with Laws

The Museum did not comply with the requirements of the *Public Management and Finance Law (2005 Revision)* under the following sections:

- Section 4: The financial statements are to be prepared in accordance with International Public Sector Accounting Standards ("IPSAS"). These financial statements are prepared in accordance with International Financial Reporting Standards. No assessment has been made to determine if significant differences in presentation or disclosures exist if these financial statements had been prepared in accordance with IPSAS.
- Section 52: Annual financial statements are to be prepared, submitted to the Auditor General for auditing, and included in an annual report that is required to be presented to the Legislative Assembly four months and two weeks after the end of the financial year. The Museum's reporting of its financial information to the Legislative Assembly was not in the timeframe or format required to be in compliance with the Law.

(continued)

## Auditor General's Report

### To the Board of Control and Trustees of the Cayman Islands National Museum (continued)

No adjustments are made in these financial statements as a result of the non-compliance with the *Public Management and Finance Law (2005 Revision)*.

The Museum did not comply with the requirements of the *Museum Law (1999 Revision)* under the following section:

- Section 6 (1): Meetings of the Board of Control are to take place at least quarterly. In the absence of a complete register of the minutes of the meetings held by the Board of Control, there is insufficient evidence that meetings were held at least quarterly.

#### Non-Compliance with International Financial Reporting Standards

IAS 1 "Presentation of Financial Statements" requires that an entity presents a complete set of financial statements at least annually. The current period's information in these financial statements has been prepared for a three year period and is therefore not in compliance with the requirements of International Financial Reporting Standards.



Alastair Swarbrick MA(Hons), CPFA  
Auditor General

April 10, 2012  
Cayman Islands

# CAYMAN ISLANDS NATIONAL MUSEUM

## Statement of Financial Position

June 30, 2010

(expressed in Cayman Islands dollars)

	Note	2010	2007
<b>Assets</b>			
Cash and cash equivalents	3	634,604	1,662,195
Accounts receivable		207,385	573,093
Deposits and prepaid expenses		15,427	14,776
Inventories	4	145,397	104,791
Fixed assets	5	1,884,806	137,981
Collections, exhibits and artifacts	1,2	0	0
<b>Total assets</b>	CI\$	<b>2,887,619</b>	<b>2,492,836</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Accounts payable and accrued liabilities		186,863	15,292
		186,863	15,292
<b>Equity</b>			
Accumulated surplus		1,557,698	1,813,173
Restricted funds	6	66,933	63,246
Contingency reserve	7	200,000	200,000
Contributed capital	9	876,125	401,125
		2,700,756	2,477,544
<b>Total liabilities and equity</b>	CI\$	<b>2,887,619</b>	<b>2,492,836</b>

See accompanying notes to financial statements.

Approved on behalf of the Board of Directors on April 10, 2012

JEANA EBANKS

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Chairperson

TARON L. JACKMAN

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Treasurer

## CAYMAN ISLANDS NATIONAL MUSEUM

### Statement of Financial Performance

Three year period from July 1, 2007 to June 30, 2010  
(expressed in Cayman Islands dollars)

	Note	2010	2007
<b>Revenues</b>			
Government grants and contributions	8	2,410,255	755,492
Product sales		189,565	95,156
Fundraising income and donations		33,164	556
Admissions		25,619	0
Rental income		21,450	15,600
Interest and other income		17,490	14,520
Membership dues		3,389	0
Insurance claim	9	0	200,251
		2,700,932	1,081,575
<b>Expenses</b>			
Staff costs	9	1,280,883	247,282
Facility expenses	9	534,446	195,706
Administration and other expenses		524,185	84,209
Rent expenses		491,644	160,900
Cost of goods sold		97,814	55,783
Depreciation	2,5	17,540	9,104
		2,946,512	752,984
<b>Temporary restricted funds</b>			
Contributions received	6	5,937	0
Expenditure	6	(2,250)	(10,856)
		3,687	(10,856)
Collection items purchased but not capitalized		9,895	8,785
<b>(Loss)/surplus for the period</b>	CI\$	(251,788)	308,950

See accompanying notes to financial statements.

## CAYMAN ISLANDS NATIONAL MUSEUM

### Statement of Changes in Equity

Three year period from July 1, 2007 to June 30, 2010  
*(expressed in Cayman Islands dollars)*

	Accumulated Surplus	Contingency reserve (Note 7)	Temporary Restricted Funds (Note 6)	Contributed capital	Total
Balance at June 30, 2006	1,493,367	200,000	74,102	401,125	2,168,594
Surplus for the year	308,950	0	0	0	308,950
Transfer to unrestricted from restricted funds for the period	10,856	0	(10,856)	0	0
Balance at June 30, 2007	1,813,173	200,000	63,246	401,125	2,477,544
Loss for the period	(251,788)	0	0	0	(251,788)
Contributed capital	0	0	0	475,000	475,000
Transfer to unrestricted from restricted funds for the period	(3,687)	0	3,687	0	0
<b>Balance at June 30, 2010</b>	CI\$ 1,557,698	200,000	66,933	876,125	2,700,756

*See accompanying notes to financial statements.*

## CAYMAN ISLANDS NATIONAL MUSEUM

### Statement of Cash Flows

Three year period from July 1, 2007 to June 30, 2010  
(expressed in Cayman Islands dollars)

	Note	2010	2007
<b>Cash provided by/(used in):</b>			
<b>Operating activities</b>			
(Loss)/surplus for the year		(251,788)	308,950
Adjustments for items not involving cash:			
Depreciation		17,540	9,104
Net changes in operating assets and liabilities:			
Accounts receivable		365,708	(189,127)
Deposits and prepaid expenses		(651)	3,221
Inventories		(40,606)	(15,936)
Accounts payable and accrued expenses		171,571	(29,798)
		261,774	86,414
<b>Investing activities</b>			
Purchase of fixed assets	5	(1,764,365)	(95,188)
		(1,764,365)	(95,188)
<b>Financing activities</b>			
Capital contribution		475,000	0
		475,000	0
<b>Net decrease in cash and cash equivalents</b>		(1,027,591)	(8,774)
Cash and cash equivalents at beginning of year		1,662,195	1,670,969
<b>Cash and cash equivalents at end of year</b>	CI\$	634,604	1,662,195

See accompanying notes to financial statements.

# CAYMAN ISLANDS NATIONAL MUSEUM

Notes to Financial Statements

June 30, 2010

*(expressed in Cayman Islands dollars)*

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## 1. Background information

The Cayman Islands National Museum (the “Museum”) was established on May 3, 1979 by enactment of the Museum Law, 1979. Its purpose is to establish for posterity a collection of material evidence concerning man and his environment, with primary but not exclusive reference to the Cayman Islands, and to arouse public interest in Caymanian heritage and, through proper use of the collection, to increase knowledge and appreciation of, and respect for Caymanian heritage.

The Museum holds a collection in excess of 7,500 artifacts that have been donated, transferred, purchased or found, with the majority being donations. Artifacts are documented in the Museum’s Accession Register, and are used in research or are held in exhibition for public service. The research collections (those that are not on exhibit at the Museum) are kept at the Museum Support Facility in a purpose built, environmentally controlled vault for preservation.

The Museum operates a gift shop and leases a space to third party, which operates a cafeteria that serves as an information centre for the visitors and the public.

On September 12, 2004, the island of Grand Cayman was directly impacted by the effects of Hurricane Ivan which caused widespread and significant damage. The Museum suffered damage to its building and support facilities, as a result of which, the Museum was closed to the public from September 2004.

During November 2004, the National Museum Gift Shop was reopened to the public and the Museum exhibition area was reopened in September 2009.

The Museum falls under the ownership of the Ministry of Education, Human Resources and Culture of the Cayman Islands Government.

## 2. Significant accounting policies

With the exception of the departure from IAS 1 “Presentation of Financial Statements” which requires an entity present a complete set of financial statements at least annually, the financial statements have been prepared in accordance with International Financial Reporting Standards.

### *(a) Reporting periods*

The financial statements as at June 30, 2010 are based on the three year period from July 1, 2007 to June 30, 2010 relative to the financial statements as at June 30, 2007 which were based on a 12 month period. The financial performance and cash flows of the Museum are therefore not comparable with the prior period.

## CAYMAN ISLANDS NATIONAL MUSEUM

Notes to Financial Statements (continued)

June 30, 2010

*(expressed in Cayman Islands dollars)*

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### 2. Significant accounting policies (continued)

#### *(b) Cash and cash equivalents*

The Museum considers all cash and short-term deposits with a maturity of three months or less to be cash or cash equivalents.

#### *(c) Accounts receivable*

Receivables are measured at cost less any allowance for doubtful accounts.

The allowance for doubtful accounts is calculated using specific identification by management of accounts which are long overdue.

#### *(d) Inventories*

Inventories consist of products sold in the Museum shop and are valued on an average cost basis less an allowance for obsolete and slow moving items.

#### *(e) Fixed assets*

Fixed assets are stated at cost less accumulated depreciation and impairment losses.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of financial performance.

Depreciation is charged to write off the cost of the asset over their estimated useful life of 5 years, using the straight-line method. Leasehold improvements in the current year are depreciated over the remaining period of the lease.

Cost comprises the purchase price of an asset and any directly attributable costs of bringing the asset to working condition for its intended use such as import duties, initial delivery and storage cost.

Repairs and maintenance are charged to expenses as incurred.

#### *(f) Income recognition*

Income on the sale of goods is recognized in the statement of financial performance at the point of the sale. Rental income, interest and other income are recognized on an accruals basis. Income earned on admissions, membership dues, fundraising, and donations are recorded in the period in which the payment is received.

#### *(g) Government grants*

Government grants are provided and accrued for on a quarterly basis for financial support. Certain grants cover staff costs and related expenditures of the Museum. Grant income and expenditures are recorded gross in the financial statements.

## CAYMAN ISLANDS NATIONAL MUSEUM

Notes to Financial Statements (continued)

June 30, 2010

*(expressed in Cayman Islands dollars)*

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### 2. Significant accounting policies (continued)

#### *(h) Foreign currency translation*

Transactions during the year and assets and liabilities at the statement of financial position dates denominated in United States dollars are translated into Cayman Islands dollars at a fixed rate of US\$1.00 = CI\$0.82. Gains and losses on foreign currencies, if any, are included in administration and other expenses.

#### *(i) Use of estimates*

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts in the financial statements. Actual results could differ from those estimates.

#### *(j) Collections, Exhibits and Artifacts*

Consistent with the practice followed by many museums, collections, exhibits and artifacts purchased and donated are not recorded in the statement of financial position. The costs of all objects purchased are recorded as an expense in the statement of financial performance. Objects acquired by gift or donations are not recorded in these financial statements since it is difficult to obtain an objective measurement or valuation of these items.

#### *(k) Contributed services*

During the course of the period covered by these financial statements, unpaid volunteers have made significant contributions of their time and resources to manage the Museum's activities. The value of these contributions is not reflected in these financial statements since it is not susceptible to objective measurement or valuation.

#### *(l) Fair value of financial instruments*

The fair value of financial instruments approximates their carrying value principally due to the short-term nature of such instruments.

#### *(m) Restricted funds*

Restricted funds are derived from gifts, grants, and contracts received by the Museum for operating purposes but restricted by donors, grantors, and outside agencies as to the specific purpose for which the funds may be expended. As these funds have traditionally not been reimbursable, and the Museum does not consider there to be a legal or constructive obligation to do so, they form a part of the Museum's equity position as reflected on the Statement of Financial Position. Contributions that are restricted for specific purposes by the donor must be used as intended and cannot fund other activities or general operations without the proper consent of the original donor.

## CAYMAN ISLANDS NATIONAL MUSEUM

Notes to Financial Statements (continued)

June 30, 2010

*(expressed in Cayman Islands dollars)*

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### 3. Cash and cash equivalents

	2010	2007
Current accounts	291,141	1,333,328
Fixed deposits	342,896	328,867
	CIS\$ 634,037	1,662,195

Included in cash and cash equivalents are temporary restricted funds of CI\$66,933 (2007: CI\$63,246) which may only be used as described in Note 6. In addition, CI\$200,000 of the fixed deposit balance is considered to comprise part of the Museum's contingency reserve (see Note 7).

### 4. Inventories

	2010	2007
Inventory at average cost	145,397	104,791
Less: provision for slow moving items	0	0
	CIS\$ 145,397	104,791

## CAYMAN ISLANDS NATIONAL MUSEUM

Notes to Financial Statements (continued)

June 30, 2010

(expressed in Cayman Islands dollars)

### 5. Fixed assets

Fixed assets consist of the following:

	Furniture, fixtures & equipment	Computer hardware & software	Leasehold improvements	Permanent exhibits	Total
Cost:					
Balance at beginning of period	369,462	62,578	847,017	0	1,279,057
Additions during the period	6,343	61,164	1,254,054	442,804	1,764,365
	375,805	123,742	2,101,071	442,804	3,043,422
Accumulated depreciation:					
Balance at beginning of period	(352,079)	(54,695)	(734,302)	0	(1,141,076)
Depreciation expense during the period	(11,217)	(6,323)	0	0	(17,540)
	(363,296)	(61,018)	(734,302)	0	(1,158,616)
Net book value at June 30,					
2010	CI\$ 12,509	52,824	1,366,769	442,804	1,884,806
Net book value at June 30,					
2007	CI\$ 17,383	7,883	112,715	0	137,981

### 6. Temporary restricted funds

Fund balances are temporarily restricted for:

#### Archaeology

During the period ended December 31, 1994, a fundraiser was held to provide funds for marine archaeological research and equipment. The net proceeds from the fundraiser were placed in a restricted account for similar expenditures. At June 30, 2010 and 2007, CI\$12,812 remained in the temporary restricted account.

## CAYMAN ISLANDS NATIONAL MUSEUM

Notes to Financial Statements (continued)

June 30, 2010

*(expressed in Cayman Islands dollars)*

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### 6. Temporary restricted funds (continued)

#### Powell's

During the period ended June 30, 1998, the Museum received a government grant of CI\$25,000 for specific projects including creating a business plan, architectural surveys, condition reports, and maintenance planning. As at June 30, 2010 and 2007, CI\$20,250 remained in the temporary restricted account.

#### McCoy Prize Award

During the period ended June 30, 2003, Harris McCoy donated CI\$1,000 to hold for the winner of the McCoy prize. A further CI\$20,900 was donated by the chairman during the period ending June 30, 2006. As at June 30, 2010 CI\$1,918 (2007: CI\$4,168) remained in the temporary restricted account.

#### New Building

During the period ended June 30, 2004, the Museum received donations in the amount of CI\$9,840 for the new museum building. As at June 30, 2010 and 2007, CI\$9,840 remained in the temporary restricted account.

#### Maritime Heritage Trail

During the period ended June 30, 2004, the Department of Tourism donated CI\$20,000 for the Maritime Heritage Trail. As at June 30, 2010 and 2007 CI\$1,412 remained in the temporary restricted account.

#### Exhibitions

During the period ended June 30, 2006, the Museum received donations in the amount of CI\$4,920 for exhibitions. As at June 30, 2010 a balance of nil (2007: CI\$4,920) remained in the temporary restricted account.

#### Renovations & Recovery

During the period ended June 30, 2006, the Museum received donations in the amount of CI\$20,700 for the recovery of any material evidence of artistic, historic or scientific significance to Cayman Islands. As at June 30, 2010, CI\$15,781 (2007: CI\$9,844) remained in the temporary restricted account.

## CAYMAN ISLANDS NATIONAL MUSEUM

Notes to Financial Statements (continued)

June 30, 2010

*(expressed in Cayman Islands dollars)*

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### 6. Temporary restricted funds (continued)

Following is the movement of temporary restricted fund during the year:

	Archaeology	Powell's	McCoy Prize	New Building	Maritime Heritage Trail	Exhibitions	Renovations & Recovery	Total
<b>Balance at July 1, 2007</b>	12,812	20,250	4,168	9,840	1,412	4,920	9,844	63,246
Temporary restricted:								
Receipts:								
Donations	0	0	0	0	0	0	10,857	10,857
	0	0	0	0	0	0	10,857	10,857
Disbursements:								
Prizes and awards	0	0	(2,250)	0	0	(4,920)	0	(7,170)
	0	0	(2,250)	0	0	(4,920)	0	(7,170)
<b>Balance at June 30, 2010</b>	<b>12,812</b>	<b>20,250</b>	<b>1,918</b>	<b>9,840</b>	<b>1,412</b>	<b>0</b>	<b>20,701</b>	<b>66,933</b>

### 7. Contingency reserve

At June 30, 2010, the Museum's equity includes a contingency reserve of CI\$200,000 (2007: CI\$200,000). The contingency reserve was established by the Board of Control and Trustees as a precautionary measure to meet costs of overcoming any disaster that might befall the Museum in the future and is equal to the estimated operating costs of the Museum for a six month period. The contingency reserve is in the form of fixed deposits included in cash and cash equivalents (see note 3).

### 8. Government grants

During the three year period ending June 30, 2010, grants totalling CI\$2,410,255 (2007: CI\$755,492) were received from the Cayman Islands Government, of which CI\$203,390 (2007: CI\$566,289) is included in accounts receivable at period end.

## CAYMAN ISLANDS NATIONAL MUSEUM

Notes to Financial Statements (continued)

June 30, 2010

*(expressed in Cayman Islands dollars)*

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### **8. Government grants (continued)**

The significant damage caused by Hurricane Ivan on September 12, 2004 and the subsequent closure of the Museum resulted in significant business risks that cast uncertainty over the Museum's ability to continue as a going concern. The Museum is unable to discharge its obligations as they fall due in the ordinary course of business without the grants or equity injections (see note 9) received from the Government.

### **9. Related party transactions**

#### Controlling Entity

The Museum is a wholly owned statutory entity of the Cayman Islands Government and is controlled by the Ministry of Education, Human Resources and Culture (the "Ministry").

#### Contributed Capital

On April 4, 2005, the Museum received funding from the Ministry in the form of equity injections amounting to CI\$401,125 for the refurbishment of the Old Courts Building owned by the Cayman Islands Government. During the three year period ended June 30, 2010, the Museum received additional funding from the Ministry in the form of equity injection of CI\$475,000. These amounts are shown as contributed capital in the statement of financial position.

#### Museum Building

Under the terms of a fifty year agreement with the Governor of the Cayman Islands dated June 5, 1990, the Museum leases its building, the Old Courts Building, and the accompanying land for annual consideration of a nominal amount.

#### Property Insurance

The Cayman Islands Government allocates the insurance premium, which covers the building and its contents, of the Old Courts Building in Grand Cayman and the Cayman Brac Museum.

During the three year period ended June 30, 2010, total insurance premium allocated to the Museum amounted to CI\$28,639 (2010: CI\$35,801). This amount is shown as facilities expenses in the statement of financial performance.

On November 7, 2006, the Museum received funds from the Cayman Islands Government amounting to CI\$200,251 (2007: CI\$686,378) as part of the hurricane insurance payments. This amount is shown as revenue in the statement of financial performance.

## CAYMAN ISLANDS NATIONAL MUSEUM

Notes to Financial Statements (continued)

June 30, 2010

*(expressed in Cayman Islands dollars)*

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### **9. Related party transactions (continued)**

#### Ministry employees

During the three year period ended June 30, 2010, the Director for the Museum was employed under the Ministry. The total remuneration paid by the Ministry to the Director amounted to CI\$86,748 (2007: CI\$79,416).

The Curations Manager, who is an employee of the Ministry, works for the Museum on a secondment contract. The total remuneration paid by the Ministry to the Curations Manager during the three year period ended June 30, 2010 amounted to CI\$201,848 (2007: CI\$43,872) during the year.

The Director and Curations Manager remuneration and other expenditures, the details of which are not available to the Museum, formed part of the Ministry's expenditures and are not reflected in the statement of financial performance of the Museum.

#### Accounting Services

A member of the Museum's Board of Control is a partner at Deloitte in the Cayman Islands. Deloitte provides accounting services to the Museum.

The total accounting fees paid to Deloitte during the three year period amounted to CI\$4,412 (2006: CI\$29,300).

#### Gift Shop Sales

During the three year period ended June 30, 2010, total Museum sales to other Government entities for the provision of items such as national flags, pins and coat of arms amounted to CI\$67,249 (2007: CI\$9,327).

### **10. Pension plan**

The Museum participates in a defined contribution pension plan in accordance with the provisions of the Cayman Islands National Pensions Law. Contributions for the year ended June 30, 2010 included in staff costs in the statement of financial performance amounted to CI\$45,251 (2007: CI\$17,827).

## CAYMAN ISLANDS NATIONAL MUSEUM

Notes to Financial Statements (continued)

June 30, 2010

*(expressed in Cayman Islands dollars)*

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### 11. Concentration of credit risk

At June 30, 2010, the Museum held CI\$634,604 (2007: CI\$1,662,195) in financial instruments represented by cash and cash equivalents at one financial institution in the Cayman Islands. As such, the Museum is exposed to credit related losses in the event of non-performance by the financial institution. However, given the high credit rating of this financial institution, the Board of Control does not anticipate any material losses as a result of this concentration.

### 12. Commitments and contingencies

On April 1, 2005, the Museum began leasing its Support Facility under an operating lease which expired on March 31, 2008 and subsequently the Museum continued to lease the premises on a monthly basis. The Museum also leases a gift shop under an operating lease which expired on September 1, 2007 and was extended on a month to month basis which expired in July 1, 2008.

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	2010	2007
Minimum lease payments		
Payable within one year	75,600	116,480
Payable from one to two years	151,200	0
	CI\$ 226,800	116,480

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The Museum also leases storage and parking premises under an operating lease. During the three year period ended June 30, 2010 the Museum made lease payments of CI\$25,440 (2007: CI\$2,940).

### 13. Subsequent events

#### Controlling Entity

As a result of the Cayman Islands Government reorganization in 2010, the Museum's control was transferred from the Ministry of Education, Human Resources and Culture to the Ministry of Health, Environment, Youth, Sports and Culture.

#### Extension of Support Facility lease agreement

The Museum Administration and Support Facility lease expired on March 31, 2008 and subsequently the Museum continued to lease the premises on a monthly basis. The Museum entered into a new 3 year lease effective June 1, 2011 to May 31, 2014 for CI\$6,300.