

TOURISM ATTRACTION BOARD

FINANCIAL STATEMENTS

For the Year Ended June 30, 2008 and
The Year Ended 30 June 2007

TOURISM ATTRACTION BOARD

Table of Contents

	<u>Page</u>
Statement of Responsibility	1
Auditor General's Opinion	2-4
Balance Sheet	5
Statement of Income and Expenses	6
Statement of Equity	7
Statement of Cash Flows	8
Statement of Segmented Operations	9-10
Notes to the Financial Statements	11-17

**Tourism Attraction Board
Financial Statements
June 30, 2008**

STATEMENT OF RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

As signatories below, we are responsible for establishing and maintaining 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 Tourism Attraction Board. However, there were instances where controls were not adequately established and maintained during the financial year.

As signatories below, we are responsible for the preparation of the Tourism Attraction Board financial statements and for the judgements made in them.

To the best of my knowledge these financial statements:

- (a) may not be complete and reliable;
- (b) may not fairly reflect the financial position as at June 30, 2008 and performance for the financial year ended June 30, 2008; and
- (c) do not fully comply with generally accepted accounting practice



Mr. Kirkland Nixon
Chairman
Tourism Attraction Board
Date:



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

Auditor General's Report

To the Members of the Tourism Attraction Board

I was engaged to audit the accompanying consolidated financial statements of the Tourism Attraction Board (the "Board") which comprise the balance sheet as at 30 June 2008, the statement of income and expenses, statement of equity, statement of cash flows for the year then ended, statement of segmented operations and a summary of significant accounting policies and other explanatory notes in accordance with provisions of Section 9 (2) of the *Tourism Attraction Board Law, 1996* and Section 52(3) of the *Public Management and Finance Law (2005 Revision)*.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

I was engaged to conduct my audit in accordance with International Standards on Auditing. Because of the matters described in the Basis for Disclaimer of Opinion paragraphs below, however, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer Opinion of the Financial Statements:

Management was unable to provide me with appropriate supporting records to audit in several instances noted below. As there were insufficient records or schedules provided to audit, I was unable to provide an opinion based on audit procedures performed.

Cash & Cash Equivalents and Statement of Cash Flows

I was not provided with sufficient appropriate audit evidence to support the cash balance of \$263,633 as a result, I am unable to opine on the balance at 30 June 30, 2008 and the associated statement of cash flows.

Net Revenue and Accounts Receivable

The Board did not maintain adequate controls for sales transactions for some revenue items. As a result, I was unable to determine the accuracy, completeness and existence of net revenue of \$763,957 and the associated accounts receivable of \$101,417.

Property, Plant & Equipment and Depreciation

I was not provided with a comprehensive fixed asset register to support the amount of \$9,192,213 recorded on the balance sheet, there was also no evidence of an up-to-date valuation of fixed assets, as a result I was unable to determine the valuation, existence, accuracy, ownership and completeness of property, plant and equipment reported and the related depreciation charge of \$189,291.

Long term loan, Current Portion of long term loan, Donated Capital and Loan Interest

Included in the non-current liability is a loan with the Caribbean Development Bank which is in the name of and paid for by the Cayman Islands Government. The Board recognizes these payments as a reduction of the loan and an increase in donated capital, suggesting that no repayment to the Government is required.

However, I was not provided with a formal agreement between The Board and The Cayman Islands Government to support the recognition of these payments as donated capital or the recognition of the loan as a liability of the Board. As a result I was unable to determine if the overall donated capital balance of \$11,107,077, the long term loan balance of \$1,897,707 as well as the current portion of long term loan of \$374,762, the related interest expenses balance of \$152,505 and the associated notes to the financial statements are fairly stated as at 30 June 2008.

Accounts Payable & Accruals

I was not provided with sufficient appropriate supporting audit evidence to verify the accuracy of some transactions recorded in the accounts payables & accruals balance of \$546,770. As a result, I was unable to opine on the balance at June 30, 2008.

Salaries & Benefits

I did not receive sufficient appropriate audit evidence to allow me to verify the accuracy of the salaries & benefits cost for the Board of \$1,493,325. As a result, I am unable to opine on the accuracy of this account balance at June 30, 2008.

Equity

I was unable to determine the accuracy and completeness of the equity balance as a result of the issues listed above which impact the recorded equity amount of \$6,874,426.

Disclaimer of Opinion

Because of the significance and effects of the matters discussed in the basis of disclaimer paragraphs, I do not express an opinion on the financial position of the Tourism Attraction Board Group as of 30 June 2008, and of its financial performance, cash flows and statement of segmented operations for the year then ended in accordance with International Financial Reporting Standards.

**Emphasis of Matter
Related Parties**

TAB did not maintain a register of interest for the financial year; as a result, some related party transactions and disclosures may be incomplete.

Other Matters

Non-Compliance with PMFL

I draw attention to the follow significant matter:

The Board did not submit its consolidated financial statements to the Auditor General for audit in the timeframe required under subsections 52 (3) and (5) of the *Public Management and Finance Law (2005 Revision)* nor present its annual report to the Legislative Assembly within the required timeframe.



Alastair Swarbrick, MA (Hons), CPFA
Auditor General

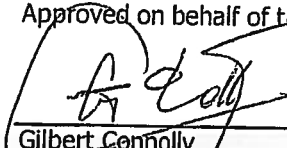
Cayman Islands

June 7, 2011

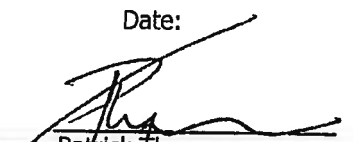
Tourism Attraction Board
Balance Sheet
as at 30 June 2008
(in Cayman Islands dollars)

ASSETS	<u>Note</u>	<u>2008</u> \$	<u>2007</u> \$
Current Assets			
Inventories		111,627	111,668
Accounts receivable	4	101,417	55,065
Prepaid expenses		24,774	18,262
Cash and cash equivalents		263,633	141,042
		<u>501,451</u>	<u>326,037</u>
Non-Current Assets			
Property, plant and equipment	3	9,192,213	9,356,557
TOTAL ASSETS		<u><u>9,693,664</u></u>	<u><u>9,682,594</u></u>
EQUITY AND LIABILITIES			
Donated capital		11,107,077	10,564,533
Accumulated deficit		(4,232,652)	(3,947,683)
Equity	5	<u>6,874,426</u>	<u>6,616,851</u>
Current Liabilities			
Current portion of long term loan	6	374,762	374,762
Accounts payable and accrued liabilities		546,770	418,513
		<u>921,531</u>	<u>793,275</u>
Non-Current Liability			
Long term loan	6	1,897,707	2,272,469
TOTAL EQUITY AND LIABILITIES		<u><u>9,693,664</u></u>	<u><u>9,682,594</u></u>

Approved on behalf of the Board


Gilbert Connolly
Chief Executive Officer

Date:


Patrick Thompson
Financial Controller

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

Tourism Attraction Board
Statement of Income and Expenses
for the year ended 30 June 2008
(in Cayman Islands dollars)

	Note	2008	2007
		\$	\$
INCOME			
Events, Gift Shop, Café, and Bar	7	746,872	899,097
Cost of Goods Sold		(342,562)	(409,784)
		404,310	489,313
Admission Fees	7	359,647	295,113
Government Subsidy	9	1,753,000	1,553,000
Total Income		2,516,957	2,337,427
EXPENSES			
Salaries and Benefits		1,493,325	1,532,544
Other Expenses		33,585	71,343
Loan Interest and Charges	6	152,505	181,382
Depreciation	3	189,291	206,641
Insurance		165,606	163,325
Advertising and Marketing		79,653	85,817
Utilities		182,575	161,838
Building and Equipment Maintenance		94,113	50,498
Professional Fees		62,295	62,567
Rent		57,869	59,568
Telephone and Communications		57,855	59,946
Nursery Supplies and Ground Maintenance		19,652	87,833
Administrative Expenses		53,271	62,322
Operations & Maintenance		78,628	78,819
Vehicle Expenses		23,073	16,525
Uniform, Training and Education		6,999	11,750
Conferences, Subsistence and Official Travel		1,194	14,498
Subscriptions and Donations		-	-
Bad Debts		-	-
Equipment Write-off		-	-
Miscellaneous		63,216	25,831
Total Expenses		2,814,703	2,933,047
Net income for the year		(297,746)	(595,620)

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

**Tourism Attraction Board
Statement of Equity
for the year ended 30 June 2008
(in Cayman Islands dollars)**

	<u>2008</u>	<u>2007</u>
DONATED CAPITAL	10,564,533	9,756,329
Balance at beginning of year	(3,947,683)	(3,352,063)
Donated capital received during the year	542,544	808,205
Net income for the year	(297,746)	(595,620)
Adjustment to opening equity	12,777	-
Balance at end of year	<u>(3,690,108)</u>	<u>(3,139,478)</u>
TOTAL EQUITY	<u><u>6,874,426</u></u>	<u><u>6,616,851</u></u>

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

**Tourism Attraction Board
Statement of Cash Flows
for the year ended 30 June 2008
(In Cayman Islands dollars)**

	<u>2008</u>	<u>2007</u>
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income for the year after government subsidy	(297,746)	(595,620)
Add adjustments to reconcile net income to net cash from operating activities		
Depreciation	189,291	206,641
Charges on Disposal	-	-
Operating Income before working capital changes	<u>(108,454)</u>	<u>(388,979)</u>
Changes in working capital balances		
Decrease/(Increase) in inventories	41	28
Decrease/(Increase) in accounts receivable	(46,352)	(27,610)
(Increase)/Decrease in prepaid expenses	(6,512)	(3,220)
Increase in accounts payable and accrued liabilities	128,257	71,052
Net cash used in operating activities	<u>(33,021)</u>	<u>(348,729)</u>
CASH FLOWS FROM INVESTING ACTIVITY		
Purchase of fixed assets	(24,948)	(107,676)
Disposal of assets	-	-
Net Cash used in investing activity	<u>(24,948)</u>	<u>(107,676)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital donated by government	542,544	808,205
Loan principal repaid during the year	(374,762)	(374,762)
Adjustment to retained earnings	12,777	431
Net cash provided by financing activities	<u>180,559</u>	<u>433,874</u>
Net decrease in cash and cash equivalents	122,591	(22,531)
Cash and cash equivalents at beginning of year	<u>141,042</u>	<u>163,573</u>
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	<u><u>263,633</u></u>	<u><u>141,042</u></u>

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

Tourism Attraction Board
Statement of Segmented Operations
as at 30 June 2008
(In Cayman Islands dollars)

Balance Sheet

	CCM	HELL	PSJ	QEIBP	PWF	TAB	Consol AJE	CONSOL
	2008	2008	2008	2008	2008	2008		2008
	\$	\$	\$	\$	\$	\$		\$
ASSETS								
Non-Current Assets								
Property, Furniture and Equipment	189,128	2,800	7,172,957	1,783,065	26,484	17,779		9,192,213
Current Assets								
Inventories	-	-	18,888	54,035	38,705	-		111,627
Trade and Other Receivables	-	(940)	48,935	13,725	21,558	18,139		101,417
Prepayments	40	-	9,916	5,344	5,078	4,397		24,774
Due from Related Party	-	6,775	39,884	-	-	229,437	(276,096)	-
Cash and Cash Equivalents	1,844	8,150	94,472	58,834	36,483	63,849		263,633
	<u>1,884</u>	<u>13,985</u>	<u>212,096</u>	<u>131,937</u>	<u>101,824</u>	<u>315,821</u>		<u>501,451</u>
TOTAL ASSETS	<u>191,012</u>	<u>16,785</u>	<u>7,385,053</u>	<u>1,915,002</u>	<u>128,307</u>	<u>333,601</u>		<u>9,693,664</u>
CAPITAL AND LIABILITIES								
Capital and Deficit								
Donated Capital	110,000	-	8,326,345	2,471,926	-	198,806		11,107,077
Accumulated Deficit	(55,005)	10,179	(3,504,029)	(756,626)	88,211	(15,381)		(4,232,652)
	<u>54,995</u>	<u>10,179</u>	<u>4,822,316</u>	<u>1,715,300</u>	<u>88,211</u>	<u>183,425</u>		<u>6,874,426</u>
Non-Current Liability								
Long Term Loan	-	-	1,897,707	-	-	-		1,897,707
Current Liabilities								
Current Portion of Long Term Loan	-	-	374,762	-	-	-		374,762
Accounts Payable and Accruals	23,867	5,300	290,268	99,580	20,074	107,680		546,770
Due to Related Party	112,150	1,306	-	100,122	20,023	42,496	(276,096)	-
Deferred Revenue	-	-	-	-	-	-		-
TOTAL CAPITAL AND LIABILITIES	<u>191,012</u>	<u>16,785</u>	<u>7,385,053</u>	<u>1,915,002</u>	<u>128,307</u>	<u>333,601</u>		<u>9,693,664</u>

Tourism Attraction Board
Statement of Segmented Operations
as at 30 June 2008
(In Cayman Islands dollars)

Statement of Income and Expenditure

	CCM	HELL	PSJ	QEIBP	PWF	TAB	Consol AJE	CONSOL
	2008	2008	2008	2008	2008	2008		2008
	\$	\$	\$	\$	\$	\$		\$
INCOME								
Gift Shop, Café, Events, Bar and Other	1,500	-	187,448	183,215	307,628	16,499		696,290
Management Fees	-	-	-	-	-	424,749	(424,749)	-
Rental Income	-	18,000	29,100	-	-	-		47,100
Cost of Goods Sold	-	-	(89,949)	(30,882)	(241,731)	-		(342,562)
	1,500	18,000	146,599	152,333	65,897	441,248		400,828
Admission Fees	-	-	128,558	231,090	-	-		359,647
Total Income	1,500	18,000	275,157	383,422	65,897	441,248		760,475
EXPENSES								
Salaries and Benefits	61,147	1,000	475,391	529,826	128,912	297,049		1,493,325
Depreciation	3,341	-	139,151	37,730	5,264	3,804		189,291
Loan Interest and Charges	-	-	152,505	-	-	-		152,505
Management Fees	20,000	8,875	180,399	156,725	58,750	-	(424,749)	-
Insurance	3,528	-	127,203	32,062	2,261	555		165,606
Utilities	8,981	889	59,721	98,471	10,593	3,921		182,575
Operations & Maintenance	434	-	29,127	20,961	17,075	11,032		78,628
Building and Equipment Maintenance	6,462	25,987	30,864	30,746	-	54		94,113
Advertising and Marketing	5,810	-	23,802	23,088	13,349	13,604		79,653
Professional Fees	2,550	2,728	18,545	-	6,375	32,097		62,295
Administrative Expenses	-	133	9,145	19,249	8,331	16,414		53,271
Telephone and Communication Costs	2,720	-	16,655	19,432	6,333	12,714		57,855
Nursery Supplies and Grounds	-	-	1,614	18,038	-	-		19,652
Vehicle Expenses and Mileage	-	-	4,281	18,791	-	-		23,073
Bad Debt	-	-	-	-	-	-		-
Conference, Subsistence and Official Travel	-	-	-	1,194	-	-		1,194
Subscription and Donation	-	-	-	-	-	-		-
Uniform, Training and Education	-	89	91	-	-	6,819		6,999
Equipment Write-off	-	-	-	-	-	-		-
Inventory write-off	-	-	-	-	-	-		-
Miscellaneous Expense	-	-	7,869	48,628	-	6,719		63,216
Subsidy Expense	-	-	-	-	-	1,753,000	(1,753,000)	-
Other Expense	-	-	178	-	31,214	2,193		33,585
Other (Income)	(40)	-	(813)	(444)	(2,184)	(0)		(3,482)
Rent	46	-	-	-	38,081	19,732		57,869
Total Expenses	114,976	39,700	1,275,728	1,054,497	324,363	2,179,705		2,811,221
Net loss for the year before Government Subsidy	(113,476)	(21,700)	(1,000,572)	(671,075)	(258,466)	(1,738,457)		(2,050,746)
Government Subsidy	102,157	23,000	626,690	736,153	265,000	1,753,000	(1,753,000)	1,753,000
Net loss for the year after Government Subsidy	(11,319)	1,300	(373,882)	65,078	6,534	14,543		(297,746)

Tourism Attraction Board
Notes to the Financial Statements
For the Year Ended 30 June 2008
(Stated in Cayman Islands Dollars)

1. BACKGROUND INFORMATION

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

The Tourism Attraction Board also manages Pirates Week Festival, Hell and the Cayman Craft Market. The Pirates Week Festival is an annual event organized by the Pirates Week Committee. Since 1995, part of the activities of the Committee in connection with the Festival had been conducted through the Pirates Week Festival Limited (the "Company"), a Cayman Islands limited liability company. However, during 1998 a decision was taken not to use the Company for this purpose in future. The Company was struck off the Register of Companies in 2001. The assets and liabilities of the Company were transferred to the Festival and the Company was duly terminated. During 2001, "Pirates Week" was registered as a trademark with the Trade Mark Association.

The Tourism Attraction Board Office is located at Suite 203 Crighton Building, Crewe Road George Town, P.O. Box 317837 S.M.B.

2. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of Accounting

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

Tourism Attraction Board
Notes to the Financial Statements
For the Year Ended 30 June 2008
(Stated in Cayman Islands Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Use of Estimates

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

(c) Depreciation

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

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

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

(d) Foreign Currency Translation

Assets and liabilities denominated in currencies other than the Cayman Islands Dollar are translated at exchange rates in effect at the balance sheet date. Revenue and expense transactions denominated in currencies other than Cayman Islands Dollar are translated at exchange rates at the time of those transactions. Gains and losses on exchange are taken to the Statement of Income and Expenditure.

(e) Inventory

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

(f) Pensions and Other Post-retirement Benefits

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

Tourism Attraction Board
Notes to the Financial Statements
For the Year Ended 30 June 2008
(Stated in Cayman Islands Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Defined pension scheme contributions are charged to the Statement of Income and Expenditure based on a set contribution rate. The total amount recognised as pension expense as at 30 June 2008 was \$51,139 and (2007 - \$52,240). There was an average of 42 employees at Tourism Attraction Board during the year ended 30 June 2008 (2007 - 43 employees).

(g) Borrowing Cost

A portion of the interest charges on the loan received for the restoration of the Pedro Castle heritage site has been capitalised. The amount used for capitalisation was determined based on the terms of the loan agreement which requires that the actual interest be calculated and a portion as determined by the Caribbean Development Bank is capitalised and added to the total loan outstanding. There was nil interest capitalised during the years ended 30 June 2008 and 30 June 2007.

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

(h) Revenue Recognition

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

(i) Government Grants

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

(j) Trade Receivables

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

Tourism Attraction Board
Notes to the Financial Statements
For the Year Ended 30 June 2008
(Stated in Cayman Islands Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Cash and Cash Equivalents

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

3. PROPERTY, FURNITURE AND EQUIPMENT

Description	Land	Botanical Gardens Great House Period Furnishings	Visitors' Centre/Buildings	Multimedia Furniture & Fixtures	Motor Vehicles	Computers	Start-up Costs	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Cost:								
At 30 June 2007	1,003,216	2,031,804	7,032,923	871,455	66,434	88,503	214,838	11,309,172
Additions				14,008	8,558	2,381	-	24,498
Disposals	-				-	-	-	-
At 30 June 2008	1,003,216	2,031,804	7,032,923	885,463	74,992	90,884	214,838	11,334,120
Accumulated Depreciation:								
At 30 June 2007	-	-	1,160,256	468,060	43,584	67,877	214,838	1,952,616
Charge for Year	-	-	128,523	47,628	7,219	5,921	-	189,291
Charge on Disposal	-	-	-	-	-	-	-	-
At 30 June 2008	-	-	1,288,779	513,688	50,803	73,798	214,838	2,141,907
Net Book Value:								
At 30 June 2008	1,003,216	2,031,804	5,744,144	371,775	24,189	17,086	-	9,192,213
At 30 June 2007	1,003,216	2,031,804	5,872,667	405,395	22,850	20,625	-	9,356,557

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

Tourism Attraction Board
Notes to the Financial Statements
For the Year Ended 30 June 2008
(Stated in Cayman Islands Dollars)

4. TRADE AND OTHER RECEIVABLES

	2008 \$	2007 \$
Trade Receivables	104,347	56,334
Less Provision for Bad Debts	2,930	1,269
Total	101,417	55,065

5. DONATED CAPITAL

The Cayman Islands Government made principal repayments and paid interest charges on the loan for the Pedro St. James restoration. These amounts increased the capital donated by Government. Capital donated by the government in the year ended 30 June 2008 was \$542,544 (2007 - \$808,205).

The Cayman Islands Government incurred all expenditures for the construction work and establishing the Queen Elizabeth II Botanic Park. The results of the costs of construction and other costs and any other assets less all liabilities was classified as donated capital at the commencement of operations. The government provided no additional capital during the year ended 30 June 2008 (2007 - nil).

6. LONG TERM LOAN

	Current	1-2 yrs	2-5 yrs	5+yrs	2008	2007
	\$	\$	\$	\$	\$	\$
Caribbean Development Bank	374,762	749,523	1,124,285	398,661	2,272,469	2,647,231
					2,272,469	2,647,231
				Less Current Portion:	374,762	374,762
				Long Term Portion:	1,897,707	2,272,469

Caribbean Development Bank

A loan of US\$5,790,000 from the Caribbean Development Bank (CDB) to finance the Pedro St. James restoration project is in the name of the Cayman Islands Government. A total of US\$5,369,720 was withdrawn from the loan leaving a balance of US\$420,280, which was duly cancelled by the CDB. During the year to 30 June 2008, principal, interest and commitment fees of US\$629,045 was charged to and paid by, the Government (2007 - US\$662,511).

Tourism Attraction Board
Notes to the Financial Statements
For the Year Ended 30 June 2008
(Stated in Cayman Islands Dollars)

7. LONG TERM LOAN (continued)

Loan interest and commitment fees during the year ended 30 June 2008 averaged 6.25% and 1% respectively (2007 – 6.25% and 1%). The loan had 60 months moratorium on the principal repayment, which ended in 2002 thereafter is, repayable quarterly over 13 years.

8. INCOME

	2008	2007
	<u>\$</u>	<u>\$</u>
Events	62,877	255,583
Admissions	359,647	295,113
Gift Shop	167,342	177,478
Café	25,539	147,760
Other	402,577	282,900
Bar	<u>88,537</u>	<u>35,377</u>
Total	<u>1,106,519</u>	<u>1,194,211</u>

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

Other income includes sponsorship received for the national festival as well as proceeds from plant sales at the Botanic Park.

9. RELATED PARTY TRANSACTIONS

In the year ended 30 June 2008 the Cayman Islands Government's subsidy to the Tourism Attraction Board's heritage sites was \$1,753,000 (2007 - \$1,553,000). To continue as going concerns Tourism Attraction Board will require annual assistance from the Government for the foreseeable future.

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

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

The Auditor General has statutory responsibility for the audit of the Tourism Attraction Board and entities that it manages. Audit fees charged in year ended 30 June 2008 was \$42,000 (2007- \$42,000).

Tourism Attraction Board
Notes to the Financial Statements
For the Year Ended 30 June 2008
(Stated in Cayman Islands Dollars)

10. RELATED PARTY TRANSACTIONS (continued)

The Tourism Attraction Board also depends on legal advice of the Cayman Islands Legal Department. During the years ended 30 June 2008 and 30 June 2007 the Cayman Islands Legal Department did not charge any legal fees to the Tourism Attraction Board.

There is one (1) full-time equivalent personnel considered at the senior management level. The total remuneration includes: regular salary, allowances and pension contributions. Total remuneration for this individual in 2008 was \$98K (2007: \$97K). There have been no loans made to key management personnel or close family members in 2008.

11. COMMITMENTS

As at 30 June 2008 Tourism Attraction Board had no other commitments for which provisions have not been made in these financial statements.

12. FINANCIAL INSTRUMENTS

Fair Values

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

i) Short-term financial assets and liabilities

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

ii) Long-term financial assets and liabilities

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

Credit Risk

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