



CAYMAN ISLANDS GOVERNMENT

Financial Statements of

TOURISM ATTRACTION BOARD

For the Year Ended 30 June 2010

TOURISM ATTRACTION BOARD

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**Tourism Attraction Board
Financial Statements
June 30, 2010**

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 may not fully comply with generally accepted accounting practice as defined in International Financial Reporting Standards.

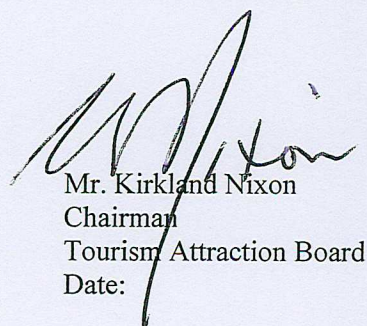
We accept responsibility for the accuracy and integrity of the financial information in these financial statements and their compliance with the *Public Management and Finance Law, (2005 Revision)*.

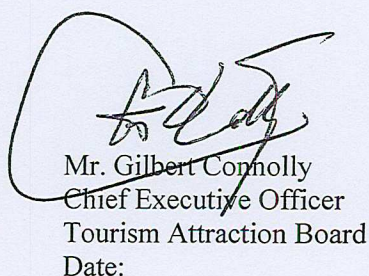
As signatories below, we are responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions recorded in the financial statements are authorised by law, and properly record the financial transactions of the Tourism Attraction Board. 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, 2010 and performance for the financial year ended June 30, 2010; and
- (c) may not 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 2010, 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 (2010 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 of Opinion

Accounts receivable

Due to lack of controls over revenue transactions which impact receivables, as well as cut-off issues noted; I was unable to opine on the completeness and accuracy of the balance of \$93,832 at 30 June 2010.

Cash and cash Equivalents

I was not provided with satisfactory details regarding certain unrecorded cash balances; as a result, I was unable to determine the completeness and accuracy of cash and cash equivalents of \$971,556 at 30 June 2010.

Property, plant and equipment and Depreciation

I was not provided with an adequate or complete fixed asset register for the Board at 30 June 2010. As a result, I was unable to determine the accuracy, completeness, ownership and valuation of the property, plant and equipment balance of \$9,233,688 at June 30, 2010.

Donated capital

Donated Capital was reduced by \$2,325,451 to remove the amounts previously recorded as donated capital which were based on payments of the long-term loan made by Treasury Department to CDB on the Boards' behalf. I was not provided with a detailed schedule to support the reduction made; as a result, I was unable to opine on the accuracy of the balance of \$9,398,388 at 30 June 2010.

Accumulated deficit

Based on the issues noted from prior years which lead to the qualification of this account as well as the current year issues which impact on the accumulated deficit; I was unable to opine on the balance of \$4,074,527 at 30 June 2010.

Long term loan and current portion of long term debt

The balances of long-term loan and current portion of long term debt have been adjusted to reflect amounts owed to the Treasury Department instead of CDB as previously recorded. There is no formal agreement in place between Treasury and the Board. There is also a variance of over \$800,000 between a statement sent from Treasury to the Board regarding the outstanding amount and the actual amount recorded by the Board.

Additionally, the Board has disclosed in the notes to the financial statements that the Ministry of Tourism, Finance & Development is responsible for the principal repayments on the loan; however, these principal balances were recorded by the Board. Due to unresolved issues relating to how the amounts are recorded; I was unable to opine on the existence and accuracy of the balances totalling \$3,584,135 at June 30, 2010.

Accounts payable and accrued liabilities

The loan interest amount of \$639,023 recorded in the overall accounts payable and accrued liabilities amount is \$40,000 less than the amount in the supporting loan schedule. Additionally, due to the lack of sufficient supporting documentation, I was also unable to determine the completeness of accruals totalling \$713,000. There were also several cut-off issues noted during the audit. As a result, I was unable to verify the accuracy of the accounts payable and accrued liabilities amount of \$1,522,746 at June 30, 2010.

Income

There was a significant amount of lack of controls and lack of a proper audit trail noted over revenue transactions at several entities of the Board, as a result, I was unable to determine the completeness of revenue; additionally, due to lack of supporting documentation and reconciled differences noted, I was unable to determine the completeness and accuracy of net revenues totalling \$548,153 which is included in the overall total income of \$2,717,709 at June 30, 2010.

Expenses

I was not provided with a formal lease/rental agreement to support rental expenses totalling \$42,024. Additionally, I could not verify the accuracy of the depreciation balance of \$174,221 due to lack of adequate supporting documentation for fixed assets. There were also several cut-off issues noted during the audit which impact on the completeness and accuracy of expenses. Due to the issues noted; I was unable to determine the completeness, existence and accuracy of several significant expense amounts which make up part of the overall expenses of \$2,577,751 at June 30, 2010.

Non-compliance with Internal Financial Reporting Standards (IFRS)

The Board has not fully complied with significant IFRS standards as follows:

- IAS 1 – Several items were not adequately disclosed and the Board has not complied with all the requirements of IFRS.
- IAS 17 – The future minimum lease payments have not been disclosed neither was a general description of the lessee's significant leasing arrangements disclosed.
- IAS 24 – The Board did not maintain a register of interest during the financial year and I was unable to determine whether the related party disclosure at note 9 to the financial statements is complete.

Disclaimer of Opinion

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

Other Matters:

Non-Compliance with PMFL and TAB Law

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 (2010 Revision)* and section 9 of the *Tourism Attraction Board Law 1996 (Law 17 of 1996)* nor present its annual report to the Legislative Assembly within the required timeframe.



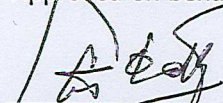
Alastair Swarbrick, MA (Hons), CPFA
Auditor General

Cayman Islands
30 September 2012

Tourism Attraction Board
Balance Sheet
as at 30 June 2010
(in Cayman Islands dollars)

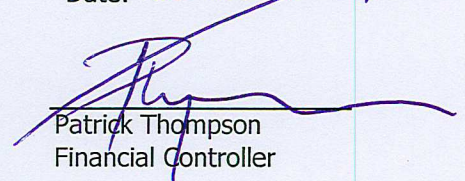
	<u>Note</u>	<u>2010</u>	<u>2009</u>
		\$	\$
ASSETS			
Current Assets			
Inventories		102,401	114,386
Accounts receivable	4	93,832	277,345
Prepaid expenses		29,264	24,699
Cash and cash equivalents		971,556	586,315
		<u>1,197,054</u>	<u>1,002,745</u>
Non-Current Assets			
Property, plant and equipment	3	9,233,688	9,208,901
TOTAL ASSETS		<u>10,430,742</u>	<u>10,211,646</u>
EQUITY AND LIABILITIES			
Donated capital	5	9,398,388	11,723,839
Accumulated deficit		<u>(4,074,527)</u>	<u>(4,220,155)</u>
Equity		5,323,861	7,503,684
Current Liabilities			
Current portion of long term loan	6	-	374,762
Accounts payable and accrued liabilities		1,522,746	810,254
		<u>1,522,746</u>	<u>1,185,016</u>
Non-Current Liability			
Long term loan	6	3,584,135	1,522,946
TOTAL EQUITY AND LIABILITIES		<u>10,430,742</u>	<u>10,211,646</u>

Approved on behalf of the Board



Gilbert Connolly
Chief Executive Officer

Date: 30th SEPTEMBER, 2012



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 2010
(in Cayman Islands dollars)

	<u>Note</u>	<u>2010</u> \$	<u>2009</u> \$
INCOME			
Events, Gift Shop, Café, and Bar	8	508,853	560,784
Cost of Goods Sold		(266,802)	(264,735)
		242,051	296,049
Admission Fees	8	306,102	322,897
Government Subsidy	9	2,169,556	2,125,850
Total Income		2,717,709	2,744,796
EXPENSES			
Salaries and Benefits		1,479,461	1,472,680
Other Expenses		-	444
Loan Interest and Charges	6	89,523	121,404
Depreciation	3	174,221	162,223
Insurance		145,495	141,788
Advertising and Marketing		44,729	97,932
Utilities		175,592	164,484
Building and Equipment Maintenance		97,909	109,604
Professional Fees		56,145	61,557
Rent		74,053	68,395
Telephone and Communications		54,044	48,358
Nursery Supplies and Ground Maintenance		29,797	44,292
Administrative Expenses		41,035	55,096
Operations & Maintenance		63,949	82,073
Vehicle Expenses		15,746	18,846
Uniform, Training and Education		123	1,917
Conferences, Subsistence and Official Travel		-	-
Subscriptions and Donations		16	-
Bad Debts		2,927	42,590
Equipment Write-off		-	-
Inventory Write-off		12,211	2,748
Miscellaneous		20,775	34,254
Total Expenses		2,577,751	2,730,686
Net income for the year		139,958	14,110

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 2010
(in Cayman Islands dollars)

	<u>2010</u>	<u>2009</u>
DONATED CAPITAL	11,723,839	11,107,077
Balance at beginning of year	(4,220,155)	(4,232,652)
Donated capital received during the year	(2,325,451)	615,148
Net income for the year	139,958	14,110
Adjustment to opening equity	7,767	-
Balance at end of year	<u>(6,397,881)</u>	<u>(3,603,393)</u>
TOTAL EQUITY	<u>5,325,958</u>	<u>7,503,684</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 2010
(in Cayman Islands dollars)

	2010	2009
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income for the year after government subsidy	139,958	14,110
Add adjustments to reconcile net income to net cash from operating activities		
Depreciation	174,221	162,223
Charges on Disposal	-	-
Operating Income before working capital changes	314,179	176,333
Changes in working capital balances		
Decrease/(Increase) in inventories	11,985	(2,759)
Decrease/(Increase) in accounts receivable	183,512	(175,927)
(Increase)/Decrease in prepaid expenses	(5,665)	75
Increase in accounts payable and accrued liabilities	711,494	263,485
Net cash from/provided by operating activities	1,215,506	261,206
CASH FLOWS FROM INVESTING ACTIVITY		
Purchase of fixed assets	(199,008)	(178,911)
Disposal of assets	-	-
Net Cash used in investing activity	(199,008)	(178,911)
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital donated by government adjustment	(2,325,451)	615,148
Loan principal adjustment during the year	1,686,428	(374,762)
Adjustment to retained earnings	7,767	-
Net cash used in financing activities	(631,256)	240,387
Net increase/(decrease) in cash and cash equivalents	385,241	322,682
Cash and cash equivalents at beginning of year	586,315	263,633
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	971,556	586,315

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

Tourism Attraction Board
Statement of Segmented Operations
as at 30 June 2010
(in Cayman Islands dollars)

Balance Sheet

	CCM	HELL	PSJ	QEIBP	PWF	TAB	Consol AJE	CONSOL
	2010	2010	2010	2010	2010	2010		2010
	\$	\$	\$	\$	\$	\$		\$
ASSETS								
Non-Current Assets								
Property, Furniture and Equipment	180,427	2,689	6,987,642	2,010,823	33,016	19,090		9,233,688
								-
Current Assets								
Inventories	-	-	7,602	51,353	43,446	-		102,401
Trade and Other Receivables	-	1,524	31,902	20,558	27,024	12,825		93,832
Prepayments	40	-	15,914	5,636	5,078	2,597		29,264
Due from Related Party	(146,237)	5,668	(58,054)	(50,232)	(11,834)	260,689		-
Cash and Cash Equivalents	5,542	11,027	170,543	85,009	76,550	622,884		971,556
	(140,655)	18,220	167,907	112,325	140,264	898,994		1,197,054
TOTAL ASSETS	39,772	20,909	7,155,550	2,123,147	173,280	918,084		10,430,742
CAPITAL AND LIABILITIES								
Capital and Deficit								
Donated Capital	110,000	-	6,376,856	2,712,726	-	198,806		9,398,388
Accumulated Deficit	(80,905)	17,472	(3,697,410)	(681,882)	157,121	211,077		(4,074,527)
	29,095	17,472	2,679,446	2,030,844	157,121	409,883		5,323,861
Non-Current Liability								
Long Term Loan	-	-	3,584,135	-	-	-		3,584,135
Current Liabilities								
Current Portion of Long Term Loan	-	-	-	-	-	-		-
Accounts Payable and Accruals	10,677	3,437	891,969	92,303	16,160	508,201		1,522,746
Due to Related Party	-	-	-	-	-	-		-
Deferred Revenue	-	-	-	-	-	-		-
TOTAL CAPITAL AND LIABILITIES	39,772	20,909	7,155,550	2,123,147	173,280	918,084		10,430,742

Tourism Attraction Board
Statement of Segmented Operations
as at 30 June 2010
(in Cayman Islands dollars)

Statement of Income and Expenditure

	CCM	HELL	PSJ	QEIBP	PWF	TAB	Consol AJE	CONSOL
	2010	2010	2010	2010	2010	2010		2010
	\$	\$	\$	\$	\$	\$		\$
INCOME								
Gift Shop, Café, Events, Bar and Other	1,086	-	112,354	162,424	206,644	(3,019)		479,489
Management Fees	-	-	-	-	-	443,035	(443,035)	-
Rental Income	-	17,240	-	-	-	-		17,240
Cost of Goods Sold	-	-	(49,192)	(25,701)	(191,909)	-		(266,802)
	1,086	17,240	63,162	136,723	14,735	440,015	(443,035)	229,927
Admission Fees	-	-	106,502	199,600	-	-		306,102
Total Income	1,086	17,240	169,663	336,323	14,735	440,015	(443,035)	536,028
EXPENSES								
Salaries and Benefits	63,832	-	449,126	541,333	191,500	233,670		1,479,461
Depreciation	6,090	55	110,323	47,134	5,022	5,598		174,221
Loan Interest and Charges	-	-	89,523	-	-	-		89,523
Management Fees	25,000	13,000	172,809	152,093	80,132	-	(443,035)	-
Insurance	3,143	-	111,592	29,269	991	501		145,495
Utilities	7,111	1,111	59,701	93,086	9,421	5,161		175,592
Operations & Maintenance	-	-	45,703	13,700	3,660	886		63,949
Building and Equipment Maintenance	13,100	31,843	36,562	13,862	2,542	-		97,909
Advertising and Marketing	-	-	8,957	12,240	1,017	22,515		44,729
Professional Fees	2,562	2,142	13,100	11,848	6,384	20,109		56,145
Administrative Expenses	(1,790)	13	9,483	8,151	10,722	14,456		41,035
Telephone and Communication Costs	3,459	-	15,234	16,440	7,748	11,163		54,044
Nursery Supplies and Grounds	-	-	2,246	27,551	-	-		29,797
Vehicle Expenses and Mileage	-	-	6,333	9,413	-	-		15,746
Bad Debt	-	-	567	-	2,361	-		2,927
Conference, Subsistence and Official Travel	-	-	-	-	-	-		-
Subscription and Donation	-	-	-	-	16	-		16
Uniform, Training and Education	-	-	123	-	-	-		123
Equipment Write-off	-	-	-	-	-	-		-
Inventory write-off	-	-	10,807	-	1,404	-		12,211
Miscellaneous Expense	-	-	141	19,793	-	841		20,775
Subsidy Expense	-	-	-	-	-	2,169,556	(2,169,556)	-
Other Expense	-	-	-	-	-	-		-
Other (Income)	-	-	(597)	(11,015)	(0)	(512)		(12,125)
Rent	-	-	-	-	48,853	25,200		74,053
Total Expenses	122,507	48,164	1,141,734	984,898	371,771	2,509,143		2,565,626
Net loss for the year before Government Subsidy	(121,421)	(30,924)	(972,070)	(648,575)	(357,036)	(2,069,128)		(2,029,598)
Government Subsidy	110,400	33,983	864,044	760,467	400,662	2,169,556	(2,169,556)	2,169,556
Net loss for the year after Government Subsidy	(11,021)	3,059	(108,026)	111,892.38	43,626	100,428		139,958

Tourism Attraction Board
Notes to the Financial Statements
For the Year Ended 30 June 2010
(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 2010
(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 2010
(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 2010 was \$51,800 and (2009 - \$50,432). There was an average of 40 employees at Tourism Attraction Board during the year ended 30 June 2010 (2009 - 40 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 2010 and 30 June 2009.

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 2010
(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 2009	1,003,216	2,055,228	7,073,966	971,946	100,157	93,679	214,838	11,513,030
Additions	-	94,271	20,833	72,824	6,375	4,705	-	199,008
Disposals	-	-	-	-	-	-	-	-
At 30 June 2010	1,003,216	2,149,500	7,094,799	1,044,770	106,532	98,384	214,838	11,712,039
Accumulated Depreciation:								
At 30 June 2009	-	-	1,406,506	551,384	54,459	76,942	214,838	2,304,130
Charge for Year	-	-	113,782	44,043	7,958	8,439	-	174,221
Charge on Disposal	-	-	-	-	-	-	-	-
At 30 June 2010	-	-	1,520,288	595,427	62,417	85,381	214,838	2,478,351
Net Book Value:								
At 30 June 2010	1,003,216	2,149,500	5,574,511	449,343	44,115	13,003	-	9,233,688
At 30 June 2009	1,003,216	2,055,228	5,667,460	420,561	45,698	16,737	-	9,208,901

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.

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4. TRADE AND OTHER RECEIVABLES

	2010	2009
	\$	\$
Trade Receivables	138,803	282,466
Less Provision for Bad Debts	44,971	5,121
Total	93,832	277,345

5. DONATED CAPITAL

There were no Capital donations for the year ended 30 June 2010.

6. LONG TERM LOAN

	Current	1-2 yrs	2-5 yrs	5+ yrs	2010	2009
	\$	\$	\$	\$	\$	\$
Caribbean Development Bank	374,762	749,523	1,124,285	398,661	1,522,945	1,897,707
					1,522,945	1,897,707
				Less Current Portion:	374,762	374,762
				Long Term Portion:	1,148,184	1,522,945

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 2010, principal, interest and commitment fees of US\$552,720 was charged to and paid by, the Government via the Treasury Department (2009 - US\$590,674).

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7. LONG TERM LOAN (continued)

Loan interest and commitment fees during the year ended 30 June 2010 averaged 5.25% and 1% respectively (2009 – 5.25% and 1%). The loan had 60 months moratorium on the principal repayment, which ended in 2002 thereafter is, repayable quarterly over 13 years.

The Treasury Department produces quarterly statements which are submitted to the Tourism Attraction Board for reimbursement of principal and interest payments made to the CDB. The TAB is responsible for the payment of the interest portion while the Ministry of Tourism is responsible for the principal payments.

A review of the arrangement among the entities has led to an adjustment of balances. The Treasury department balances reflect the actual amounts owed to the CDB, as stated above, while the balances of the TAB now reflect the actual amounts owed to the Treasury department. Therefore as at 30 June 2010 the total reimbursable for principal payments is CI\$3,584,135 and the total reimbursable for interest payments is CI\$639,023. As a result of these adjustments the total Donated Capital has decreased by CI\$2,325,451 in year ended 30 June 2010 when compared to the year ended 30 June 2009.

8. INCOME

	2010	2009
	\$	\$
Events	40,313	43,542
Admissions	306,102	322,897
Gift Shop	187,821	143,256
Café	-	-
Other	280,719	312,839
Bar	-	61,147
Total	814,955	883,681

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 2010 the Cayman Islands Government's subsidy to the Tourism Attraction Board's heritage sites was \$2,169,556 (2009 - \$2,125,850). To continue as going concerns Tourism Attraction Board will require annual assistance from the Government for the foreseeable future.

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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 2010 was \$42,000 (2009 - \$42,000).

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 2010 and 30 June 2009 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 2010 was \$102K (2009: 107K). There have been no loans made to key management personnel or close family members in 2008.

11. COMMITMENTS

As at 30 June 2010 the 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.

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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.