

GOVERNMENT OF THE CAYMAN ISLANDS

CAYMAN NATIONAL CULTURAL FOUNDATION

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2014

CAYMAN NATIONAL CULTURAL FOUNDATION
FOR THE YEAR ENDED 30 JUNE 2014

CONTENTS

		Pages
1.	Statement of Responsibility for the Financial Statements	1
2.	Auditor General's Report	2
3.	Statement of Financial Position	3
4.	Statement of Financial Performance	4
5.	Statement of Changes in Equity	5
6.	Statement of Cash Flows	6
7.	Notes to the Financial Statements	7-15

CAYMAN NATIONAL CULTURAL FOUNDATION
FOR THE YEAR ENDED 30 JUNE 2014

STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

These financial statements have been prepared by the Cayman National Cultural Foundation in accordance with the provisions of the Public Management and Finance Law (2013 Revision).

We accept responsibility for the accuracy and integrity of the financial information in these financial statements and their compliance with the Public Management and Finance Law (2013 Revision).

As Chairman and Managing Director we are responsible for establishing; and have established and maintain a system of internal controls designed to provide reasonable assurance that the transactions recorded in the financial statements are authorised by law, and properly record the financial transactions of the Cayman National Cultural Foundation.

As Chairman and Managing Director we are responsible for the preparation of the Cayman National Cultural Foundation financial statements, representation and judgements made in these statements.

The financial statements fairly present the financial position, financial performance and cash flows of the Cayman National Cultural Foundation for the financial year ended 30 June 2014.

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

(a) Completely and reliably reflect the financial transactions of Cayman National Cultural Foundation for the year ended 30 June 2014
(b) fairly reflect the financial position as at 30 June 2014 and performance for the year ended 30 June 2014;
(c) comply with International Public Sector Accounting Standards as set out by International Public Sector Accounting Standards Board under the responsibility of the International Federation of Accountants. Where guidance is not available, the financial statements comply with International Accounting Standards issued by the International Accounting Standards Committee or accounting practice that is generally accepted in the United Kingdom as appropriate for reporting in the public sector.

The Office of the Auditor General conducts an independent audit and expresses an opinion on the accompanying financial statements, which is carried out by an agent. The Office of the Auditor General and it's agent has been provided access to all the information necessary to conduct an audit in accordance with International Standards of Auditing.

MORGAN DACOSTA	MARCIA MUTTOO
Director	Managing Director
31 October 2014	31 October 2014

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AUDITOR GENERAL'S REPORT

To the Board of Directors of the Cayman National Cultural Foundation

In accordance with section 60(1)(a)(ii) of the *Public Management and Finance Law (2013 Revision)* I have audited the accompanying financial statements of the Cayman National Cultural Foundation (the "Foundation"), which comprise the statement of financial position as at June 30, 2014 and the statements of financial performance, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

My responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Foundation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my audit opinion. In conducting my audit, 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.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Foundation as at June 30, 2014, and of its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards.



Alastair Swarbrick, MA (Hons), CPFA
Auditor General

October 31, 2014
Cayman Islands

CAYMAN NATIONAL CULTURAL FOUNDATION
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014
(stated in Cayman Islands dollars)

	Note	2014 Actual	2014 Approved Budget (Note 2b)	2013 Actual
Current Assets				
Cash and cash equivalents	**3**	113,258	114,928	114,923
Receivables from exchange transactions	**4**	182,181	194,847	164,509
Total Current Assets		**295,439**	**309,775**	**279,432**
Non-Current Assets				
Other financial assets		3,432	3,432	3,432
Property and equipment	**5**	4,561,789	4,529,005	4,623,405
Total Non-Current Assets		**4,565,221**	**4,532,437**	**4,626,837**
Total Assets		**4,860,660**	**4,842,212**	**4,906,269**
Current Liabilities				
Trade payables under exchange transactions	**6**	474,996	464,802	404,340
Advanced donations	**7**	36,681	53,711	53,711
Total Current Liabilities		**511,677**	**518,513**	**458,051**
EQUITY				
General fund	**15**	1,491,392	1,774,181	1,590,627
Contributed capital	**15**	2,857,591	2,549,518	2,857,591
Total Net Assets/Equity		**4,348,983**	**4,323,699**	**4,448,218**

See accompanying notes to financial statements.

Approved on behalf of the Board of Directors on 31 October 2014.

MORGAN DACOSTA — MARCIA MUTTOO

Director — Managing Director

CAYMAN NATIONAL CULTURAL FOUNDATION
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2014
(stated in Cayman Islands dollars)

	Note	2014 Actual	2014 Approved Budget (Note 2b)	2013 Actual
Revenue				
Government grants		679,394	679,394	567,231
Other revenue		137, 950	402,541	135,249
Theatre rental		52,077	60,000	49,224
Total Revenue	**8**	**869,421**	**1,141,935**	**751,704**
Expenses				
Operating and administrative expenses	**10**	462,722	587,755	443,357
Personnel costs	**9**	418,019	459,747	404,187
Depreciation	**5**	87,915	94,433	95,566
Total Expenses		**968,656**	**1,141,935**	**943,110**
Deficit for the year		**(99,235)**	**-**	**(191,406)**

See accompanying notes to financial statements.

CAYMAN NATIONAL CULTURAL FOUNDATION
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014
(stated in Cayman Islands dollars)

Attributable to Cayman Islands Government	Contributed Capital	General Fund (Note 15)	Net Assets/Equity
Balance at 30 June 2012	2,857,591	1,782,033	4,639,624
Deficit for the year	-	(191,406)	(191,406)
Balance at 30 June 2013	2,857,591	1,590,627	4,448,218
Deficit for the year	-	(99,235)	(99,235)
Balance at 30 June 2014	2,857,591	1,491,392	4,348,983

See accompanying notes to financial statements.

CAYMAN NATIONAL CULTURAL FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014
(stated in Cayman Islands dollars)

	Note	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES			
Deficit for the year		(99,235)	(191,406)
Non-cash movements:			
Depreciation	**5**	87,915	95,566
Net changes in non-cash operating balances:			
Receivables from exchange transactions		(17,672)	22,086
Other financial assets		-	1,849
Trade payables under exchange transactions		70,656	107,348
Theatre deposits		-	(14,215)
Advanced donations		(17,030)	26,689
Net cash flows operating activities		**24,634**	**47,917**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	**5**	(26,299)	(3,370)
Net cash flows from investing activities		**(26,299)**	**(3,370)**
Net (decrease)/increase in cash and cash equivalents		(1,665)	44,547
Cash and cash equivalents at beginning of year		114,923	70,376
Cash and cash equivalents at end of year		**113,258**	**114,923**

See accompanying notes to financial statements.

NOTES TO THE FINANCIAL STATEMENTS OF CAYMAN NATIONAL CULTURAL FOUNDATION
FOR THE YEAR ENDED 30 JUNE 2014
(stated in Cayman Islands dollars)

Note 1: Company and regulatory information

Description

The Cayman National Cultural Foundation (the "Foundation") is a non-profit organisation regulated by the Cayman Islands Government (the "Government"). The Foundation was formed on 9 October 1984 in accordance with the Cayman National Cultural Foundation Law, 1984. The Cayman National Cultural Foundation Law, 2013, which came into force on 1 September 2013, constituted the Foundation as a statutory authority within the Cayman Islands Public Service.

Scope of Activities

The scope of *Cayman National Cultural Foundation's* activities are as follows:

- The stimulation and facilitation of culture generally;
- The development, maintenance and management of theatres and other cultural facilities, in particular the F J Harquail Cultural Centre;
- Organising cultural festivals;
- Stimulation of the development of local talent by means of training, workshops, competitions, exhibitions, pageants, parades, displays and other such activities;
- Assisting persons in developing cultural and artistic expression, including the preservation and exploration of Caymanian cultural heritage.

The Foundation is funded primarily by an annual grant from the Government through the Ministry of Health, Youth, Sports and Culture. The Foundation would not be able to continue as a going concern without ongoing support from the Government and as a result the Foundation is economically dependent on the Government.

Note 2: Significant Accounting Policies
These financial statements have been prepared in accordance with International Public Sector Accounting Standards ("IPSAS") issued by the International Federation of Accountants and its International Public Sector Accounting Standards Board using the accrual basis of accounting. Where additional guidance is required, International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board are used.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. There have been no significant changes to the accounting policies during the year ended 30 June 2014.

(a) Basis of preparation
The financial statements are presented in Cayman Islands dollars which is the functional currency of the Foundation. The financial statements are prepared on the accrual basis of accounting, unless otherwise stated. The measurement base applied to these financial statements is the historical cost basis.

(b) Approved Budget
Theapproved budget disclosed in the statements of financial position and financial performance are presented in accordance with the 2013/14 Annual Ownership Statement which was approved by the Minister of Health, Sports, Youth and Culture on 30 June 2013. Certain budget amounts on the statement of financial position have been reclassified within different groupings to ensure consistency with the financial statements.

(c) Reporting Period
The reporting period is the year ended 30 June 2014.

Note 2: Significant Accounting Policies (continued)

(d) Judgments and Estimates
The preparation of financial statements in conformity with IPSAS requires judgments, estimates, and assumptions affecting the application of policies and reported amounts of assets and liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The account balances that require judgement are receivables from exchange transactions and property and equipment. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the reporting period that is affected by those revisions. Depreciation and the calculation of the estimated useful lives of property and equipment is considered to be a key judgment made by management in the preparation of these financial statements.

As at 30 June 2014, no reliable fair value estimate of contributed goods and services provided to the Foundation by Government entities could be made and therefore no estimated amounts are recorded in these financial statements (2013: $0).

(e) Revenue from exchange transactions
Revenue from exchange transactions is recognised when earned by the Foundation. The revenue recognised is the fair value of the consideration received for the sale of goods and services. Revenue from exchange transactions includes theatre rentals and ticket sales.

(f) Revenue from non-exchange transactions - Government grants and Donations
Revenue from non-exchange transactions includes donations and government grants. Revenue from non-exchange transactions is recognised when received in the case of donations. Government grants are recognized in accordance with the grant period.

Government grants are received for financial support on a quarterly basis from the Government. The grants received from the Government include no conditions or stipulations.

In addition, the Foundation may receive grants and advance donations for special projects and these are deferred and recognized as revenue when the project expenditures are incurred and recorded in the statement of financial performance.

(g) Expenses
Expenses are recognised when incurred on the accrual basis of accounting. In addition, an expense is recognized for the consumption of the estimated fair value of contributed goods and services received, when an estimate can realistically be made.

(h) Cash and cash equivalents
Cash and cash equivalents include cash on hand and in bank accounts and short term deposits invested with the Cayman Islands Government Treasury which have a maturity of no more than three months from the date of acquisition.

(i) Property and Equipment
Property and equipment is stated at historical cost less accumulated depreciation. Items of property and equipment are initially recorded at cost. Where an asset is acquired for nil or nominal consideration, the asset is recognized initially at fair value, where fair value can be reliably determined, and as revenue in the statement of financial performance in the year in which the asset is acquired.

The cost of replacing part of an item of property and equipment is recognised in the carrying amount of an item if it is probable that the future economic benefits embodied within the part will flow to the Foundation and its cost can be measured reliably. The costs of day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

Note 2: Significant Accounting Policies (continued)
(i) Property and Equipment (continued)

Depreciation is expensed to the statement of financial performance on a straight-line basis at rates calculated to allocate the cost or valuation of an item of property and equipment; less any estimated residual value, over its estimated useful life. Leasehold improvements are depreciated either over the unexpired period of the lease or the estimated useful lives of the improvements, whichever is shorter. Land and heritage assets are not depreciated.

Asset Type	***Estimated Useful life***
Building	50 years
Leasehold improvements	10 years
Furniture and fittings	3 to 10 years
Motor Vehicles	5 years

Heritage assets
IPSAS 17 *Property, Plant and Equipment* provides optional recognition of heritage assets. Works of art are considered to be heritage assets.

Disposals
Gains and losses on disposals of property and equipment are determined by comparing the sale proceeds with the carrying amount of the asset. Gains and losses on disposals during the year are included in the statement of financial performance.

(j) Impairment of assets
The Foundation considers all assets held to be non-cash generating assets as the primary objective of holding the assets is not to generate a commercial return, but rather to fulfil the Foundation's objectives.

The Foundation assesses whether there is any indication that non-cash generating assets may be impaired at each reporting date. If any such indication exists, the Foundation shall make a formal estimate of the recoverable service amount of the asset.

Impairment losses are recognized in the statement of financial performance. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

(k) Employee Benefits
Employee entitlements to salaries and wages, annual leave and other similar benefits are recognised in the statement of financial performance when they are earned by employees. Employee entitlements to be settled within one year following the year-end are reported as current liabilities at the amount expected to be paid.

Pension contributions for employees of the Foundation are paid to the Silver Thatch Pension Fund (the "Fund"). The Fund is a defined contribution fund. Employees have a mandatory contribution of 5% of their salary, which is matched by the Foundation.

(l) Financial Instruments
The Foundation is party to financial instruments as part of its normal operations. These financial instruments include cash and cash equivalents, other financial assets, receivables from exchange transactions and trade payables under exchange transactions, all of which are recognised in the statement of financial position.

Note 2: Significant Accounting Policies (continued)
(l) Financial Instruments (continued)

Classification
A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset or to exchange financial instruments under conditions that are potentially favourable. Financial assets comprise of cash and cash equivalents, receivables from exchange transactions and other financial assets.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial instrument or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable. Financial liabilities comprise of Trade payables under exchange transactions and advanced donations.

Recognition
The Foundation recognises financial assets and financial liabilities on the date it becomes party to the contractual provisions of the instrument. From this date, any gains and losses arising from changes in fair value of the assets and liabilities are recognised in the statement of financial performance.

Loans and receivables are recognised on the day they are granted by the Foundation.

Measurement
Financial instruments are measured initially at cost which is the fair value of the consideration given or received. Subsequent to initial recognition all financial assets are recorded at fair value, which is considered to approximate historic cost due to the short-term or immediate nature of these instruments.

Financial liabilities are measured at amortised cost, being the amount at which the liability was initially recognised less any payment plus any accrued interest of the difference between that initial amount and the maturity amount (i.e. the effective interest method).

De-recognition
A financial asset is de-recognised when the Foundation realises the rights to the benefits specified in the contract or loses control over any right that comprise that asset. A financial liability is derecognised when it is extinguished, that is when the obligation is discharged, cancelled, or expires.

(m) Contingent Liabilities and Assets
Contingent liabilities and assets are reported at the point the contingency becomes evident. Contingent liabilities are disclosed when there is a possible obligation or present obligation that may, but probably will not, require an outflow of resources. Contingent assets are disclosed if it is probable that the benefits will be realised.

(n) Foreign Currency
Foreign currency transactions are recorded in Cayman Islands dollars using the exchange rate in effect at the date of the transaction. Foreign currency gains or losses resulting from settlement of such transactions are recognised in the statement of financial performance.

At the end of the reporting period the following exchange rates are used to translate foreign currency balances:-

- Foreign currency monetary items are to be reported in Cayman Islands dollars using the closing rate;
- Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported in Cayman Islands dollars using the exchange rate at the date of the transaction; and
- Non-monetary items that are carried at fair value denominated in a foreign currency are reported using the exchange rates that existed when the fair values were determined.

Note 3: Cash and cash equivalents

As at 30 June 2014 Cayman National Cultural Foundation's cash balances were as presented below. No restricted cash balances were held by the Cayman National Cultural Foundation at 30 June 2014 (2013: Nil).

	2014	2013
CI$ Operational Current Account	79,897	78,069
US$ Operational Current Account	18,904	22,397
Fixed Deposits	14,457	14,457
TOTAL	**113,258**	**114,923**

Note 4: Receivables from exchange transactions

At 30 June 2014 all overdue receivables have been assessed and appropriate provisions calculated based on expected losses for the Foundation and review of specific debtors. Expected losses have been determined based on an analysis of the Foundation losses in previous periods. No bad debt expense was recorded in the current financial year (2013: $727).

Included in receivables from exchange transactions is a government grant receivable of CI$169,846 (2013: CI$141,804) from the Government which was fully collected subsequent to year end.

Note 5: Property and equipment

Cost

	Land	*Buildings*	*Furniture & Fittings*	*Motor Vehicles*	*Heritage assets*	*Total*
Balance as at 1 July 2012	963,151	3,766,929	164,686	23,611	300,255	5,218,632
Additions	-	-	3,370	-	-	3,370
Balance as at 30 June 2013	963,151	3,766,929	168,056	23,611	300,255	5,222,002
Additions	-	-	26,299	-	-	26,299
Balance as at 30 June 2014	963,151	3,766,929	194,355	23,611	300,255	5,248,301

Accumulated Depreciation and impairment losses

	Land	*Buildings*	*Furniture & Fittings*	*Motor Vehicles*	*Heritage assets*	*Total*
Balance as at 1 July 2012	-	362,305	118,197	22,529	-	503,031
Depreciation Expense	-	75,338	19,146	1,082	-	95,566
Balance as at 30 June 2013	-	437,643	137,343	23,611	-	598,597
Depreciation Expense	-	75,338	12,577	-	-	87,915
Balance as at 30 June 2014	-	512,981	149,920	23,611	-	686,512
Net Book value 30 June 2013	963,151	3,329,286	30,713	-	300,255	4,623,405
Net Book value 30 June 2014	963,151	3,253,948	44,435	-	300,255	4,561,789

Note 5: Property and equipment (continued)

Heritage assets comprise of works of art relating to paintings that are held in trust for the people of the Cayman Islands. These may not be sold, assigned, charged, or encumbered in any way without the permission of the artist, her heirs and successors. The asset is therefore deemed to be restricted in its use. In the event of default by the Foundation, the Foundation shall return and deliver to the artist, her heirs or successors all paintings being part of the collection of heritage assets.

Note 6: Trade payables under exchange transactions

	2014	2013
Other government agencies	418,319	335,200
Other payables and accrued expenses	54,742	67,221
Payroll Deductions	1,935	1,919
Trade payables under exchange transactions	**474,996**	**404,340**

Amounts payable to other government agencies relates to annual property insurance premiums that are due to be paid to the Government Risk Management Unit. The Foundation has requested that these premiums be considered to be capital contributions from the Government. As at 31 October 2014, there has been no confirmation or acceptance of this proposed treatment.

Note 7: Advanced Donations

During the year ended 30 June 2009, the Foundation began collecting donations to restore the house of the late Gladwyn K. Bush ("Miss Lassie"), a famous Caymanian artist, under a program known as 'Save Miss Lassie's House'. All donations relating to this were initially deferred and recorded as advanced donations and are recognized as revenue when expenses relating to the program are incurred. Cash balances for this purpose are not maintained in a segregated bank account.

Note 8: Revenue

	2014	2013
Government grants	679,394	567,231
Other	71,151	81,086
Donations	65,705	50,351
Rentals of Harquail Theatre	52,077	49,224
General sales	1,094	3,812
Total sales of goods and services	**869,421**	**751,704**

Government grants comprises goods delivered to and services performed on behalf of the Government. The Foundation considers the annual grant received to be a Government grant.

Note 8: Revenue (continued)

Donations made to the Foundation were as follows:

Donor	Program	2014	2013
Walkers	Mind's Eye School Tours	27,900	-
Butterfield	YAA	22,000	-
Min. of Tourism	Cayfest	5,000	-
Harney's	Gimistory	4,355	-
Dept of Commerce	YAA	4,000	-
Individuals	Core expenses	2,200	-
Individual	Cayfest	250	-
Butterfield Bank	YAA	-	32,200
Island Heritage	Core Grant	-	15,000
Cayman Shores	Gimistory	-	3,000
Various	YAA	-	151
Total donations		**65,705**	**50,351**

Note 9: Personnel costs

Description	2014	2013
Salaries, wages and allowances	354,667	338,063
Health care	44,766	44,030
Pension	18,586	22,094
Total Personnel Costs	**418,019**	**404,187**

Note 10: Operating and administrative expenses

Description	2014	2013
Cultural development expense	188,112	151,655
Maintenance & repairs, automobile, computers	143,114	150,245
Utilities and communications	63,041	64,875
General administration (fees, permits, audit, advertising)	50,949	49,033
Theatre production expense	17,506	27,549
Total	**462,722**	**443,357**

Note 11: Contingent liabilities and assets

The Foundation has been named, along with others, in a legal claim relating to an incident that occurred at a Foundation organised event. Management is uncertain of the outcome of this legal matter, and there is uncertainty relating to the settlement required. As such, no provision for this matter has been included in the statement of financial position. It is possible that this settlement may have a material impact on the Foundation's ability to continue operating as a going concern.

Note 12: Explanation of major variances against approved budget

Explanations for major variances for the Foundation's performance against the approved budget are as follows:

Statement of financial performance

The non-commercial nature of the Foundation's cultural development work necessitates that additional contributed income is raised through fundraising. The Foundation seeks to supplement its annual Government grant by raising funds from non-Government sources, and make predictions when budgeting that may vary to a greater or lesser degree from the actual contributed income, depending on the economic climate in any given period and the willingness of potential funders to give support. In the financial year ending 30 June 2014, the Foundation projected that some contributed income would derive from international funding agencies, many of whom require proof of non-profit (charity) status, or 501(c)(3) status under the US Internal Revenue Code. CNCF's application for recognition of non-profit status is, however, still awaiting a decision from the Cayman Islands Government.

Operating and administrative expenses were not as high as budgeted as a result of the lower than budgeted revenue from exchange transactions. Certain variable expenses are heavily linked to the level of funding the Foundation receives such as cultural development expense and theatre production expense.

Statement of financial performance

No major variances between actual and budgeted amounts were noted on the statement of financial performed. Certain amounts per the approved budget were reclassified to conform to the financial statement presentation. This included reclassifying heritage assets from other non-current assets to property and equipment and other non-current liabilities to trade payables under exchange transactions.

Note 13: Related party and key management personnel disclosures

Related party disclosure
The Foundation derives a major source of its revenue from government and per note 1 is economically dependent on the Government.

The Foundation transacts with other government entities on a regular basis. These transactions were consistent with normal operating relationships between government entities and were undertaken on terms and conditions that are normal for such transactions.

Key management personnel

	2014	2013
Salaries & other short-term employee benefits	184,318	181,013
Other amounts paid	5,000	5,000
Total	**189,318**	**186,013**

Key management personnel are defined as those people with authority and responsibility for planning, directing and controlling the activities of the Foundation. There were two key management personnel in 2014 (2013: 2).

An amount of CI$5,000 (2013: $5,000) was paid to a key member of management as compensation for services rendered. The member of management wrote the script for one of the theatrical productions completed. Non-executive board members receive no fees or remuneration.

At 30 June 2014 there were no loans due from key management personnel (2013: None).

Note 14: Financial instruments and associated risks

The Foundation is party to financial instrument arrangements as part of its everyday operations. These financial instruments include cash and cash equivalents, advanced donations, receivables from exchange transactions and trade payables under exchange transactions. The fair value of financial instruments approximates the carrying amounts disclosed in the statement of financial position due to their short term nature.

Credit risk

In the normal course of its business the Foundation is subject to credit risk from receivables from exchange transactions. The Foundation does not have significant concentrations of credit risk from its financial instruments.

Currency and interest rate risk

The Foundation has no significant exposure to currency exchange risk and interest rate risk.

Liquidity risk

In meeting its liquidity requirements, the Foundation closely monitors its forecast cash requirements with expected cash drawdowns from Cabinet and receipts from third parties. The Foundation maintains a target level of available cash to meet liquidity requirements.

All of the Foundation's financial liabilities, except for amounts due to the Government will be settled in less than six months from the date of these financial statements.

Note 15: Capital management
The Foundation has no legislated minimum capital requirements. Contributed capital relates to assets contributed by the Government, which the Foundation utilizes to achieve its objective. The general fund reflects the accumulation of profits and losses. The general fund is managed through a strict budget approval and monitoring process.

Note 16: Comparative amounts

Certain comparative amounts have been reclassified to conform to the financial statement presentation adopted in the current year.

Note 17: Subsequent events

In preparing these financial statements management has evaluated and disclosed all material subsequent events up to 31 October 2014 which is the date that the financial statements were available to be issued.