

**TOURISM INDUSTRY ASSOCIATION OF THE YUKON - ADMINISTRATION AND MARKETING
PROGRAMS**

Financial Statements

Year Ended March 31, 2008

(Unaudited)

**TOURISM INDUSTRY ASSOCIATION OF THE YUKON - ADMINISTRATION AND
MARKETING PROGRAMS**

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Year Ended March 31, 2008

(Unaudited)

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CHARTERED ACCOUNTANTS

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REVIEW ENGAGEMENT REPORT

To the Members of Tourism Industry Association of The Yukon - Administration and Marketing Programs

We have reviewed the statement of financial position of Tourism Industry Association of The Yukon - Administration and Marketing Programs as at March 31, 2008 and the statements of operations, changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the company.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Whitehorse, Yukon Territory
May 30, 2008



CHARTERED ACCOUNTANTS

Disclaimer of Liability

These financial statements were reviewed and this Review Engagement Report issued solely for the use of Tourism Industry Association of The Yukon - Administration and Marketing Programs. We make no representations of any kind to any other person in respect of these financial statements and accept no responsibility for their use by any other person in the absence of our written consent and the acknowledgement of the limitations of our liability.

**TOURISM INDUSTRY ASSOCIATION OF THE YUKON - ADMINISTRATION AND
MARKETING PROGRAMS**

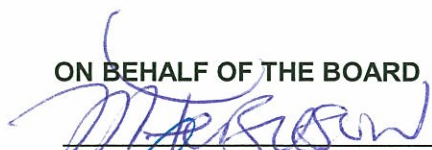
Statement of Financial Position

March 31, 2008

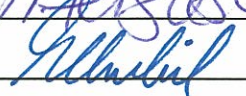
(Unaudited)

	2008	2007
ASSETS		
CURRENT		
Cash	\$ 160,185	\$ 81,267
Accounts receivable (Note 3)	125,146	212,538
GST receivable	11,424	2,071
Prepaid expenses	6,289	3,222
	303,044	299,098
CAPITAL ASSETS (Notes 1, 4)	7,953	10,074
	\$ 310,997	\$ 309,172
LIABILITIES		
CURRENT		
Accounts payable	\$ 39,099	\$ 6,304
Wages payable	5,001	3,994
Due to Training Fund	26,400	-
Deferred revenue	27,222	68,000
	97,722	78,298
NET ASSETS		
INVESTMENT IN CAPITAL ASSETS (Note 5)	7,953	10,075
UNRESTRICTED NET ASSETS	205,322	220,799
	213,275	230,874
	\$ 310,997	\$ 309,172

ON BEHALF OF THE BOARD



Director



Director

See accompanying notes to financial statements.

**TOURISM INDUSTRY ASSOCIATION OF THE YUKON - ADMINISTRATION AND
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Statement of Changes in Net Assets

Year Ended March 31, 2008

(Unaudited)

	Investment in Capital Assets	Unrestricted	2008	2007
NET ASSETS - BEGINNING OF YEAR	\$ 10,075	\$ 220,796	\$ 230,871	\$ 217,730
Deficiency of revenues over expenses	-	(15,474)	(15,474)	3,066
Investment in capital assets (net)	(2,122)	-	(2,122)	10,075
NET ASSETS - END OF YEAR	<u>\$ 7,953</u>	<u>\$ 205,322</u>	<u>\$ 213,275</u>	<u>\$ 230,871</u>

**TOURISM INDUSTRY ASSOCIATION OF THE YUKON - ADMINISTRATION AND
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Statement of Operations

Year Ended March 31, 2008

(Unaudited)

	2008	2007 <i>(6 months)</i>
REVENUES		
Tourism Yukon Administration Contribution	\$ 258,000	\$ 110,000
Membership dues	30,467	15,107
T.I.A. Yukon Conferences	13,827	4,019
Program revenue	418	210
Interest and other	874	384
Newsletter income	1,320	-
Special project	141,703	31,873
Canada Select	6,337	-
Tourism Co-operative Marketing Fund	113,201	75,000
TCMF administration fee	22,500	20,250
	588,647	256,843
EXPENSES		
Advertising and promotion	1,922	563
Bad debts	-	(175)
Bank charges and interest	822	474
Bookkeeping	10,425	6,888
Canada Select expense	6,879	-
Equipment lease	6,005	2,921
Insurance	3,176	1,613
Meetings	25,383	3,918
Newsletter	4,016	2,678
Office, supplies and equipment repair	15,217	6,228
Professional fees	4,574	3,700
Purchase capital assets	355	279
Rent	6,363	3,182
Scholarship fund	1,163	1,175
Special projects	172,643	30,496
Sub-contracts	12,355	800
T.I.A. Yukon Conferences	28,563	5,840
Telephone	7,958	4,467
Tourism Co-operative Marketing	107,869	84,797
Travel	10,179	9,734
Wages and benefits	178,254	84,198
	604,121	253,776
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (15,474)	\$ 3,067

**TOURISM INDUSTRY ASSOCIATION OF THE YUKON - ADMINISTRATION AND
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Statement of Cash Flow

Year Ended March 31, 2008

(Unaudited)

	2008	2007 <i>(6 months)</i>
OPERATING ACTIVITIES		
Cash receipts from customers	\$ 635,261	\$ 226,193
Cash paid to suppliers and employees	(546,168)	(216,283)
Interest paid	(821)	(475)
Goods and services tax	(9,354)	(723)
INCREASE IN CASH FLOW	78,918	8,712
Cash - beginning of year	81,267	72,555
CASH - END OF YEAR	\$ 160,185	\$ 81,267

**TOURISM INDUSTRY ASSOCIATION OF THE YUKON - ADMINISTRATION AND
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Notes to Financial Statements

Year Ended March 31, 2008

(Unaudited)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Financial Statements

This financial statements present the financial position and the results of the operation of the association known as Tourism Industry Association of the Yukon - Administration and Marketing Programs.

Revenue Recognition

The association follows the deferred method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the relative expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Capital assets

Capital assets are stated at cost following a fund accounting policy whereby all capital asset expenditures are expensed on the Statement of Operations in the period of purchase. Amortization for the year is charged against Investment in Capital Assets, in the year of acquisition one half the annual rate is used.

Amortization is recorded using the declining balance method over the estimated useful life of the assets at the following rates:

Office furniture and equipment	20%
Computers	30% & 45%
Software	100%

Capital lease payments are expensed in the year and only the buyout amount is capitalized when the option to purchase is exercised.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates include providing for amortization of capital assets and goodwill. Actual results could differ from these estimates.

2. FINANCIAL INSTRUMENTS

The association's financial instruments consist mainly of cash, accounts receivable, accounts payable, wages payable, GST receivable, and deferred revenue. The carrying values of those financial assets and financial liabilities approximate their fair values unless otherwise disclosed.

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Notes to Financial Statements

Year Ended March 31, 2008

(Unaudited)

3. ACCOUNTS RECEIVABLE

	2008	2007
Government of Yukon holdback	\$ 24,000	\$ -
Government of Yukon	101,102	212,500
Trade	43	38
	\$ 125,145	\$ 212,538

4. CAPITAL ASSETS

	Cost	Accumulated amortization	2008 Net book value	2007 Net book value
Office furniture and equipment	\$ 47,469	\$ 42,324	\$ 5,145	\$ 6,431
Computers	17,375	14,567	2,808	3,643
Software	3,717	3,717	-	-
	\$ 68,561	\$ 60,608	\$ 7,953	\$ 15,560

5. INVESTMENT IN CAPITAL ASSETS

	2008	2007
BALANCE - Beginning of Year	\$ 10,075	\$ 13,145
Add: purchase of capital assets	355	279
	10,430	13,424
Less: amortization	(2,477)	(3,349)
	\$ 7,953	\$ 10,075

**TOURISM INDUSTRY ASSOCIATION OF THE YUKON - ADMINISTRATION AND
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Notes to Financial Statements

Year Ended March 31, 2008

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6. COMMITMENTS

Tourism Industry Association of the Yukon has entered into a lease with Qualica Financial on a Kyocera Mita KM2550 Digital Photocopier, document feeder, fax system stand and postage machine. Monthly payments of \$240.85 plus applicable taxes are being made.

Lease with OMB Capital for a computer system. Monthly payments of \$229.82 plus applicable taxes are being made.

Contractual obligation repayment schedule:

2009	\$	5,648
2010		4,269
2011		2,890
2012		<u>1,445</u>
	\$	<u>14,252</u>