





A full-page background image showing a man and a woman lying in a white hammock. They are both smiling and looking towards the camera. The man is on the left, wearing a blue shirt, and the woman is on the right, wearing a blue bikini top. They are positioned in front of a bright blue sky with scattered white clouds. Several palm trees are visible, with their fronds reaching into the sky from the top and sides of the frame. The bottom of the image shows a hint of a sandy beach and the turquoise ocean.

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## *Insight*

Over the past several decades, Barbados' tourism industry has thrived not least of all because of our remarkable scenery, beautiful weather, awe-inspiring beaches, and vast array of activities for a range of visitor preferences. To make a visit to Barbados even more enticing, we add to this list of incentives, a well-established international reputation as a safe and friendly tourism destination.

We must be wary, however, of taking this incredible opportunity of tourism for granted and losing sight of exactly how dependent all Barbadians are on its continuing existence, especially as other major income earning sectors in Barbados face serious challenges.

The Tourism Development Corporation, incorporated as a non-profit organization in 1987 by an Act of Parliament, functions as an excellent catalyst for tourism development in Barbados. By directing member contributions to carefully selected tourism marketing and product enhancement initiatives, the TDC offers an excellent opportunity for public-spirited, commercial enterprises to contribute to the positive growth and sustainability of the island's tourism industry.

In co-operation with the Barbados Hotel & Tourism Association, the Barbados Tourism Authority, the Barbados Tourism Investment Inc. and the Ministry of Tourism, TDC promptly responds to the industry's needs, supporting results-oriented projects that enhance Barbados' tourism product and increase foreign exchange earnings. TDC's Directors and working committee members are senior business executives who serve voluntarily in order to stimulate ideas and provide commercial insight for the development of the tourism industry.

The members of the TDC are considered to be its shareholders who provide the organization's working capital and resources. While the TDC's shareholders do not receive the traditional dividend return on their investment, the TDC places a high priority on providing its members with a return through the growth of the tourism industry, which is essential if we are to sustain our accustomed standard of living in Barbados.

TDC's role as a financial contributor to the overall development of the Barbados tourism industry is supported by the Government of Barbados, who encourages businesses to contribute to the organization by allowing contributors to claim 150% of their annual contribution as an expense for corporate income tax purposes.

The TDC also has a Special Projects Facility that allows non-member organizations to contribute funds towards specific tourism-related projects supported by the TDC, and benefit from the 150% tax credit.



*Tourism*  
**DEVELOPMENT  
CORPORATION**

*Board of Directors*



G. Anthony King, Chairman



Hutson Best



Maureen Davis



Denis Roach



Ray Chee-A-Tow



Susan Springer



Rovel Morris



Martin Pritchard



Mark Durant



## *Committee, Executive & Advisors*



Maureen Davis, Chairperson



Denis Roach



Mark Thompson



Averil Byer



Martin Ince



Jon Martineau



Michelle Smith-Mayers



Roseanne Myers



**Executive Officer:**  
Lisa-Anne Arthur

### **Advisors:**

PricewaterhouseCoopers, Auditors

FirstCaribbean International Bank Ltd., Bankers

Sir Douglas Lynch, Attorney-at-Law

Valence A. Lynch & Co., Accountants

## *Members & Sponsors*

Accra Beach Hotel & Spa  
Altman Real Estate Ltd.  
Almond Resorts Inc.  
Atlantis Submarines (B'dos) Inc.  
Bank of Nova Scotia  
Banks (B'dos) Breweries Ltd.  
Barbados Light & Power Co. Ltd.  
Barbados Marine Trust  
Barbados Shipping & Trading Co. Ltd.  
Bico Ltd.  
Bougainvillea Beach Resort  
Bridgetown Cruise Terminals Inc.  
Butterfly Beach Hotel  
Cable & Wireless (Barbados) Ltd.  
Carter & Co. Ltd.  
Cave Shepherd & Co. Ltd.  
CGM Insurance Brokers Ltd.  
Chickmont Foods Ltd.  
Cobblers Cove Hotel  
Colombian Emeralds International

Coral Reef Club  
Foster & Ince Cruise Services Inc.  
Gale's Agro Products Ltd.  
Goddard Enterprises Ltd.  
KPMG  
Mark Thompson Group  
Mount Gay Distilleries Ltd.  
PricewaterhouseCoopers  
RBC Royal Bank of Canada  
Realtors Ltd.  
Roberts Manufacturing Co. Ltd.  
Sagikor General Insurance Inc.  
Sandy Lane Hotel & Golf Club  
Tall Ships Ltd.  
The Sandpiper Inn  
The Ship Inn Ltd.  
Treasure Beach Hotel  
Tropic Ice Unlimited Inc.  
Williams Industries Inc.

### **Membership Benefits**

Membership in the TDC allows corporate citizens the unique opportunity to share in and help shape the future development of Barbados as a tourist destination. There are two categories of membership - Full Members and Sponsors.

#### **Full Members:**

- Contribute 2% of their pre-tax income from the previous year
- Claim 150% of their contribution for tax purposes
- Are entitled to vote at the TDC's Annual General Meeting

#### **Sponsors:**

- Contribute a fixed amount which is agreed upon by the TDC
- Claim 150% of their contribution for tax purposes
- Are not eligible to vote at the TDC's Annual General Meeting





## *Chairman's Report*

G. Anthony King, Chairman

This past year has seen a worsening in the global economic situation, which has inevitably exerted pressure on the local tourism sector and Barbados' economy as a whole. It was in similar difficult economic times back in 1987 that prompted the formation of the TDC to facilitate the wider private sector's participation in promoting the island's tourism product to international tourist markets.

Now, more than ever, our island needs to put its best foot forward to earn foreign exchange as the lifeblood of our economy. Whether it is traditional tourism, cruise tourism or the ability to attract foreign persons to establish international businesses on the island, these are the key sectors that we must foster and grow, or at a minimum maintain in this current economic climate.

With this in mind, TDC remains committed to executing our mandate to support impactful, sustainable initiatives that seek to increase the awareness and attractiveness of our island as a quality tourism destination.

### ***The International Business Sector***

During the year, TDC held discussions with various stakeholders in the International Business Sector to offer its funding facility to contributors and to thereby provide support for the marketing of this important foreign exchange earning sector. However, new funding and the sponsorship of international business projects by the TDC did not commence as anticipated and we await further feedback from the relevant stakeholders. Given the restructuring of Invest Barbados and its redefined role, a partnership with the TDC for sponsorship may not be necessary, but the TDC remains willing to facilitate private sector contributions for use by this sector for development purposes.

### ***Private Sector Trade Team***

The Barbados Private Sector Trade Team (PSTT) functions as the research arm of the Barbados Private Sector Association (BPSA) and is financed by contributions from the private sector through the TDC and by counterpart funding from Government.

During the past year, the PSTT was formally incorporated into the operations of the Barbados Private Sector Association (BPSA). The role of the TDC in facilitating private sector contributions to the PSTT will however continue, in order to provide the tax benefits associated with contributions made through the TDC. These funds will subsequently be passed on to the BPSA for the purposes of supporting the PSTT.

The Board of Directors believes that the BPSA is the natural body under which the PSTT should fall and anticipates that this transition should bring about a more effective private sector entity that contributes more significantly to national debates and Government policy.

We sincerely appreciate the Team's continued diligence over the past year and wish the members of the PSTT and Mr. Magnus Whitehead, the private sector's Trade Representative, all the best in their future endeavours.

## **Membership**

For the year ended March 31, 2009, TDC membership contributions totalled \$927,284.

During the financial year (April 1, 2008 – March 31, 2009), funding commitments for development and promotional activities amounted to \$929,241. As at March 31, 2009, \$879,839 was disbursed, while the TDC stands committed to further project expenditures of \$801,823.

An amount of \$3.3 million is being held on fixed deposit at rates ranging from 3.25% to 6%. These funds are intended to cover ongoing and new commitments.

## **In Closing**

This opportunity is taken to extend sincere thanks to my fellow Directors, the Project Assessment Committee and the Secretariat for their continued support. I also wish to thank our membership for your invaluable contributions which provide the working capital and resources necessary for us to continue to finance sustainable marketing and product enhancement initiatives. In the not too distant future, we will be issuing membership plaques to all of our members and sponsors to acknowledge and highlight our productive association.

Undoubtedly, these challenging economic times will require participation by much more than a few responsible corporate citizens to enable TDC to continue to play an integral role in the development of a sector which is so vital to the overall stability of our nation. We can all agree that the economic activity derived from visitor spending directly and indirectly benefits commerce in general and ultimately improves the overall quality of living in our island for all. TDC will therefore be launching a targeted membership drive in the coming year to encourage other forward thinking enterprises to join us in the effort to support Barbados' leading foreign exchange earning sector.

We therefore look forward to retaining your membership, while we seek to attract new members, in order that we can continue to proudly demonstrate the private sector's commitment to the support of our tourism industry and by extension the economic well-being of our country.

A handwritten signature in black ink, appearing to read "G. King", with a long, sweeping horizontal stroke extending to the right.

G. Anthony King  
Chairman





## *Committee Report*

Maureen D. Davis, Chairperson

During the year under review, TDC continued to support projects aimed at restoring and enhancing local attractions and facilities, which contribute directly to the quality of the visitor's experience whether on holiday or on business. These efforts were complemented by our ongoing support of international marketing initiatives and specific event promotions that seek to encourage both new and repeat business to our shores.

### **Projects Supported**

In particular this year, much of TDC's sponsorship has been directed towards several significant heritage tourism initiatives as we continue to encourage and support the further development of this untapped niche market.

TDC assisted the Barbados Garrison Historical Consortium Inc. in completing its three-year business plan, which outlines clear objectives and practical strategies to holistically develop the **Garrison Historic Area** as a sustainable heritage tourism site. It is envisioned that the area's rich history will be brought to life, allowing for exciting guided and self-guided tours of the many historical sites and attractions in the area; with the ultimate goal being to attain the international distinction of World Heritage Site for the city of Bridgetown.

As an extension of this effort, TDC also committed funding support towards the refurbishment of the **Barbados Museum's Gift Shop**, which will become its new main entrance and exit with a greatly expanded product line, displayed within related mini-exhibits. TDC was pleased to support this project, as the Museum has an integral role to play in the redevelopment of the Garrison Historic Area and is currently on the path to raising its profile and offerings as part of its current restoration drive.

TDC also provided funding support for refurbishments to the deck extension at **Gun Hill Signal Station** in an effort to enhance the facilities and create a more comfortable environment for visitors to this heritage site.

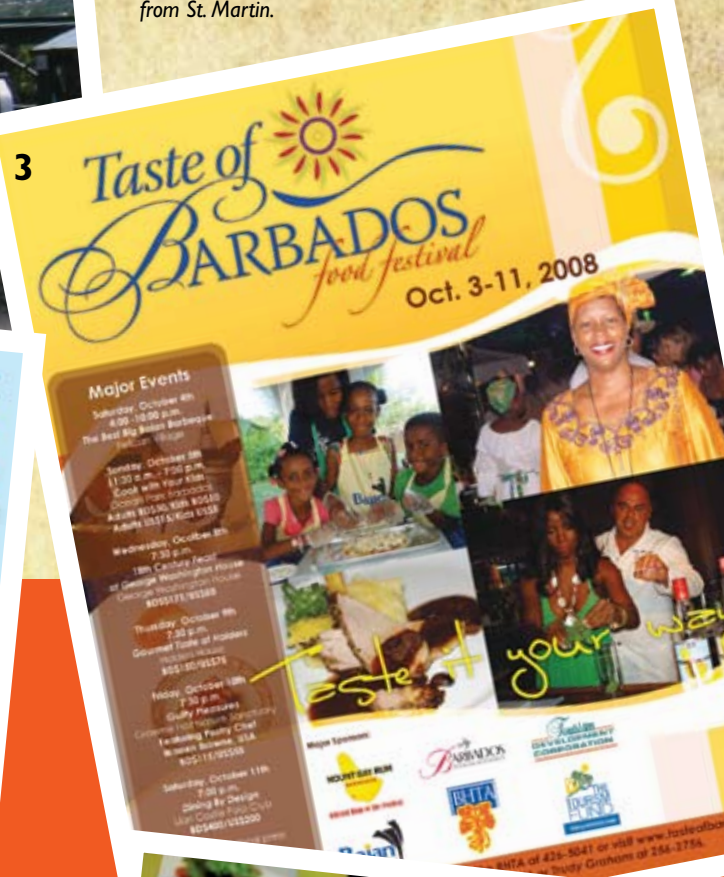
In collaboration with the Barbados Tourism Authority and the Barbados Hotel & Tourism Association, TDC supported the development of the **Barbados Online Image Library**. This library is intended to pull together a collection of authentic, up-to-date, quality images of Barbados into one online location, thereby providing industry stakeholders and other pre-approved partners with worldwide access to quality images of the island for promotional purposes.

An exciting initiative soon to be launched by the Barbados Tourism Authority, to which TDC committed funding support this year was the **Barbados Trails Programme**. This initiative will see local attractions, sites and activities aggregated around a simple, common theme, allowing for the creation of a 'Trail' of discovery for visitors to experience. For instance, the Nature Trail will highlight local gardens, gullies, parks, attractions etc., the Faith Trail - houses of worship, burial grounds etc., the Heritage Trail - historic buildings, monuments, attractions etc. These 'Trails' are expected to better capture and communicate the full breadth and depth of Barbados' product offering, allowing for more effective messaging and promotions to the specific interests of our visitors.





1. New Roof and other refurbishments made to the deck extension at **Gun Hill Signal Station**.
2. **2009 Barbados Darts Festival** promotional flyer.
3. **2008 Taste of Barbados** promotional flyer.
4. **2009 Barbados Youth Soccer Cup** - parade of teams.
5. **2009 Barbados Youth Soccer Cup** - visiting team from St. Martin.





During the year, TDC also provided sponsorship support towards the overseas promotional activities for the **Taste of Barbados Food Festival** 2008 and 2009. With culinary tourism becoming one the fastest growing niche markets within the travel industry today, this annual festival plays an integral role in the local development of this niche, as it provides a platform from which Barbados can be promoted internationally as the restaurant capital of the Caribbean.

TDC this year committed to part sponsorship of a 1-hour, high quality, HD Film Special about Barbados for worldwide distribution via television and other media. This **Barbados Style Worldwide TV Special** is aimed at strengthening and re-positioning the Barbados brand in existing and emerging international markets. It will encourage viewers to visit Barbados by promoting the tourism product - highlighting the island's facilities, culture, sports, music and nightlife; as well as seek to attract direct inward investment in real estate and international business on the island.

Encouraged by the steady growth of foreign participation in several sporting events supported annually by the TDC, sponsorship was once again provided for the production and distribution of the tournament brochures for the **2008 Barbados International Masters Football Festival**, the **2009 Barbados Darts Festival** and the **2009 Barbados International Youth Soccer Cup**. It is expected that future tournaments will continue to grow as respective promotional activities are expanded in both regional and international markets.

TDC also continued its annual sponsorship of the **2009 DGM Barbados Open**, as well as the **2009 Sir Garry Sobers Golf Championships**. Funding support was provided for the production of a promotional highlights video of the former event, to be distributed in the U.K and for media coverage of the latter tournament in the U.K and North America.

One of the more significant product enhancement initiatives supported by the TDC during the year is the **Cherry Tree Hill Redevelopment Project**. Cherry Tree Hill is situated on a cliff overlooking Barbados' East Coast and has long been a popular stop for visitors wishing to take in the breathtaking views of the Scotland District and the coast.

Over the years, however, the surrounding terrain at the lookout site had been significantly eroded, resulting in cars and tour buses having to park along the narrow road when stopping to take in the view. This often created congestion in the area and made it difficult for traffic to navigate the road safely. Additionally, the once picturesque mahogany grove, planted in the mid to late 18th century along the roadside leading to the hill, had become overgrown with bush and several invasive tree species.

TDC therefore provided funding assistance to enhance the surrounding area at Cherry Tree Hill by constructing dual lay-bys along the roadside to provide temporary parking for visitors taking in the view, while allowing traffic to flow unimpeded. Further, the eroded terrain at the lookout point was refilled with soil and landscaped with grass, plants and boulders to prevent soil erosion; while foliage not indigenous to the area was cleared to preserve the island's oldest mahogany grove. The result is a beautiful, safe and accessible lookout site from which locals and visitors alike can enjoy the magnificent views.



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7 BEFORE



AFTER 7

**6. 2009 DGM Barbados Open -**

Winner Mr. Sam Torrence putting his way to victory on the 6th Green and displaying the winner's trophy.

**7. West Coast Beach & Reef Restoration Project**

The beach at Coral Reef before & after the installation of groynes.

*Private Enterprise for*



# Cherry Tree Hill - Redevelopment Project



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- 8. Lay-bys built on both sides of the roadway for parking.
- 9. TDC signage at Cherry Tree Hill.
- 10. Soil retaining boulders, recently planted grass and plants at the lookout.
- 11. View of the coast from the lookout.



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Sustainable Tourism Development

TDC is proud to report on the interim success of the **West Coast Beach and Reef Restoration Project** - an important environmental initiative to which TDC committed funding support in the previous financial year. The project sought to redress the erosion that took place on a section of beach along the island's West Coast from the southern end of Villas on the Bay to the northern end of Heron Bay. TDC had previously provided funding for a coastal engineering study to determine feasible solutions to the rapid erosion; as well as to assist with the physical model testing of the immediate and long-term solutions recommended for implementation by the study. Subsequently, several groynes were placed at specific locations in the area as part of an initial implementation phase. Interim results have been highly successful as the condition of the affected beaches has greatly improved. The project however is ongoing and will see the implementation of the final solution over the next few years to ensure long-term sustainability.

The Committee, being mindful of the current global economic crisis, met with our strategic partners during the year to discuss TDC's future role in the industry, particularly as it relates to project support. It was agreed that TDC would endeavour to support at least one impactful, large-scale project annually, while continuing to be supportive of micro initiatives that have the growth potential to become significant revenue generators. In this vein, for the coming year, TDC has already committed to part sponsorship of a national security initiative, whereby CCTV cameras will be installed in high traffic tourist areas and monitored by the Royal Barbados Police Force at the recently completed Command Centre at District A.

Notwithstanding this support, the Committee will remain vigilant as to any negative fallout in the tourism sector as a result of the economic recession and will stand ready to assist our partners with the implementation of any emergency programmes required to support the industry during this difficult period.

A handwritten signature in black ink, which appears to read "Maureen Davis". The signature is fluid and cursive.

Maureen D. Davis  
Chairperson  
Project Assessment Committee



# Projects Supported 1987-2009

## Current Project Commitments

Barbados Style Worldwide TV Special  
Barbados Trails Programme  
Branding & Signage for the Bridgetown Port  
BTA Caribbean Marketing Initiatives  
Chelsea Flower Show  
GHA Operational Plan Activities  
Illegal Dumping Campaign  
Refurbishment of the Barbados Museum Gift Shop  
Refurbishment of the Bay Street Band Stand  
The Careenage Bridge  
Visitor Safety Awareness Flyers & Posters  
West Coast Mega Yacht Mooring Installation

2008 Barbados International Masters Football Festival  
2008 Taste of Barbados Food Festival  
2009 Barbados Darts Festival  
2009 Sir Garry Sobers Golf Championships  
2009 Taste of Barbados Food Festival  
Barbados Museum Gift Shop Design Plan  
Barbados National Trust Brochure  
Barbados Online Image Library

I-800-8-BARBADOS  
A Healing Touch Telethon  
Adopt-A-Beach  
Adopt-A-Highway  
Adventure Tours - Marketing  
Airport Cosmetic Improvements  
Air Jamaica Vacations - Marketing  
A Taste of Barbados  
Air Tours - Marketing  
American Airlines - Marketing  
American Express - Marketing  
Atlantic Barbados Challenge Yacht Race  
Atlantic Barbados Rowing Race  
Atlantic Rowing Challenge  
Barbados Aquatic Centre Competitions  
Barbados Beyond 2000 Promotion  
Barbados Bridge League Tournament  
Barbados Cancer Society Fund Raising Dinner  
Barbados Cruise Visitor Survey  
Barbados Cup Youth Soccer Tournament  
Barbados Golf Association Tournaments

Barbados Horticultural Society Local Flower Shows  
Barbados International Game Fishing Tournament  
Barbados Is Magic School Competition  
Barbados Jazz Festivals  
'Barbados Night' Promotions with Ottawa Senators  
Barbados Private Sector Agency Projects  
Barbados Rally Carnival  
Barbados Sea Turtle Project Initiative  
Barbados Take A Closer Look Video  
Barbados Tourist Attraction Audit Programme  
Barbados Travel Planning Guide  
Barbados Windsurfing Grand Prix  
Barbados Workers' Union Training  
Barbados Yachting Association Races  
Barry Forde Sponsorship  
Batts Rock Redevelopment Project  
Beach Kiosks  
BET Jazz Marketing  
BHTA Environmental Officer  
BHTA Marketing Programmes  
BHTA Training Fund

BIMAP  
BMT Reef Ball Project  
Breakfast In Barbados - Marketing  
Brian Talma Beach Culture World Tour  
Brides Magazine - Marketing  
Bridgetown Lighting Project  
Bring 'em Back - Marketing  
British Executive Services Overseas  
BTA Marketing Programmes  
BWIA - Marketing  
Caledonia - Marketing  
Cannon Restoration  
Caribbean Connection - Marketing  
Carib Express - Marketing  
Caribbean Squash Tournament  
Carifta Games  
Carlisle Bay Marine Park  
Cavalcade Parade  
CBBA Offshore Promotions  
Chamber of Commerce Duty Free Committee  
Charleston Garden Festival  
Chelsea Flower Show PR & Press Coverage

# Projects Supported 1987-2009

Choice Litter Bins	IT&ME - Marketing	Sir Garry Sobers Festival of Golf
Clean Country Campaign	Jubilee Gardens Redevelopment	Sizzlin' Sand Beach Volleyball Tournament
Club America - Marketing	Kiwanis Convention	Skin Diver Magazine - Marketing
Cockspur Gold Cup	Kuoni Travel Ltd. - Marketing	St. James Parish Church Care & Share Contribution
Codrington College Grounds Improvement Project	La AMISTAD Visit to Barbados	South America Programme
Come Clean Campaign	Leisure Pack - Marketing	Special Forces Training
Community College Language Training	Leo Club of Barbados Central	Spirit of Unity World Reggae Tour
Community Tourism Projects	Litter Patrol	Splash Barbados -Marketing
Concorde - Marketing	Lib GoGo - Marketing	Sports Promotion Video
Congaline Carnival	Local Performers at London Jazz Festival	Sprite Caribbean Cup
Contempo	Luxury Hotel Tour 2003	St. John's Church Grounds Improvement Project
Coventry Barter Programme	Main Guard Clock Restoration	St. Mary's Church Historic Site Project
Cricket Exhibit at the Legends' Museum	Magazine ads - Various	Sun Fun Tours - Marketing
Cricket Value Added Packs	Martinair - Marketing	Sun, Sea & Slams Tournament
Crop Over Festivals	Ministry of Tourism Projects	Sunquest - Marketing
CTC 20 & 24 Conferences	Moja Festival in South Carolina	Suntur Charter- Marketing
David Kirton at Midem Music Market	Mosquito Magnet	'Sweeter Side of Barbados' Promotions
"De Heart uh Barbados"	Morgan Lewis Windmill Restoration	Taste of the Caribbean
"Desire" Promotional Band Tour	NAWIRA Rugby Festival	TDC Youth Arm
Dive Promotions	National Agro-tourism Workshop	The Garrison Committee Litter Bins
DGM Barbados Open	National Armouries Museum	The Shipwreck Project
Elegant Resorts - Marketing	National Initiative For Service Excellence	Thomson - Marketing
Farley Hill Grounds Improvement Project	National Heroes Gallery & Museum of Parliament	Tourism Development Programme
Fingerprinting Equipment for RBPF	Night of the 90's -Training	Tourism Training & Awareness Seminars
Florida-Caribbean Cruise Association	NISE Handbook	Travel Charter - Marketing
George Washington House Restoration Project	Owners Abroad - Marketing	Travel Impressions - Marketing
"Get on Board" Youth Development	Palm Tree Planting along South Coast	Travel Planning Guide
Globetrotters - Marketing	Paul Gunther - Marketing	Tropical Solutions
Gold Book Advertising	Pleasure Break - Marketing	Trump Air - Marketing
Gospelfest	Price Waterhouse Cruise Survey	TSN Aerobics Series
Green Guide to Barbados	Radio Series on Tourism	Turtle Workshop
Greening Barbados	Rescue the Reefs	UK County Shows
Gun Hill Refurbishment	Road Signage	UN Global Conference
Hastings Rocks Revitalisation	Rockley Beach Park Lights	UTELL International Village of Hope
Hastings Rocks Band Concert	Rotary Club of Barbados West	VISA International - Marketing
Holders Season	Rotary Youth Environmental Project	Visitor Satisfaction Survey
Holetown Festival	Royal Barbados Police Force	Wardair - Marketing
Hotel & Travel Index	Run Barbados	West Coast Beach & Reef Restoration Project
Immigration Department Training	Security Guard Patrols	World Cup of Golf
Installation of Litter Bins	Shell Wonderful World of Golf Tournament	
Interactive Tourism Training Tree	Shepherd Street Beautification Project	
International Veterinary Conference	Sir Frank Worrell Bust	
Intimate Hotels - Marketing	Sir Garfield Sobers Cricket Tournaments	



**PricewaterhouseCoopers**

The Financial Services Centre  
Bishop's Court Hill  
P.O. Box 111  
St. Michael BB14004  
Barbados, West Indies  
Telephone (246) 436-7000  
Facsimile (246) 436-1275

**INDEPENDENT AUDITORS' REPORT**

**To the Members of  
Tourism Development Corporation**

We have audited the accompanying financial statements of **Tourism Development Corporation**, which comprise the balance sheet as at March 31, 2009, the statement of income, statement of changes in accumulated surplus and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of 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.

***Auditors' Responsibility***

Our 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 ethical requirements and plan and perform the audit to obtain reasonable assurance 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 the auditors' 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, the auditors consider internal control relevant to the entity'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 entity'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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Tourism Development Corporation** as at March 31, 2009, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.



Chartered Accountants  
June 11, 2009  
Bridgetown, Barbados

**TOURISM DEVELOPMENT CORPORATION**

Balance Sheet

**As at March 31, 2009**

(expressed in Barbados dollars)	2009 \$	2008 \$
<b>Current assets</b>		
Cash on hand and at bank (note 4)	313,156	336,083
Cash on hand and at bank - held for BHTA and special projects (note 4)	1,270,777	671,495
Loans and receivables (note 5)	3,293,668	2,504,377
Loans and receivables - held for BHTA (note 5)	262,372	582,737
Prepaid expenses	3,713	3,722
	<b>5,143,686</b>	<b>4,098,414</b>
<b>Non-current assets</b>		
Plant and equipment (note 6)	19,847	22,159
Loans and receivables (note 5)	220,296	846,825
Loans and receivables - held for BHTA (note 5)	617,234	925,677
	<b>857,377</b>	<b>1,794,661</b>
<b>Total assets</b>	<b>6,001,063</b>	<b>5,893,075</b>
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	28,567	19,571
Due to Barbados Hotel and Tourism Association (note 7)	2,125,538	2,086,391
Provision for development and promotional expenditure (note 8)	801,823	752,421
Due to Ministry of Transport, Works & International Transport (note 10)	24,845	93,518
<b>Total liabilities</b>	<b>2,980,773</b>	<b>2,951,901</b>
<b>Accumulated surplus</b>	<b>3,020,290</b>	<b>2,941,174</b>
<b>Total liabilities and accumulated surplus</b>	<b>6,001,063</b>	<b>5,893,075</b>

Approved by the Board of Directors on June 11, 2009.

A handwritten signature in black ink, appearing to read "G. Anthony King".

G. Anthony King  
Chairman

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Hutson R. Best  
Director



**TOURISM DEVELOPMENT CORPORATION**  
Statement of Changes in Accumulated Surplus  
**For the year ended March 31, 2009**



(expressed in Barbados dollars)

	<b>Accumulated Surplus \$</b>
<b>Balance at March 31, 2007</b>	3,610,493
Deficit for the year	<u>(669,319)</u>
<b>Balance at March 31, 2008</b>	2,941,174
Surplus for the year	<u>79,116</u>
<b>Balance at March 31, 2009</b>	<u><b>3,020,290</b></u>

**TOURISM DEVELOPMENT CORPORATION**

## Statement of Income

For the year ended March 31, 2009



(expressed in Barbados dollars)

	2009 \$	2008 \$
<b>Income</b>		
Members' and sponsors' contributions (note 2(a))	927,284	802,684
Private Sector Trade Team contributions (note 9)	309,344	344,375
Interest income (note 5)	189,763	209,151
<b>Total income</b>	<b>1,426,391</b>	<b>1,356,210</b>
<b>Expenditure</b>		
Development and promotional expenditure (note 13)	929,241	1,518,361
Private Sector Trade Team expenses (note 9)	240,505	353,157
Administration expenses	54,604	48,936
Salaries, allowances and national insurance (note 11)	74,744	64,737
Professional fees	37,992	29,342
Depreciation (note 6)	6,648	5,858
Subscriptions	2,472	2,474
Medical plan	1,069	2,664
<b>Total expenditure</b>	<b>1,347,275</b>	<b>2,025,529</b>
<b>Surplus/(deficit) for the year</b>	<b>79,116</b>	<b>(669,319)</b>



**TOURISM DEVELOPMENT CORPORATION**

## Statement of Cash Flows

For the year ended March 31, 2009



(expressed in Barbados dollars)

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Surplus/(deficit) for the year	<b>79,116</b>	(669,319)
Adjustments for:		
Depreciation	<b>6,648</b>	5,858
Interest income	<b>(189,763)</b>	(209,151)
Operating deficit before working capital changes	<b>(103,999)</b>	(872,612)
Decrease in prepaid expenses	<b>9</b>	1,496
Decrease in withholding tax recoverable	<b>–</b>	50,748
Increase in accounts payable and accrued liabilities	<b>8,996</b>	1,024
Increase in due to Barbados Hotel and Tourism Association	<b>39,147</b>	63,721
Increase in development and promotional expenditure committed	<b>49,402</b>	295,070
Decrease in due to NISE	<b>–</b>	(1,500)
(Decrease)/increase in due to Ministry of Transport, Works & International Transport	<b>(68,673)</b>	8,331
<b>Net cash used in operating activities</b>	<b>(75,118)</b>	(453,722)
<b>Cash flows from investing activities</b>		
Purchase of plant and equipment	<b>(4,336)</b>	(2,630)
Interest received	<b>224,052</b>	334,444
Investment in loans and receivables	<b>(3,691,057)</b>	(4,795,121)
Maturity of loans and receivables	<b>4,122,814</b>	4,858,014
<b>Net cash from investing activities</b>	<b>651,473</b>	394,707
<b>Net increase/(decrease) in cash on hand and at bank</b>	<b>576,355</b>	(59,015)
<b>Cash on hand and at bank - beginning of year</b>	<b>1,007,578</b>	1,066,593
<b>Cash on hand and at bank - end of year</b>	<b>1,583,933</b>	1,007,578

(expressed in Barbados dollars)

## **1. Incorporation and principal activity**

The Corporation was incorporated on June 10, 1987, as a non-profit organisation. The principal activity of the Corporation is the promotion and development of the Barbados Tourism Industry. The Corporation's principal place of business is located in Bridgetown, St. Michael.

## **2. Significant accounting policies**

### **a) Basis of preparation**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), and have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Although these estimates are based on management's best knowledge of current events and conditions, actual results could differ from these estimates.

### ***Interpretations effective in financial year 2008***

The following interpretation to published standards is mandatory for accounting periods beginning on or after January 1, 2008 but is not relevant to the company's operations:

- IFRIC 11 - IFRS 2 - Group and treasury share transactions;
- IFRIC 12 - Service concession arrangements;
- IFRIC 13 - Customer loyalty programmes;
- IFRIC 14, IAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction; and
- IFRIC 15 - Agreements for Construction of Real Estate.

### ***Standards, interpretations and amendments to published standards that became effective January 1, 2009.***

Management has reviewed the new standards, amendments and interpretations to published standards that are not yet effective and have chosen not to early adopt. Any impact of this interpretation on the company's financial statements will be assessed in the 2010 financial year.

IAS 1 (Revised)	-	Presentation of financial statements
IAS 7 (Amendment)	-	Statement of cash flows
IAS 8 (Amendment)	-	Accounting policies, changes in accounting estimates and errors
IAS 10 (Amendment)	-	Events after the reporting period
IAS 16 (Amendment)	-	Property, plant and equipment
IAS 18 (Amendment)	-	Revenue recognition
IAS 19 (Amendment)	-	Employee benefits
IAS 20 (Amendment)	-	For government grants and disclosure of government assistance
IAS 23 (Amendment)	-	Borrowing costs
IAS 27 (Amendment)	-	Consolidated and separate financial statements
IAS 28 (Amendment)	-	Investments in associates
IAS 29 (Amendment)	-	Financial reporting in hyperinflationary economies



(expressed in Barbados dollars)

## **2 Significant accounting policies ...continued**

### **a) Basis of preparation ...continued**

***Standards, interpretations and amendments to published standards that became effective January 1, 2009 ...continued***

IAS 31 (Amendment)	-	Interests in joint ventures
IAS 32 (Amendment)	-	Financial instruments: Presentation
IAS 34 (Amendment)	-	Interim financial reporting
IAS 36 (Amendment)	-	Impairment of assets
IAS 38 (Amendment)	-	Intangible assets
IAS 39 (Amendment)	-	Financial instruments: Recognition and measurement
IAS 40 (Amendment)	-	Investment property
IAS 41 (Amendment)	-	Agriculture
IFRS 1 (Amendment)	-	First time adoption of IFRS
IFRS 2 (Amendment)	-	Share-based payment
IFRS 3 (Revised)	-	Business combinations
IFRS 5 (Amendment)	-	Non-current assets held-for-sale and discontinued operations
IFRS 7 (Amendment)	-	Financial instruments: Disclosures
IFRS 8	-	Operating segments
IFRIC 16	-	Hedges of a net investment in a foreign operation

### **(b) Members' contributions**

Members' contributions are recognised on the cash basis. In view of their voluntary nature, members' contributions in arrears have not been recognised in these financial statements.

### **(c) Development and promotional expenditure committed**

The liability for development and promotional expenditure committed is provided for upon approval by the Board of Directors and commitment to the recipient.

### **(d) Investment income**

Investment income is recognised on the accrual basis.

### **(e) Plant and equipment**

Plant and equipment is stated at historical cost less depreciation.

Depreciation is calculated on a straight line basis, so as to write off the cost of plant and equipment over their estimated useful lives as follows:

Leasehold improvements	2 years
Computer equipment	3 years
Furniture and fittings	10 years
Other office equipment	10 years
Donated equipment	3 - 10 years

Equipment donated is recorded at cost and credited to income in the year in which the equipment is received. This treatment is not in accordance with International Financial Reporting Standards. However, the amount is not considered to be material to the financial statements.

(expressed in Barbados dollars)

## 2 Significant accounting policies ...continued

### (f) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. Cash and cash equivalents represent cash on hand and at bank and short-term deposits with a maturity date of less than ninety days.

### (g) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. They are carried at amortised cost less provision for impairment.

## 3. Taxation

The Corporation has been registered as a non-profit organisation and is therefore exempt from corporation tax.

## 4. Cash on hand and at bank

Total cash on hand and at bank comprise the following:

	2009 \$	2008 \$
<b>Cash on hand and at bank</b>	<b>313,156</b>	<b>336,083</b>
<b>Cash on hand and at bank - held for BHTA and special projects</b>		
Held for BHTA	1,245,932	577,977
Held for Ministry of Transport, Works & Int'l Transport	24,845	93,518
	<b>1,270,777</b>	<b>671,495</b>

## 5. Loans and receivables

Total current loans and receivables comprise the following:

	2009 \$	2008 \$
<b>Over 90 days but less than one year</b>		
Bank of Butterfield	267,380	582,737
Barbados National Bank Inc.	581,663	592,879
Barbados Shipping and Trading Company Limited	1,339,076	727,344
Cave Shepherd & Co. Limited	307,047	289,077
Globe Finance Inc.	284,760	269,739
RBTT Bank Barbados Ltd.	263,977	625,338
Signia Financial Group Inc.	512,137	–
	<b>3,556,040</b>	<b>3,087,114</b>
<b>Less: Held for BHTA</b>		
Barbados National Bank Inc.	–	582,737
Barbados Shipping and Trading Company Limited	262,372	–
	<b>262,372</b>	<b>582,737</b>
<b>Current loans and receivables</b>	<b>3,293,668</b>	<b>2,504,377</b>



**TOURISM DEVELOPMENT CORPORATION**

Notes to Financial Statements

**March 31, 2009**


(expressed in Barbados dollars)

**5. Loans and receivables...continued**

Total non-current loans and receivables comprise the following:

	2009 \$	2008 \$
<b>Greater than one year</b>		
Bank of Butterfield	–	252,320
Globe Finance Inc.	837,530	110,078
Signia Financial Group Inc.	–	484,427
Clico International Life Insurance Ltd.	–	925,677
	<b>837,530</b>	<b>1,772,502</b>
<b>Less: Held for BHTA</b>		
Globe Finance Inc.	617,234	–
Clico International Life Insurance Ltd.	–	925,677
	<b>617,234</b>	<b>925,677</b>
<b>Non-current loans and receivables</b>	<b>220,296</b>	<b>846,825</b>

Loans and receivables earn interest at varying rates from 3.25% to 6.0% (2008 - 5% to 7%).

**6. Plant and equipment**

	Leasehold improvements \$	Computer equipment \$	Furniture and fittings \$	Other office equipment \$	Donated equipment \$	Total \$
<b>At March 31, 2007</b>						
Cost	3,646	32,126	24,353	16,021	20,197	96,343
Accumulated depreciation	(3,646)	(27,163)	(11,738)	(11,442)	(16,967)	(70,956)
<b>Net book amount</b>	<b>-</b>	<b>4,963</b>	<b>12,615</b>	<b>4,579</b>	<b>3,230</b>	<b>25,387</b>
<b>Year ended March 31, 2008</b>						
Opening net book amount	-	4,963	12,615	4,579	3,230	25,387
Additions	-	2,630	-	-	-	2,630
Depreciation charge	-	(2,915)	(2,128)	(254)	(561)	(5,858)
<b>Closing net book amount</b>	<b>-</b>	<b>4,678</b>	<b>10,487</b>	<b>4,325</b>	<b>2,669</b>	<b>22,159</b>
<b>At March 31, 2008</b>						
Cost	3,646	34,756	24,353	16,021	20,197	98,973
Accumulated depreciation	(3,646)	(30,078)	(13,866)	(11,696)	(17,528)	(76,814)
<b>Net book amount</b>	<b>-</b>	<b>4,678</b>	<b>10,487</b>	<b>4,325</b>	<b>2,669</b>	<b>22,159</b>
<b>Year ended March 31, 2009</b>						
Opening net book amount	-	4,678	10,487	4,325	2,669	22,159
Additions	-	4,336	-	-	-	4,336
Depreciation charge	-	(3,093)	(2,128)	(865)	(562)	(6,648)
<b>Closing net book amount</b>	<b>-</b>	<b>5,921</b>	<b>8,359</b>	<b>3,460</b>	<b>2,107</b>	<b>19,847</b>

# TOURISM DEVELOPMENT CORPORATION

Notes to Financial Statements

March 31, 2009



(expressed in Barbados dollars)

## 6. Plant and equipment...continued

	Leasehold improvements \$	Computer equipment \$	Furniture and fittings \$	Other office equipment \$	Donated equipment \$	Total \$
<b>At March 31, 2009</b>						
Cost	3,646	39,092	24,353	16,021	20,197	103,309
Accumulated depreciation	(3,646)	(33,171)	(15,994)	(12,561)	(18,090)	(83,462)
<b>Net book amount</b>	<b>-</b>	<b>5,921</b>	<b>8,359</b>	<b>3,460</b>	<b>2,107</b>	<b>19,847</b>

## 7. Due to Barbados Hotel and Tourism Association

	2009 \$	2008 \$
Balance at beginning of year	2,086,391	2,022,670
Member contributions received during year	803,298	886,709
Disbursements on behalf of BHTA during year	(760,363)	(829,523)
Interest on deposits	79,451	89,141
Commissions	(83,239)	(82,606)
	<b>2,125,538</b>	<b>2,086,391</b>

The Tourism Development Corporation collects contributions on behalf of the Barbados Hotel and Tourism Association. These contributions are used for investment in projects which will enhance Barbados' tourism product.

During the year, the Tourism Development Corporation invested the balances in term deposits on behalf of the Barbados Hotel and Tourism Association. The interest on deposits represents interest earned on these deposits (note 5).

## 8. Development and promotional expenditure committed

This represents commitments entered into at the end of the year for sponsorship of projects approved by the Board of Directors and committed to the recipient of \$801,823 (2008 - \$752,421).

## 9. Private Sector Trade Team

The Board of Directors approved the formation of the Barbados Private Sector Trade Team, towards which contributions have been and will be received from non-members and the Government of Barbados.

Included in these expenses for the year are Salaries and National Insurance expenses.

	2009 \$	2008 \$
Salaries	148,159	225,090
National Insurance	11,719	16,333
	<b>159,878</b>	<b>241,423</b>



**TOURISM DEVELOPMENT CORPORATION**

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**March 31, 2009**

(expressed in Barbados dollars)

**10. Due to Ministry of Transport, Works & International Transport**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Balance at beginning of year	<b>93,518</b>	85,187
Contributions collected during the year	<b>49,000</b>	317,375
Disbursements on behalf of Ministry of Transport, Works & International Transport during the year	<b>(117,673)</b>	(309,044)
	<b>24,845</b>	93,518

The Tourism Development Corporation collects contributions on behalf of the Ministry of Transport, Works & International Transport to facilitate the National Road Signage Project.

**11. Staff costs**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
Administrative salaries	<b>69,000</b>	59,200
National Insurance	<b>5,744</b>	5,537
	<b>74,744</b>	64,737

**12. Financial risk management**

The Corporation's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow and fair value interest rate risk and price risk), credit risk and liquidity risk.

**a) Market risk****i) Currency risk**

The Corporation's transactions in foreign currencies are mainly for operating expenses. These transactions are denominated mainly in United States dollars. Since there is a fixed exchange rate between the Barbados dollar and the United States dollar there is no significant exposure to foreign exchange risk.

**ii) Price risk**

The Corporation does not hold any equity securities and as a result is not exposed to equity securities price risk.

**iii) Cash flow and fair value interest rate risk**

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The company's assets bear interest at fixed rates (see note 5) and are carried at amortised cost not fair value. As a result the company is not exposed to either cash flow or fair value interest rate risk on these assets. As discussed in note 7 the company's balances payable bear interest at a fixed interest rate and therefore there is no exposure.

(expressed in Barbados dollars)

**12. Financial risk management...continued**
**b) Credit risk**

Credit risk arises from the possibility that counterparties may default on their obligations to the Corporation. The amount of the Corporation's maximum exposure to credit risk is indicated by the carrying amount of its financial assets. Credit risk is minimised by the fact that member contributions are not accrued when in arrears. Term deposits are placed with reputable public companies.

**c) Liquidity risk**

The table below analyses the Corporation's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	2009 \$	2008 \$
<b>Amounts due within 12 months</b>		
Accounts payables and accrued liabilities	28,567	19,571
Due to Barbados Hotel and Tourism Association	2,125,538	2,086,391
Provision for development and promotional expenditure	701,823	752,421
Due to Ministry of Transport, Works & International Transport	24,845	93,518
	2,880,773	2,951,901

**d) Capital risk management**

The Corporation's capital is represented by the Accumulated Surplus. The objectives when managing the Accumulated Surplus are to safeguard the Corporation's ability to continue as a going concern in order to maintain the promotion of the Barbados Tourism Industry.

In order to maintain or adjust the Accumulated Surplus, the Corporation may appeal to members for increased contributions and at the same time control operating costs.

**13. Development and promotional expenditure**

	2009 \$	2008 \$
Development and promotional expenditure incurred during the year	1,074,697	1,518,361
Less write back of previous years' over commitments	(145,456)	—
	929,241	1,518,361

**14. Comparatives**

Certain of the comparative figures have been reclassified to conform with the current year's presentation.