



## Our Vision

To be the Catalyst for Positive Growth and Sustainability of the Tourism Industry in Barbados.

## Our Mission

To Continuously Improve Sustainable Growth of Tourism in Barbados by being Proactive and Supportive of Results-Oriented Plans and Programmes.



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 (TDC), incorporated as a non-profit organization in 1987, functions as an excellent catalyst for tourism development in Barbados. By directing member contributions to carefully selected tourism marketing and product enhancement projects, 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 and the Ministry of Tourism, the TDC promptly responds to the industry's needs, supporting results-oriented projects that will 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.

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 facility.

Insight





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## NOTICE OF MEETING

You are invited to attend the Twenty-third Annual General Meeting of the Tourism Development Corporation to be held at The Accra Beach Hotel & Resort on Thursday 15th July 2010 at 8:00 a.m.

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# Board of Directors

First column:

G. Anthony King, **Chairman**

Denis Roach

Hutson Best

Maureen Davis

Rovel Morris

Martin Ince

Second Column:

Ralph Williams

Ray Chee-A-Tow

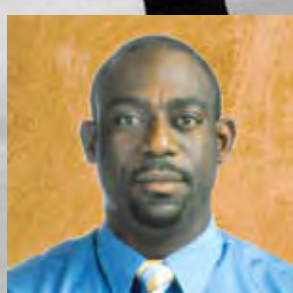
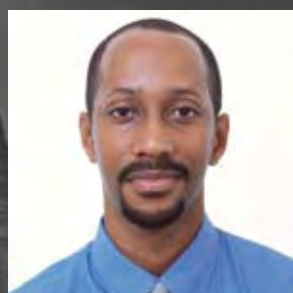
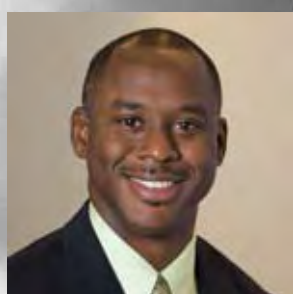
Martin Pritchard

Susan Springer

Mark Durant



# Committee, Executive & Advisors



First column:

Maureen Davis, **Chairperson**

Denis Roach

Geoffrey Roach

Michelle Smith-Mayers

Roseanne Myers

Second column:

Mark Thompson

Jon Martineau

Nicole Alleyne

Ryan Blackett

Lisa-Anne Arthur, **Executive Officer**

## ADVISORS:

PricewaterhouseCoopers,  
Auditors

FirstCaribbean International Bank Ltd.,  
Bankers

Valence A. Lynch & Co.,  
Accountants





# Members & Sponsors

Accra Beach Hotel & Resort  
Altman Real Estate Ltd.  
Atlantis Submarines (B'dos) Inc.  
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 (B'dos) Ltd.  
Carter & Co. Ltd.  
Cave Shepherd & Co. Ltd.

CGM Gallagher Insurance Brokers (B'dos) Ltd.  
Chickmont Foods Ltd.  
Cobblers Cove Hotel  
Colombian Emeralds International  
Coral Reef Club  
Ernst & Young  
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.  
Sagicor General Insurance Inc.  
Sandy Lane Hotel & Golf Club  
Satjay Bridgetown Centre Ltd.  
Tall Ships Ltd.  
The Bank of Nova Scotia  
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



G. Anthony King, Chairman



## Chairman's Report

It is without a doubt that the past year has been a challenging one for Barbados' tourism industry. The current global economic recession has not only resulted in a decrease in visitor arrivals from our leading tourist market, but also, a reduction in the national tourism marketing budget. These occurrences have forced industry stakeholders to combine their limited resources in support of creative promotional and product enhancement initiatives to maintain the island's appeal internationally.

The value of the TDC as a financial contributor to the overall development of the local tourism industry becomes ever more evident in such difficult economic times as the present. Given the benefit whereby contributions to the TDC are 150% tax deductible, the TDC is well positioned to harness the resources of the wider private sector, in partnership with direct private sector tourism players and government, to address the challenges being experienced in the island's main foreign exchange earning sector.

TDC will therefore continue to proudly play its part in maintaining Barbados' international presence, as well as the overall quality of our tourism product, so that our island is able to secure meaningful business as the international travel market begins its gradual recovery.

### **Membership Contributions and Project Expenditures**

For the year ended March 31, 2010, TDC membership contributions were \$880,190, falling below the prior year's figure of \$927,284 which had improved over the previous year. This is unfortunate given the role of the TDC, albeit understandable in the circumstances of our current economic climate. Interest earned on deposits also fell somewhat to \$152,349 from \$189,763 the year earlier due to declining interest rates.

Nevertheless, during the 2009/10 financial year, development and promotional expenditure increased to approximately \$1.2 Million, up from \$929,241 the year before. As at the year-end of March 31, 2010, almost \$1.25 Million has been provided in the accounts for future disbursement versus \$801,823 at the beginning of the year. The TDC has therefore not stood still in its quest to enhance the island's attractiveness and to bring visitors to our shores.

Funds held in cash and on deposit which are available for the TDC's purposes stood at approximately \$3.8 million at year-end, which is essentially the same as at the close of the prior year. However, our commitments for development and promotional expenditure are almost \$450,000 higher. Growth in our membership is therefore necessary if the TDC is to maintain meaningful support to our tourism sector without adversely impacting our available funds.

### **Private Sector Support for the Queen Elizabeth Hospital**

During the year under review, the Board of Directors, with the endorsement of the Government of Barbados, agreed to open the TDC's 'Special Projects' facility to accept contributions from corporate Barbados in support of the Queen Elizabeth Hospital.

It is envisaged that this funding support will be directed towards initiatives aimed at improving the institution's technical resources and maintenance capability, with the ultimate goal of enhancing the overall delivery of service at the island's main medical facility.

The Board recognizes that, in addition to the needs of its citizens, the quality and effectiveness of medical care in Barbados is critical to the island's overall attractiveness as a premier destination for tourism and international business. The facilitation of this initiative over the next five years is therefore in keeping with the organization's mandate.

### **Closing Comments**

At this time, I extend sincere appreciation to my fellow Directors and the Project Assessment Committee, all of whom function on a voluntary basis, as well as to our sole staff of Executive Officer in the Secretariat. Messrs. Ralph Williams and Martin Ince joined the Board during the year and I wish to acknowledge their contributions. Without this team, the TDC could not function and it is their diligence that ensures the optimization of TDC's funds in the support of sustainable tourism-related initiatives.

On behalf of the Board of Directors, I of course also thank our members and sponsors for continuing to fund the organization, particularly during these uncertain economic times. In this regard, I take this opportunity to express our pleasure in welcoming Satjay Bridgetown Centre Ltd. as the newest member.

To those who are not yet members, I trust you can see how important the tourism and related sectors are to the overall stability and sustainability of our island. The economic activity derived from visitor spending directly and indirectly benefits virtually all commerce and ultimately improves the overall quality of living for all. I therefore encourage your participation and financial support in becoming members as we seek to expand our work in the coming year.

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

G. Anthony King  
Chairman





Maureen D. Davis, Chairperson

## Committee Report

TDC's sponsorship efforts this year focussed heavily on overseas promotional activities aimed at maximizing Barbados' international exposure as a quality tourism destination and driving an increase in visitor arrivals for the various festivals and sporting events held during the year. Support was also directed towards several on-island promotional initiatives specifically aimed at mobilizing local and regional patronage of the industry during this 'lean' business period. Notwithstanding this high level of marketing support, TDC also provided support for initiatives that sought to maintain and improve the local tourism product offering.

### **Projects Supported**

Sports tourism has been recognized as one of the fastest growing niche markets in the industry today and over the past few years, there has been a noticeable increase in the level of TDC sponsorship provided to locally hosted international sporting events.

This year in particular, TDC provided sponsorship support to **The Sentebale Polo Cup 2010**, as well as the **Barbados Invitational Tennis Exhibition 2010** - two locally held events that featured international celebrities. The Patrons of the inaugural Sentebale Polo Cup were Prince Harry of the United Kingdom and Prince Seeiso of Lesotho. Both Princes visited the island and participated in several official engagements prior to the charity polo match in which Prince Harry participated.

With regard to the tennis invitational, the featured players for the women's exhibition match were the World No. 1 player Serena Williams and the World No. 5 player Caroline Wozniacki. Both events attracted significant international media coverage and hence, successfully generated positive awareness of Barbados worldwide. This type of international exposure, particularly during these recessionary times, adds tremendous value to the island's image abroad and helps to ensure that Barbados remains 'top-of-mind' in our major tourist markets. Another tennis event sponsored by TDC this year was the annual **Barbados Junior International Tennis Championships 2010**. This event attracts in excess of 100 young tennis players from around the world, accompanied by their coaches and parents, to spend two weeks in Barbados contesting this junior world ranking ITF-sanctioned tournament.

TDC also committed funding support this year to the inaugural **Barbados Beach Ball International Invitational Tournament 2010** - a beach football event catering to local, regional and international 10-member beach football teams. This rapidly growing sport originated in Brazil and is recognized internationally as Beasal. Given the recent addition of air service out of Brazil, TDC is encouraged that this proposed annual event is well poised to attract several Brazilian teams.

During the year, sponsorship support was provided for Barbados' hosting of several **English County Cricket Clubs'** pre-season training at Kensington Oval and other local venues. TDC recognizes the potential that exists to successfully re-build this programme as a competitive sports tourism niche for the island and is eager to assist in increasing the number of clubs participating in future programmes.

Annually, TDC provides overseas marketing support to several locally held, international sporting events to generate greater market awareness and ultimately, to drive a meaningful increase in the level of foreign participation in these events.





1. The Barbados Cup International Youth Soccer Tournament 2010 promotional flyer.
2. Barbados Invitational Tennis Exhibition 2010 promotional flyer.
3. Lancaster team at Kensington Oval - Participants in the English County Cricket Clubs Pre-Season Training Programme.
4. Visiting teams contesting the Barbados International Masters Football Festival 2009.

5. Sizzlin' Sand Beach Volleyball Caribbean SunSplash Finals 2009 promotional flyer.
6. Becky Dowell from the UK receiving her prize from Peter Allan, CEO, Duty Free Caribbean for placing 2nd in the Ladies Championship Flight in the Sir Garry Sobers Festival of Golf 2010.
7. Activity at the Barbados booth during the South Beach Wine & Food Festival 2010.





Events to which promotional support was provided this year are as follows:

- **The Barbados Cup International Youth Soccer Tournament 2010** - production and distribution of the tournament brochure in the UK and North America, as well as the development of the event website [www.thebarbadoscup.com](http://www.thebarbadoscup.com);
- **Barbados Darts Festival 2010** - production and distribution of promotional material in North America;
- **Barbados International Masters Football Festival 2009** - production of the tournament programme and T-shirts;
- **Run Barbados 2009** - production of a highlights video to promote the 2010 event regionally;
- **Sir Garry Sobers Festival of Golf 2010** - support of regional promotional activities;
- **Sizzlin' Sand Beach Volleyball Caribbean SunSplash Finals 2009** - production of the tournament brochure, poster, promotional highlights video and the hosting of the event website [www.sizzlinsand.com](http://www.sizzlinsand.com).

TDC also continues to be supportive of local festivals and events that cater to international tourist markets with the view to attract higher levels of foreign participation in these events. Funding support was therefore provided during the year for the production of a promotional video of **Barbados Gospelfest 2009** to assist in promoting the 2010 event in the UK and North American markets. TDC sponsorship was also provided to ensure the successful hosting of the inaugural **International Tourism Conference 2009** held in Barbados this year. Hosted by the University of the West Indies, in association with the University of Surrey, this forum brought together tourism stakeholders from government, industry and academia at both the regional and international levels to discuss the current state and future development of Caribbean tourism in the changing global economy.

As a catalyst for local tourism development, TDC was quite pleased to have supported the international promotion of two inaugural festivals - the **Best of Caribbean Tales Film Festival & Symposium 2010** and the **'Paint Me Barbados' Art Festival 2010**. The former event brought together stakeholders in the regional and international film industry to participate in an exhibition screening of Caribbean films, as well as in the region's first ever film market. Likewise, the Art Festival catered to regional and international 'Plein Air' Artists, inviting them to enjoy an 'Artist's holiday' in Barbados, painting the island's breathtaking landscape while interacting with local Artists through participation in various Festival workshops. It is anticipated that these two events will become annual fixtures on the local events calendar, thereby providing the vehicle through which Barbados could seek to tap into and develop these two unique tourism niche markets.

In partnership with the Barbados Tourism Authority (BTA) and the Barbados Hotel & Tourism Association, sponsorship assistance was once again provided for the participation of a Barbados delegation in **Taste of the Caribbean 2009**, **Taste of London 2009** and the **South Beach Wine & Food Festival 2010**. With the rapid growth in culinary tourism worldwide, TDC is committed to supporting initiatives that seek to promote Barbados as the epicurean mecca of the Caribbean. It is anticipated that the local food festival will be developed in this vein, with the view to tap into the large pool of gourmet enthusiasts who travel internationally to attend prominent regional food festivals.

During the year, TDC provided supplemental support towards the BTA's international marketing campaign for the **US Airways service to Barbados**, as well as towards the BTA's regional promotions for the **Ultimate Soul Weekend 2009**. TDC also collaborated with the Ministry of Tourism by way of sponsoring the Tourism Student Excellence Award for the **Barbados Tourism Awards 2009**. TDC is pleased to have participated in rewarding and encouraging our youth to strive for excellence in the field of tourism.

TDC continued its support of Barbados' heritage tourism product this year through the provision of additional assistance to further enhance the grounds and amenities at **Codrington College** to better cater to visitors to this heritage site. Also, additional support was provided to the Barbados Garrison Historical Consortium Inc. to assist the organization in executing its operational plan to holistically develop the **Garrison Historic Area** as a world-class heritage site.



TDC is extremely pleased to highlight the completion of the **Barbados Museum Gift Shop** - a project to which funding support was committed during the last financial year. The redeveloped shop is now the Museum's new entrance and exit, offering an expanded product line, elegantly displayed among related mini-exhibits. This successfully completed initiative is at the forefront of what is intended to be an ongoing drive to raise the Museum's profile through the restoration and enhancement of the exhibits and offerings at this longstanding heritage tourism attraction.

Last year, the Committee expressed concern with respect to the impact of the ongoing economic recession on the viability of the local tourism sector and noted then that we would remain vigilant as to any resultant fallout, that where necessary, TDC might assist our tourism partners. In keeping with this view, TDC this year sponsored the production of **re-Discover Rewards Vouchers**, as well as promotional material for the **Staycation II Promotion**. These two initiatives sought to encourage higher levels of patronize at local restaurants, hotels and attractions by offering discounts to locals and CARICOM nationals, in an effort to sustain the industry during this difficult period.

Funding assistance was also provided this year to the cruise tourism sector to ensure that the island continued to deliver the level of service required in order to maintain our customary business during the 2009/10 cruise season. In collaboration with our industry partners, TDC provided assistance for the provision of a **Cruise Passenger Shuttle Bus Service** catering to passengers on ships docked at the far berths in the Bridgetown Port. TDC recognizes that such a service is critical to the quality of the local cruise product on offer and further, that it directly impacts on the overall holiday experience of the island's cruise visitors.

In consideration of the high number of cruise visitors calling at the Bridgetown Port annually, TDC initiated discussions with the relevant industry stakeholders; and subsequently funded a draft proposal with respect to the development and implementation of an effective **Cruise Conversion Programme** for Barbados. It is felt that the opportunity exists for the industry to collect the necessary visitor data in order to promote Barbados' tourism product with the view to encouraging cruise visitors to return to the island in the near future on a long-stay holiday.

In this regard, discussions have been ongoing and more recently, the programme has evolved into a proposed national visitor data collection initiative. Relevant data will be collected from all visitors to the island to allow for the execution of subsequent social marketing strategies to encourage new and repeat long-stay business. TDC therefore anticipates that sponsorship funds will be committed in the new financial year to assist in implementing this proactive national tourism promotion drive.

Discussions are also ongoing with respect to the implementation of the Royal Barbados Police Force's national security initiative to which TDC is committed to co-funding the purchase and installation of CCTV surveillance cameras in high traffic tourist areas. TDC anticipates that this initiative will be successfully implemented during the new financial year.

The Project Assessment Committee is certain that the coming financial year will bring both new challenges and exciting opportunities for local tourism development. We are therefore committed to directing TDC's funding support towards overseas marketing and on-island product development initiatives that will have a direct impact in effecting positive growth and sustainability within the local tourism sector.



Maureen D. Davis  
Chairperson  
Project Assessment Committee





1. Team Barbados Chefs at Taste of the Caribbean 2009.
2. Trevina Sealy receiving the Tourism Student Excellence Award from Anthony King, Chairman, TDC at the Barbados Tourism Awards 2009.
3. Staycation II promotional flyer.
4. Participants in the Run Barbados 2009 event.
5. Sample re-Discover Rewards Voucher.
6. Barbados Darts Festival 2010 promotional flyer.
7. Visiting 'Plein Air' artists at work during the 'Paint Me Barbados' Art Festival 2010.
8. A view on the inside of the recently completed Barbados Museum Gift Shop.





Prince Harry's Sentebale team contesting the charity Polo Cup against the Almond Resorts Team.



Kimberley Zimmerman from Belgium, winner of the Under 18 Girls' singles in the Barbados Junior International Tennis Championships 2010, receiving her trophy from Patricia Murray, Vice President, Barbados Tennis Association.



Chassidy King from Antigua, winner of the Under 14 Girls' singles Barbados Junior International Tennis Championships 2010, receiving her trophy from Sandra Osborne, Vice President, Barbados Tennis Association.



# Current Project Commitments

Barbados Beach Ball International Invitational Tournament 2010  
Barbados Gospelfest 2009  
Barbados Junior International Tennis Championships 2010  
Barbados Museum Gift Shop Design Plan  
Barbados National Trust Brochure  
Barbados Online Image Library  
'Barbados Style' World TV Special  
Barbados Trails Programme  
Branding & Signage for the Bridgetown Port  
BTA Caribbean Marketing Initiatives  
CCTV Cameras to Police the Barbados Tourism Sector  
Chelsea Flower Show  
Cruise Passenger Shuttle Bus Service for Bridgetown Port  
English County Cricket Clubs Pre-season Training 2010  
GHA Operational Plan Activities  
Illegal Dumping Campaign  
'Paint Me Barbados' Art Event  
Refurbishment of the Bay Street Band Stand  
Sir Garry Sobers Festival of Golf 2010  
The Barbados Cup Website Development  
The Careenage Bridge  
US Airways Supplemental Marketing Campaign  
Visitor Safety Awareness Flyers & Posters  
West Coast Mega Yacht Mooring Installation





## BARBADOS *Style*

In the previous financial year, TDC committed to co-sponsoring the production of a 1-hour, high quality, HD Film Special about Barbados for worldwide distribution via television. This Special is expected to be the most definitive and high quality film production ever made on Barbados, aimed at strengthening and re-positioning the Barbados brand in existing and emerging international markets.

The 'Barbados Style' World TV Special will be broadcasted to millions of viewers in selected markets worldwide, encouraging its audience to visit Barbados by promoting the local tourism product - highlighting the island's facilities, culture, sports, music and nightlife. The Special will also seek to attract direct inward investment in real estate and international business on the island and will have its own website, enabling viewers to follow-up and make contact with any service providers that capture their interest.

The Special is expected to be completed by year end 2010. It is anticipated that the footage will be used to create other Barbados promotional material such as in-flight entertainment and further, could possibly lead to the production of a mini-series about the island.





# Projects Supported 1987 - 2010

1-800-8-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 Darts Festival

Barbados Golf Association Tournaments

Barbados Horticultural Society Local Flower Shows

Barbados International Game Fishing Tournament

Barbados International Masters Football Festival

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

Choice Litter Bins

Clean Country Campaign

Club America - Marketing

Cockspur Gold Cup

Codrington College Grounds Improvement Project

Come Clean Campaign

Community College Language Training

Community Tourism Projects

Concorde - Marketing

Congaline Carnival

Contempo

Coventry Barter Programme

Cricket Exhibit at the Legends' Museum

Cricket Value Added Packs

Crop Over Festivals

CTC 20 & 24 Conferences

David Kirton at Midem Music Market

"De Heart uh Barbados"

"Desire" Promotional Band Tour

Dive Promotions

DGM Barbados Open

Elegant Resorts - Marketing

Farley Hill Grounds Improvement Project

Fingerprinting Equipment for RBPF

Florida-Caribbean Cruise Association

George Washington House Restoration Project

"Get on Board" Youth Development

Globetrotters - Marketing

Gold Book Advertising

Gospelfest

Green Guide to Barbados

Greening Barbados

Gun Hill Refurbishment

Hastings Rocks Revitalisation

Hastings Rocks Band Concert

Holders Season

Holetown Festival

Hotel & Travel Index

Immigration Department Training

Installation of Litter Bins

Interactive Tourism Training Tree

International Veterinary Conference

Intimate Hotels - Marketing

IT&ME - Marketing

Jubilee Gardens Redevelopment

Kiwanis Convention

Kuoni Travel Ltd. - Marketing

La AMISTAD Visit to Barbados

Leisure Pack - Marketing

Leo Club of Barbados Central

Litter Patrol

Lib GoGo - Marketing

Local Performers at London Jazz Festival

Luxury Hotel Tour 2003

Main Guard Clock Restoration

Magazine ads - Various

Martinair - Marketing

Ministry of Tourism Projects

Moja Festival in South Carolina

Mosquito Magnet

Morgan Lewis Windmill Restoration

NAWIRA Rugby Festival

National Agro-tourism Workshop

National Armouries Museum

National Initiative For Service Excellence

National Heroes Gallery & Museum of Parliament

Night of the 90's - Training

NISE Handbook

Owners Abroad - Marketing

Palm Tree Planting along South Coast

Paul Gunther - Marketing

Pleasure Break - Marketing

Price Waterhouse Cruise Survey

Radio Series on Tourism

Rescue the Reefs

Road Signage

Rockley Beach Park Lights

Rotary Club of Barbados West

Rotary Youth Environmental Project

Royal Barbados Police Force

Run Barbados

Security Guard Patrols

Shell Wonderful World of Golf Tournament

Shepherd Street Beautification Project

Sir Frank Worrell Bust

Sir Garfield Sobers Cricket Tournaments

Sir Garry Sobers Festival of Golf

Sizzlin' Sand Beach Volleyball Tournament

Skin Diver Magazine - Marketing

St. James Parish Church Care & Share

Contribution

South America Programme

Special Forces Training

Spirit of Unity World Reggae Tour

Splash Barbados - Marketing

Sports Promotion Video

Sprite Caribbean Cup

St. John's Church Grounds Improvement Project

St. Mary's Church Historic Site Project

Sun Fun Tours - Marketing

Sun, Sea & Slams Tournament

Sunquest - Marketing

Suntur Charter - Marketing

'Sweeter Side of Barbados' Promotions

Taste of Barbados Food Festival

Taste of the Caribbean

TDC Youth Arm

The Garrison Committee Litter Bins

The Shipwreck Project

Thomson - Marketing

Tourism Development Programme

Tourism Training & Awareness Seminars

Travel Charter - Marketing

Travel Impressions - Marketing

Travel Planning Guide

Tropical Solutions

Trump Air - Marketing

TSN Aerobics Series

Turtle Workshop

UK County Shows

UN Global Conference

UTELL International Village of Hope

VISA International - Marketing

Visitor Satisfaction Survey

Wardair - Marketing

West Coast Beach & Reef Restoration Project

World Cup of Golf





# Financial Statements

**PricewaterhouseCoopers**

The Financial Services Centre  
Bishop's Court Hill  
P.O. Box 111  
St. Michael BB14004  
Barbados, West Indies  
Telephone (246) 626-6700  
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, 2010, the statement of comprehensive 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, 2010, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.



Chartered Accountants  
June 15, 2010  
Bridgetown, Barbados

**TOURISM DEVELOPMENT CORPORATION**

## Balance Sheet

As at March 31, 2010



(expressed in Barbados dollars)

	2010 \$	2009 \$
<b>Current assets</b>		
Cash on hand and at bank (note 4)	513,390	313,156
Cash on hand and at bank - held for BHTA and special projects (note 4)	340,829	1,270,777
Loans and receivables (note 5)	3,132,760	3,293,668
Loans and receivables - held for BHTA (note 5)	613,548	262,372
Prepaid expenses	2,748	3,713
	<b>4,603,275</b>	<b>5,143,686</b>
<b>Non-current assets</b>		
Plant and equipment (note 6)	6,177	19,847
Loans and receivables (note 5)	175,126	220,296
Loans and receivables - held for BHTA (note 5)	1,007,628	617,234
	<b>1,188,931</b>	<b>857,377</b>
<b>Total assets</b>	<b>5,792,206</b>	<b>6,001,063</b>
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	20,627	28,567
Due to Barbados Hotel and Tourism Association (note 7)	1,889,002	2,125,538
Provision for development and promotional expenditure (note 8)	1,246,275	801,823
Due to NISE (note 9)	10,000	-
Due to Barbados Private Sector Association Inc. (note 12)	48,077	-
Due to Barbados Marine Trust	4,150	-
Due to Ministry of Transport, Works & International Transport (note 10)	10,776	24,845
<b>Total liabilities</b>	<b>3,228,907</b>	<b>2,980,773</b>
<b>Accumulated surplus</b>	<b>2,563,299</b>	<b>3,020,290</b>
<b>Total liabilities and accumulated surplus</b>	<b>5,792,206</b>	<b>6,001,063</b>

Approved by the Board of Directors on June 15, 2010.

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

G. Anthony King  
Chairman

A handwritten signature in black ink, appearing to read "Hutson R. Best".

Hutson R. Best  
Director



**TOURISM DEVELOPMENT CORPORATION**  
Statement of Changes in Accumulated Surplus  
**For the year ended March 31, 2010**



(expressed in Barbados dollars)

	<b>Accumulated Surplus \$</b>
<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>	3,020,290
Transfer to BPSA Inc. - PSTT (note 12)	(108,120)
Deficit for the year	<u>(348,871)</u>
<b>Balance at March 31, 2010</b>	<u><b>2,563,299</b></u>

**TOURISM DEVELOPMENT CORPORATION**  
Statement of Comprehensive Income  
For the year ended March 31, 2010



(expressed in Barbados dollars)

	2010 \$	2009 \$
<b>Income</b>		
Members' and sponsors' contributions (note 2(a))	880,190	927,284
Private Sector Trade Team contributions (note 12)	-	309,344
Other contributions	12,000	-
Interest income	152,349	189,763
<b>Total income</b>	<b>1,044,539</b>	<b>1,426,391</b>
<b>Expenditure</b>		
Development and promotional expenditure (note 11)	1,205,344	929,241
Private Sector Trade Team expenses (note 12)	-	240,505
Administration expenses	67,691	54,604
Salaries, allowances and national insurance (note 13)	78,159	74,744
Professional fees	36,529	37,992
Depreciation (note 6)	2,825	6,648
Subscriptions	2,494	2,472
Medical plan	368	1,069
<b>Total expenditure</b>	<b>1,393,410</b>	<b>1,347,275</b>
<b>(Deficit)/surplus for the year</b>	<b>(348,871)</b>	<b>79,116</b>



# TOURISM DEVELOPMENT CORPORATION

## Statement of Cash Flows

For the year ended March 31, 2010



(expressed in Barbados dollars)

	2010 \$	2009 \$
<b>Cash flows from operating activities</b>		
(Deficit)/surplus for the year	(348,871)	79,116
Adjustments for:		
Depreciation	2,825	6,648
Loss on disposal of fixed assets	10,845	-
Interest income	(152,349)	(189,763)
Operating deficit before working capital changes	(487,550)	(103,999)
Decrease in prepaid expenses	965	9
(Decrease)/increase in accounts payable and accrued liabilities	(7,940)	8,996
(Decrease)/increase in due to Barbados Hotel and Tourism Association	(236,536)	39,147
Increase in development and promotional expenditure committed	444,452	49,402
Increase in due to NISE	10,000	-
Increase in due to Barbados Private Sector Association Inc.	48,077	-
Increase in due to Barbados Marine Trust	4,150	-
Decrease in due to Ministry of Transport, Works & International Transport	(14,069)	(68,673)
<b>Net cash used in operating activities</b>	<b>(238,451)</b>	<b>(75,118)</b>
<b>Cash flows from investing activities</b>		
Purchase of plant and equipment	-	(4,336)
Interest received	184,089	224,052
Investment in loans and receivables	(3,987,820)	(3,691,057)
Maturity of loans and receivables	3,420,588	4,122,814
Transfer to BPSA Inc. - PSTT	(108,120)	-
<b>Net cash (used in)/from investing activities</b>	<b>(491,263)</b>	<b>651,473</b>
<b>Net (decrease)/increase in cash on hand and at bank</b>	<b>(729,714)</b>	<b>576,355</b>
<b>Cash on hand and at bank - beginning of year</b>	<b>1,583,933</b>	<b>1,007,578</b>
<b>Cash on hand and at bank - end of year</b>	<b>854,219</b>	<b>1,583,933</b>

# TOURISM DEVELOPMENT CORPORATION

Notes to Financial Statements

March 31, 2010



(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

The financial statements of the Corporation have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Corporation'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.

### ***Standards, interpretations and amendments to existing standards effective in the 2010 financial year***

The following amendments to IAS 1 and IFRS 7 are effective for the 2010 financial year.

#### **IAS 1 (Revised), 'Presentation of financial statements'**

The revised standard prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity in a statement of comprehensive income. As a result the Corporation presents in the statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the statement of comprehensive income. Comparative information has been re-presented so that it also is in conformity with the revised standard. As the change in accounting policy only impacts presentation aspects, there is no impact on retained earnings.

#### **IFRS 7 (Amendments), 'Financial instruments' - Disclosures**

The amendment requires enhanced disclosures about fair value measurements and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. As the change in accounting policy only results in additional disclosures, there is no impact on earnings.

### ***New standards, amendments and interpretations to existing standards and interpretations effective in 2010, but not considered to be relevant by management:***

IFRS 1 (Amendment), First time adoption of IFRS;  
IFRS 2 (Amendment) Share based payments;  
IFRS 3 (Revised) Business combinations;  
IFRS 5 (Amendment) Non-current assets held for sales and discontinued operations;  
IFRS 8 Operating segments;  
IAS 1 (Amendment) Presentation of Financial Statements (effective on or after January 1, 2010);



(expressed in Barbados dollars)

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

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

IAS 7 (Amendment) Statement of Cash Flows (effective on or after January 1, 2010);  
IAS 23 (Amendment) Borrowing Costs (effective on or after January 1, 2009);  
IAS 24 (Revised) Related Party Disclosures (effective on or after January 1, 2010);  
IAS 27 (Revised) Consolidated and Separate Financial Statements (effective periods beginning on or after July 1, 2009);  
IAS 28 (Amendment) Investment in associates;  
IAS 29 (Amendment) Financial reporting in hyper-inflationary economies;  
IAS 32 (Amendment) Financial Instruments: Presentation (effective on or after February 1, 2010);  
IAS 36 (Amendment) Impairment of Assets (effective on or after January 1, 2010);  
IAS 38 (Amendment) Intangible assets;  
IAS 39 (Amendment) Financial instruments: Recognition and measurement;  
IFRIC 9 Reassessment of embedded derivatives owners; and  
IFRIC 15 Agreements for the construction of real estate.

### ***New standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Corporation***

Management has reviewed the new standards, amendments and interpretations to existing standards that are not yet effective and have determined that the following are relevant to the Corporation's operations. The Corporation has not early adopted the new standards, amendments and interpretations.

IAS 39 (Amendment) Financial Instruments: Recognition and Measurement (effective on or after July 1, 2010); and  
IFRS 9 Financial Instruments (effective on or after January 1, 2013).

### **(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

(expressed in Barbados dollars)

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

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

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.

### **(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 loans and receivables 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.

### **(h) Foreign currency translation**

#### ***a) Functional and presentation currency***

Items included in the financial statements are measured using the currency of the primary economic environment in which the Corporation operates ('the functional currency'). The financial statements are presented in Barbados dollars, which is the Corporation's functional and presentation currency.

#### ***b) Transactions and balances***

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

### **(i) Trade payables**

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

## **3. Taxation**

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



# TOURISM DEVELOPMENT CORPORATION

Notes to Financial Statements

March 31, 2010



(expressed in Barbados dollars)

## 4. Cash on hand and at bank

Total cash on hand and at bank comprise the following:

	2010 \$	2009 \$
<b>Cash on hand and at bank</b>	<b>513,390</b>	<b>313,156</b>
<b>Cash on hand and at bank - held for BHTA and special projects</b>		
Held for BHTA	267,826	1,245,932
Held for Barbados Private Sector Association Inc.	48,077	-
Held for Ministry of Transport, Works & Int'l Transport	10,776	24,845
Held for NISE	10,000	-
Held for Barbados Marine Trust	4,150	-
	<b>340,829</b>	<b>1,270,777</b>

## 5. Loans and receivables

Total current loans and receivables comprise the following:

	2010 \$	2009 \$
<b>Over 90 days but less than one year</b>		
Bank of Butterfield	-	267,380
Barbados National Bank Inc.	537,978	581,663
Barbados Shipping and Trading Company Limited	618,448	1,339,076
Cave Shepherd & Co. Limited	323,364	307,047
Consolidated Finance Co. Ltd.	607,562	-
Globe Finance Inc.	353,217	284,760
RBTT Bank Barbados Ltd.	256,655	263,977
Signia Financial Group Inc.	536,796	512,137
The Bank of Nova Scotia	512,288	-
	<b>3,746,308</b>	<b>3,556,040</b>
<b>Less: Held for BHTA</b>		
Barbados Shipping and Trading Company Limited	-	262,372
Consolidated Finance Co. Ltd.	101,260	-
The Bank of Nova Scotia	512,288	-
	<b>613,548</b>	<b>262,372</b>
<b>Current loans and receivables</b>	<b>3,132,760</b>	<b>3,293,668</b>

Total non-current loans and receivables comprise the following:

	2010 \$	2009 \$
<b>Greater than one year</b>		
Globe Finance	827,792	837,530
Signia Financial Group Inc.	354,962	-
	<b>1,182,754</b>	<b>837,530</b>

(expressed in Barbados dollars)

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

	2010 \$	2009 \$
<b>Less: Held for BHTA</b>		
Globe Finance	652,666	617,234
Signia Financial Group Inc.	354,962	-
	<b>1,007,628</b>	617,234
 Non-current loans and receivables	 <b>175,126</b>	 220,296

Loans and receivables earn interest at varying rates from 2.95% to 6.25% (2009 - 3.25% to 6.25%).

**6. Plant and equipment**

	Leasehold improvements \$	Computer equipment \$	Furniture and fittings \$	Other office equipment \$	Donated equipment \$	Total \$
<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>	-	4,678	10,487	4,325	2,669	22,159
<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)
Closing net book amount	-	5,921	8,359	3,460	2,107	19,847
<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>	-	5,921	8,359	3,460	2,107	19,847
<b>Year ended March 31, 2010</b>						
Opening net book amount	-	5,921	8,359	3,460	2,107	19,847
Additions	-	-	-	-	-	-
Disposals - Cost	-	(17,967)	(14,271)	-	(16,976)	(49,214)
Disposals - Accumulated depreciation	-	13,361	8,931	-	16,077	38,369
Depreciation charge	-	(876)	(762)	(865)	(322)	(2,825)
<b>Closing net book amount</b>	-	439	2,257	2,595	886	6,177
<b>At March 31, 2010</b>						
Cost	3,646	21,125	10,082	16,021	3,221	54,095
Accumulated depreciation	(3,646)	(20,686)	(7,825)	(13,426)	(2,335)	(47,918)
<b>Net book amount</b>	-	439	2,257	2,595	886	6,177

# TOURISM DEVELOPMENT CORPORATION

Notes to Financial Statements

March 31, 2010



(expressed in Barbados dollars)

## 7. Due to Barbados Hotel and Tourism Association

	2010 \$	2009 \$
Balance at beginning of year	2,125,538	2,086,391
Member contributions received during year	736,023	803,298
Disbursements on behalf of BHTA during year	(958,026)	(760,364)
Interest on loans and receivables	57,387	79,451
Commissions	(71,920)	(83,238)
	<b>1,889,002</b>	<b>2,125,538</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 loans and receivables on behalf of the Barbados Hotel and Tourism Association. The interest on loans and receivables represents interest earned on these loans and receivables (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 of \$1,246,274 (2009 - \$801,823).

## 9. Due to NISE

The Tourism Development Corporation collects contributions on behalf of the Barbados Private Sector Association Inc. to support the programmes of the NISE initiative.

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

	2010 \$	2009 \$
Balance at beginning of year	24,845	93,518
Contributions collected during the year	60,300	49,000
Disbursements on behalf of Ministry of Transport, Works & International Transport during the year	(74,369)	(117,673)
	<b>10,776</b>	<b>24,845</b>

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

## 11. Development and promotional expenditure

	2010 \$	2009 \$
Development and promotional expenditure incurred during the year	1,331,344	1,074,697
Less write back of previous year's over commitments	(126,000)	(145,456)
	<b>1,205,344</b>	<b>929,241</b>



(expressed in Barbados dollars)

## **12. Private Sector Trade Team (PSTT)**

The PSTT's staff and operations were transferred to the newly incorporated Barbados Private Sector Association Inc. as at March 31, 2009. Accordingly, at the beginning of the financial year, the accumulated surplus of cash and assets relating to the PSTT of \$108,120 were also transferred. In prior years, the Corporation has been paying the salaries, National Insurance and other expenses of the PSTT utilizing contributions received by the Corporation in respect of the PSTT.

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
Salaries	-	148,159
National Insurance	-	11,719
Other expenses	-	80,627
	-	240,505

## **13. Staff costs**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
Administrative salaries	<b>72,180</b>	69,000
National Insurance	<b>5,979</b>	5,744
	<b>78,159</b>	74,744

## **14. 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) Foreign exchange**

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**

The Corporation's interest rate risk arises from its loans and receivables. The loans and receivables are issued at fixed rates and therefore limit the Corporation's exposure to cash flow interest rate risk. The Corporation is not exposed to fair value interest rate risk.

(expressed in Barbados dollars)

#### **14. 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. Loans and receivables are placed with regulated financial institutions and reputable public companies within limits set under policy guidelines approved by the Board of Directors.

##### **(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. There are no balances due beyond 12 months.

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
Accounts payables and accrued liabilities	<b>20,627</b>	28,567
Due to Barbados Hotel and Tourism Association	<b>1,889,002</b>	2,125,538
Provision for development and promotional expenditure	<b>1,246,275</b>	801,823
Due to NISE	<b>10,000</b>	-
Due to Barbados Marine Trust	<b>4,150</b>	-
Due to Barbados Private Sector Association Inc.	<b>48,077</b>	-
Due to Ministry of Transport, Works & International Transport	<b>10,776</b>	24,845
	<b>3,228,907</b>	2,980,773

##### **(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.

##### **(e) Fair value of financial assets and liabilities**

The fair values of financial assets and liabilities are not considered to be materially different from their carrying amounts.

Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates. Non-financial instruments such as plant and equipment are excluded from fair value disclosure. Thus the total fair value amounts cannot be aggregated to determine the underlying economic value of the Corporation.