



ANNUAL REPORT
2013



OUR VISION

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

OUR MISSION

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

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 (TDC), incorporated as a non-profit organisation 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 stakeholders who provide the organisation's working capital and resources. While the TDC's stakeholders 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 organisation 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 organisations to contribute funds towards specific tourism-related projects supported by the TDC and benefit from the 150% tax facility.





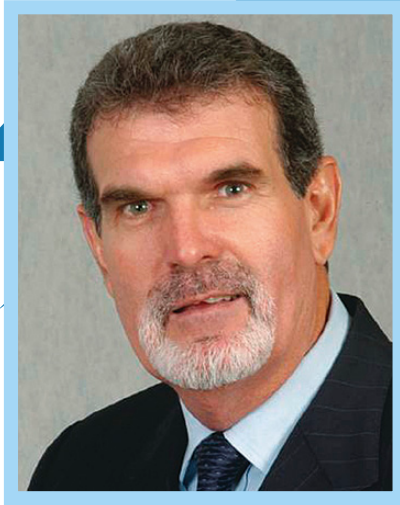
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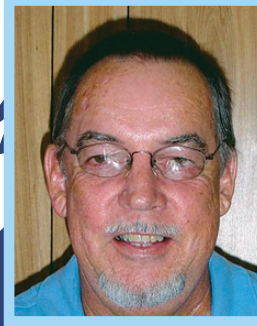
NOTICE OF MEETING

You are invited to attend the
Twenty-sixth Annual General Meeting of the
Tourism Development Corporation (TDC)
to be held at the *Accra Beach Hotel & Spa* on
Monday, 30th September, 2013 at 8:00 a.m.

BOARD OF DIRECTORS



Chairman
G. Anthony King



Denis Roach



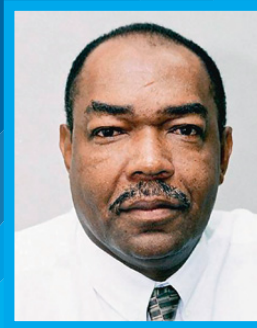
Rovel Morris



Mark Thompson



Martin Ince



Hutson Best



Bernard Weatherhead



Martin Pritchard



Maureen Davis



Ray Chee-A-Tow



Susan Springer



Mark Durant

COMMITTEE, EXECUTIVE & ADVISORS



Chairperson
Mark Thompson



Roseanne Myers



Michelle Smith-Mayers



Douglas Armstrong



Maureen Davis



Barry Gale



Nicole Alleyne



Jon Martineau



Valerie Marshall



Geoffrey Roach

ADVISORS

PricewaterhouseCoopers SRL - Auditors

CIBC FirstCaribbean International Bank Ltd. - Bankers

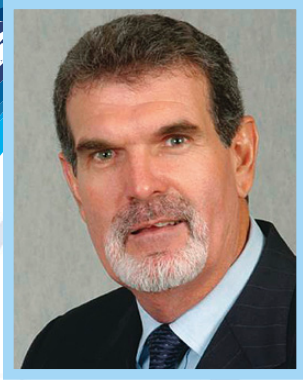
Valence A. Lynch & Co. - Accountants



Executive Officer
Dawn A. Franklin



Exec. Officer (Outgoing)
Lisa-Anne Arthur



Chairman
G. Anthony King

CHAIRMAN'S REPORT

During the year under review, the TDC continued to provide support to many initiatives and projects aimed at attracting and facilitating visitors to our island.

Worldwide economic issues continued to negatively affect our local tourism industry, and unfortunately the sector has experienced some fundamental problems throughout the year. Statistics from the Barbados Tourism Authority for April 2012 to March 2013 compared with the same time frame for the previous year indicate an overall decline in total visitor arrivals of 8.1%. Similarly, cruise statistics from the Barbados Statistical Service show a decline of 10.5% for that same period, and this was coupled by a reported decrease in visitor spending.

Increased taxation in the UK, including the Air Passenger Duty, has decreased the spending power of travellers to the Caribbean and is having a negative impact on UK Traffic to our island.

The year also witnessed a decrease in airlift; we experienced the loss of Red Jet for intra-regional travel and the transition to a smaller aircraft by some of the major airlines resulting in notably fewer seats available. The local hotel industry has also experienced a significant reduction in capacity due to hotel closures particularly involving all-inclusive properties.

Regrettably, the year also saw criminal activity against our island's guests with some incidences receiving widespread negative press. In light of these events, the Board of Directors of the TDC sought to support projects that will increase the level of safety and security for our island. Accordingly, the CCTV Surveillance Camera Network for the West Coast to be monitored by the Royal Barbados Police Force remains a targeted project and during the year support was provided to Crime Stoppers Barbados.

Having recognised how negative a year it has been for many, world economic reports are now suggesting that many of our markets have at least 'turned the corner' and hence there is reason for us have a positive attitude and for the TDC to encourage projects that refresh the island, are innovative and get the attention of holiday makers. Barbados needs to shine again.

Strategic Partner Collaborations

Given the job at hand for the industry, the Tourism Development Corporation has responded to various initiatives developed by its major industry partners in order to invigorate the sector.

Ministry of Tourism

The TDC was issued and accepted a seat on the Task Force of the **"Tourism Host Program"** which is being funded by government and administered by the Ministry of Tourism. Mr. Mark Thompson, Chairman of the Project Assessment Committee was nominated to attend the meetings on TDC's behalf.

The program is intended to bring about improved competence by tourism practitioners and to engender greater recognition by all who encounter visitors of the need to treat our visitors as 'guests'. A number

of areas have been earmarked for development and specific seminars and special work programs are planned and it is envisaged that the program will achieve the same level of success as similar programs rolled out in the Bahamas and Jamaica. The Task Force, on which TDC sits, is meant to be a guiding voice and counsel for the entire process but there will be other specific personnel who will execute the various components of the project.

The Barbados Hotel & Tourism Association

For the first time, the TDC received a proposal from the BHTA requesting TDC's commitment to co-sponsor several marketing and product development activities planned by the BHTA for a year in advance. We were pleased to partner with the BHTA's Marketing and Product Development Committee on this initiative and the TDC's Board of Directors agreed to earmark funds in the amount of BD\$265,000 with the understanding that all projects had to be submitted on an individual basis for approval.

To date the TDC has funded a number of projects submitted primarily in the areas of General Island Promotion, Epicurean and Weddings. Some of these will be highlighted in the Committee report.

The Barbados Tourism Authority

During the year, the BTA received the resignation of Mr. David Rice effective October 28th 2012 and the appointment of Mr. Urban Cumberbatch to act as President and CEO. Subsequently, Mr. Mark Thompson - Chairman of TDC's Project Assessment Committee and the undersigned met with Mr. Cumberbatch and discussed the relationship which the TDC has had with the BTA and the BHTA and the means by which the TDC and BTA can improve co-operation in jointly pursuing their mandates.

TDC Rebranding and Marketing Initiative

Following several discussions it was recognised by our Board of Directors that given the present economic and tourism situation and the need for increased membership and hence contributions, it is timely to implement a Marketing and/or Public Relations Campaign in order to make the TDC better known to the public and to attract new members.

The original logo had not been refreshed since the TDC's inception 26 years ago and our promotional material is outdated. The decision was thus made to pursue this initiative, being mindful to keep costs to a minimum as to ensure the vast majority of membership contributions continue to go towards tourism projects as usual.

The Project Assessment Committee presented a Request for Proposal to four companies and this was narrowed to two companies who gave excellent presentations to the Committee with Acute Vision being selected and approved by the Board.

The Action Plan features a marketing tool for the TDC in the form of an "infomercial" which highlights the genesis, mandate and funding provided over the last 26 years. This infomercial will be accessible from our website www.tdcbarbados.com, and it will also be available on YouTube and can be provided to interested parties on Flash drives. TDC also has plans of developing and maintaining a Social Media presence on appropriate internet sites.

Membership Contributions and Project Expenditures

For the year ended March 31, 2013, TDC membership contributions were \$628.3 thousand, falling below the prior year's figure of \$790 thousand. While it is worthy of note that a number of contributions were

received after the end of the Financial Year, it is clear that contribution and membership levels are being affected by the economic environment. This is why the above-mentioned re-branding and marketing initiative outlined above must be pursued.

Notwithstanding some fall in subscription levels, development and promotional expenditure committed during the year was \$579 thousand versus \$381 thousand the year before although disbursements were a little lower. As at the year-end March 31, 2013, \$438 thousand has been provided in the accounts for future disbursement in respect of approved projects up from 362 thousand at the close of the prior year.

Funds held in cash and on deposit which are available for the TDC's purposes stood at \$4 Million at year-end, essentially at the same level as at the close of the prior year. This means that the TDC's financial resources are being maintained while beneficial project funding continues.

Conclusion

I wish to thank the members of the Board for their diligent work throughout the year. Special thanks are extended to Mr. Martin Pritchard who retired from the Board effective April 30th this year following his retirement from Goddard Enterprises. We thank Martin for his six years of dedicated service to the TDC; his contributions with financial decisions and the development of our Project Evaluation Matrix are worthy of note.

Sincere thanks are also extended to our Project Assessment Committee. This dedicated group of individuals continues to volunteer their valued time to discuss and evaluate incoming projects and to make the necessary recommendations to the Board. During the year we welcomed the committee's newest member, Mr. Barry Gale of Gale's Agro Products and the Board thanks him for agreeing to serve. I am grateful also to Mr. Mark Thompson who assumed duties as the Committee Chairperson in July 2012 from Mrs. Maureen Davis who stepped down after many years of effective leadership of this Committee. I use this opportunity to express the Board's great appreciation to Maureen who I am happy to say remains on TDC's Board.

As of July 1st, 2012, Ms. Dawn Franklin took over the realms of Executive Officer replacing Ms. Lisa-Anne Arthur, who left the organization after eight years of faithful and dedicated service. Dawn is proving to be a good choice for the position and we appreciate her diligence, particularly as the lone member of staff.

Most importantly, I wish to recognise and thank you our members for your ongoing support and financial contributions to TDC's cause, which hopefully we all recognise as a national cause. TDC's Board is extremely appreciative of this continued support in spite of these recessionary times.

Finally, I take this opportunity to introduce you to our new brand and 'infomercial'. We invite you to use this tool to spread the word about the TDC and to extend an invitation for larger membership in order that the TDC can increase its assistance to our local tourism industry and hence create a better life for all Barbadians.

Thank you.



G. Anthony King
Chairman

MEMBERSHIP

Why become a Member?

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.

Members:

- Contribute up to 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



Accra Beach Hotel & Resort
Atlantis Submarines (B'dos) Inc.
Automotive Art
Banks (B'dos) Breweries Ltd.
Barbados Light & Power Co. Ltd.
Barbados Shipping & Trading Co. Ltd
Bridgetown Cruise Terminals Inc.
Butterfly Beach Hotel
Cable & Wireless (Barbados) Ltd.
Carter & Co. Ltd

Cave Shepherd & Co. Ltd
CGM Gallagher Insurance Brokers (B'dos) Ltd.
Chickmont Foods Ltd.
Cobblers Cove Hotel
Colombian Emeralds International
Foster & Ince Cruise Services Inc.
Gale's Agro Products Ltd.
Goddard Enterprises Ltd.
KPMG
The Mark Thompson Group Inc.

Mount Gay Distilleries Ltd.
PricewaterhouseCoopers SRL
RBC Royal Bank of Canada
Realtors Limited
Roberts Manufacturing Co. Ltd.
Sagikor General Insurance Inc.
Sandy Lane Hotel Co. Ltd.
The Bank of Nova Scotia
Treasure Beach Hotel
Williams Industries Inc.



Chairperson
Mark Thompson

COMMITTEE REPORT

As with the preceding years the majority of this financial year's funding was directed towards sports tourism activities. The remainder of the funds were disbursed to joint promotional activities with our industry partners covering areas such as, culinary, heritage, crime prevention and product development projects.

As mentioned by our Chairman, this year saw the first of what is expected to be an annual Collaborative Programme with our industry partner the Barbados Hotel & Tourism Association. This proposal entitled **"BHTA Marketing & Product Development Activity Plan 2012"** was pursuant to a series of discussions that were held with the BHTA marketing representatives and this committee.

The proposal outlined a number of areas which the BHTA had earmarked for activity in 2012 including Epicurean, Water Activities, Weddings & Romance, MICE (Meetings and Incentive Events), Website Marketing and General Projects. To date approximately eight projects have been submitted for individual approval (as stipulated by the Board) and the funding has been disbursed.

Most notably the TDC partnered with the BHTA to fund three Barbados Promotion projects designed to directly put "heads in beds" such as the **Book Barbados Now** Programme. Under Weddings and Romance the TDC collaborated on **"The Knot Agreement"** and the **'National Wedding Show'**. Some of the 'yearly' programmes put forward by the BHTA such as **Taste of the Caribbean, AIBTM** and **IMEX** were also approved for TDC funding.

The Tourism Attraction Audit Phase 2 was commissioned to be administered by the BHTA and final completion of this document is soon expected. This should lead to a number of Product Development activities as the issues being faced by some of our local attractions come to light.

Sports Tourism:

As was mentioned, Sports Tourism initiatives were at the forefront of projects submitted to the TDC for sponsorship and received the bulk, nearly half of the financial year's funding. These sporting activities were able to clearly demonstrate their ability to attract overseas participation and provide widespread promotion of the island.

The Committee received proposals from over ten different areas of sports activities and committed to funding eight different sporting initiatives representing:

- **Soccer**
- **Badminton**
- **Hockey**
- **Tennis**
- **Darts**

- **Swimming**
- **Motorsport**
- **Triathlon**

Many of these tournament and festivals are annual events that have proven to be quite successful over the years such as the **Masters Football Festival** and the **Sol Rally Barbados**.

This year saw the addition of two 'new to TDC' sporting events, one of these being **Swim Barbados 2013**. This inaugural event is organized by a group of local veteran swimmers who intend to host these Festivals annually and have formed the business known as "Swim Barbados Vacations" for this purpose. These festivals include the swims themselves; stand up paddling fun races, kayaking and water polo, great prizes, beach barbeque, open bar and DJ music. The first two Open Water Festivals in 2013 were scheduled for July 6th and October 26th.

The second sporting event that received first time funds from the TDC was the **Pan American Triathlon Confederation (PATCO)**; only twenty Pan American Continental Cup triathlons have been awarded in the Americas region this year, with Barbados (Bridgetown) proudly being one. The Sprint Distance Pan American Continental Cup was held on Sunday, 21st April 2013 on the scenic Spring Garden course adjacent to the crystal waters of the Caribbean Sea. Elite triathletes from across the globe battled it out for a total purse of US\$5,000.

Heritage

The Project Assessment Committee was pleased to recommend sponsorship for the **Production and Installation of Signage in Historic Bridgetown and its Garrison**. The installation of entrance, interpretative and commemorative signage was intended to add another dimension to the site and to provide valuable information to all visitors and users of the Site, essentially helping to enhance the appearance of the Site and the visitor experience.





PROJECTS SUPPORTED:

- 1. SOL Rally Barbados 2012
- 2. Taste of the Caribbean - Team Barbados 2012
- 3. Badminton in the Caribbean 2012
- 4. Barbados Int'l Masters Football Festival 2011
- 5. The Tourism Attraction Audit Phase 2
- 6. Swim Barbados 2013



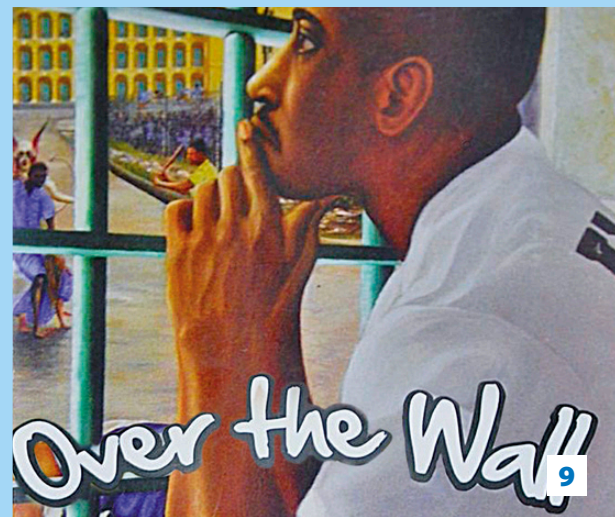
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7. Installation of Signage in Historic Bridgetown and its Garrison
8. The Future Trees highway planting

9. "Over the Wall" crime prevention handbook
10. Barbados Sea Turtle Project
11. CYEN International Coastal Clean-up

The textual information contained in the signs helps to educate all users and visitors about the cultural heritage of the Site, and about Barbados, and the installation of this appropriate signage fulfilled the criteria set out by UNESCO. The signage allows visitors and users to the site to be able to easily identify the historic buildings, spaces and zones of cultural activity within the Site and to navigate the serpentine street layout. This signage will be of importance to those persons who conduct and participate in walking tours and for researchers, students and the general public.

Crime Prevention

The TDC continued to recognize the importance of crime prevention to the stability of the local tourism industry and has therefore continued to review projects that aid crime prevention.

The Committee was approached by Crime Stoppers Barbados Inc. for funding when Barbados was identified as the likely host of the 2013 **Crime Stoppers International Conference**. For the past 32 years, Crime Stoppers International has been hosting an Annual International Training Conference that normally attracts in excess of 300 representatives from the Crime Stoppers Programmes around the world.

Funding was required for the Conference in Las Vegas, at which the Barbados delegation was required to make a full presentation to enlighten the delegates about the plans and arrangements that were being put in place as well as to promote our island in general. This presentation was made by members of the Board of Crime Stoppers Barbados, in conjunction with a representative from the Barbados Tourism Sector and the Commissioner of Police of Barbados. To support this presentation a promotional DVD was produced with funding from the TDC.

The Tourism Development Corporation (TDC) was also proud to sponsor the reproduction of the **“Over the Wall”** crime prevention handbook, which serves as a useful educational tool, as well as making a donation towards the **“Crime & its Devastating Effects on Society Handbook”**.



Product Development

The TDC continued to show its commitment to the development of the tourism product of our country with additional funding to the **Barbados Sea Turtle Project**. Barbados is currently home to the second-largest hawksbill turtle nesting population in the Wider Caribbean, with up to 500 females nesting per year. Turtle nesting occurs on most of the beaches around the island, many of which are heavily developed with tourism infrastructure and unfortunate events necessitated that security services during the nesting season for the project workers. TDC was pleased to support this requirement.

Also in the product development arena, the TDC was approached during our financial year for funding for the **Future Centre Trees** project. This project was designed to beautify and enhance the ABC highway from Warrens to Hothersal Turning and onward to Haggatt Hall, a major tourism corridor by way of planting some 300 varietal palm trees. Our organization was pleased to contribute towards this long-term vision of providing visitors and locals alike an enhanced view of the area.

We were once again pleased to provide platinum sponsorship to the CYEN for the **International Coastal Clean-up** which took place on September 15th, 2012 and ran from 6.00 a.m. until 12.00 p.m. This time around the clean-up was expanded island-wide including locations such as Long Bay, Foul Bay and Bath; and featured a large number of volunteers.

Conclusion

During the financial year, the current economic hardships saw some project sponsors approach the TDC for the first time as previous sources of funding were no longer available; additionally we saw some project sponsors seeking further funding than in previous years as other sources could no longer assist.

As is customary, the Committee had the opportunity to host some of the project proposers at our monthly assessment meetings. These discussions allowed for direct communication between both parties and for clarifications to be made. The TDC however stands by its position of offering support for a few years, the Committee also met with some Project managers to ensure that the plans are being developed to make these activities self sustaining.

It is envisaged that the current marketing drive of the TDC will bring heightened awareness to the work of this corporation, and the Committee looks forward to reviewing new and exciting proposals from those that were previously unaware of our existence. We commit to acknowledging all proposals received and thoroughly reviewing them to carefully select those which meet TDC's marketing and product development mandates.



Mark Thompson

Chairperson

Project Assessment Committee



PROJECTS SUPPORTED 1987-2013

- 11.11.11 On Wi-Fi Barbados
- "De Heat uh Barbados"
- "Desire" Promotional Band Tour
- 'Sweeter Side of Barbados' Promotions
- 1-800-8-BARBADOS
- A Healing Touch Telethon
- A Taste of Barbados
- Adopt-A-Beach
- Adopt-A-Highway
- Air Jamaica Vacations - Marketing
- Air Tours – Marketing
- Airport Cosmetic Improvements
- American Airlines - Marketing
- American Express - Marketing
- Atlantic Barbados Challenge Yacht Race
- Atlantic Barbados Rowing Race
- Atlantic Rowing Challenge
- Attraction at the Garrison
- Banks International Hockey Festival
- Barbados Aquatic Centre Competitions
- Barbados Beyond 2000 Promotion
- Barbados Bridge League Tournament
- Barbados Cancer Society Fund Raising Dinner
- Barbados Cruise Visitor Survey
- Barbados Cup International Youth Soccer Tournament
- Barbados Darts Festival
- Barbados Golf Association Tournaments
- Barbados Gymnastics Invitational
- Barbados Historic Rally Carnival
- Barbados Horticultural Society Local Flower Shows
- Barbados International Game Fishing Tournament
- Barbados International Masters Football Festival
- Barbados Invitational Tennis Exhibition
- Barbados Is Magic School Competition
- Barbados Jazz Festivals
- Barbados Junior International Tennis Championships
- Barbados Night' Promotions with the Ottawa Senators
- Barbados Private Sector Agency Projects
- Barbados Rally Carnival
- Barbados Sea Turtle Project Initiatives
- 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
- BGHC Inc GHA Project Activities
- BHTA Environmental Officer
- BHTA Marketing Programmes
- BHTA Training Fund
- BHTA Training Fund
- 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
- Cavalcade Parade
- Cannon Restoration
- Carib Express - Marketing
- Caribbean Connection - Marketing
- Caribbean Squash Tournament
- Carifta Games
- Carlisle Bay Marine Park
- CBBA Offshore Promotions
- Chamber of Commerce Duty Free Committee
- Charleston Garden Festival
- Chelsea Flower Show PR & Press Coverage
- Choice Litter Bins
- Clean Country Campaign
- Clean Up Barbados Campaign
- Club America - Marketing
- Cockspur Gold Cup
- Codrington College Grounds Improvement Project
- Come Clean Campaign
- Community College Language Training
- Community Tourism Projects
- Concorde - Marketing
- Congoline carnival
- Contempo
- Coventry Barter Programme
- Cricket Exhibit at the Legends' Museum
- Cricket Value Added Packs
- Crime Stoppers International Conference
- Crop Over Festivals
- CTC 20 & 24 Conferences
- David Kirton at Midem Music Market
- DGM Barbados Open
- Dive Promotions
- Elegant Resorts - Marketing
- English County Cricket Clubs Pre-Season Training Camp
- Farley Hill Grounds Improvement Project
- Fingerprinting Equipment for the RBPF
- Florida-Caribbean Cruise Association
- Future Centre Trust Environmental Initiatives
- George Washington House Restoration Project



- Get on Board" Youth Development
- Globetrotters - Marketing
- Gold Book Advertising
- Gospel Fest
- Green Guide to Barbados
- Greening Barbados
- Gun Hill Refurbishment
- Hastings Rocks Band Concert
- Hastings Rocks Revitalization
- 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
- Lib GoGo - Marketing
- Litter Patrol
- Local Performers at London Jazz Festival
- Luxury Hotel Promotional Tour
- Luxury Hotels Tour 2003
- Magazine ads - various
- Main Guard Clock Restoration
- Martinair - Marketing
- Ministry of Tourism Projects
- Moja Festival in South Carolina
- Morgan Lewis Windmill Restoration
- Mosquito Magnet
- National Agro-tourism Workshop
- National Armories Museum
- National Heroes Gallery & Museum of Parliament
- National Initiative For Service Excellence
- NAWIRA Rugby Festival
- 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
- QR Code Interpretation of the Garrison Historic Area
- Radio Series on Tourism
- Refurbishment of the Barbados Museum Entrance
- Replacement of the Gazebo Roof at Gun Hill Signal Station
- 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
- SOL Rally Barbados
- South America Programme
- Special Forces Training
- Spirit of Unity World Reggae Tour
- Splash Barbados - Marketing
- Sports Promotion Video
- Spring Break Promotional Tour
- Sprite Caribbean Cup
- St. James Parish Church Care & Share Contribution
- St. John's Church Grounds Improvement Project
- St. Mary's Church Historic Site Project
- Sun Fun Tours - Marketing
- Sunquest - Marketing
- Suntur Charter - Marketing
- Taste of Barbados Food Festival
- Taste of the Caribbean
- TDC Youth Arm
- The Garrison Committee Litter Bins
- The Shipwreck Project
- Thomson - Marketing
- Tourism Awareness & Information Tool Initiative
- 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
- Zouave Uniforms – Changing of the Sentry Attraction at the Garrison

CURRENT PROJECT COMMITMENTS

AIBTM

Annual Barbados International Hockey Festival 2012

Annual Barbados International Masters Football Festival

Barbados Darts Festival

Barbados Food & Wine Festival 2012

Barbados Open Badminton Tournament

Barbados Sea Turtle - Security Project

Barbados Style DVD Promotion

Barbados Super Fall Getaway 2012

Barbados Tourism Attraction Audit Programme (Phase 2)

BHTA Book Barbados Now

Crime Stoppers International Conference 2013

Crime Stoppers International Training Conference 2012

CYEN International Coastal Cleanup Sponsorship

Future Centre Trees Projects

IMEX

Installation of signage in Historic Bridgetown and its Garrison

Over the Wall - Crime Prevention Book (Reprint)

SOL Rally Barbados

Sprint Distance Pan American Continental Cup Triathlon

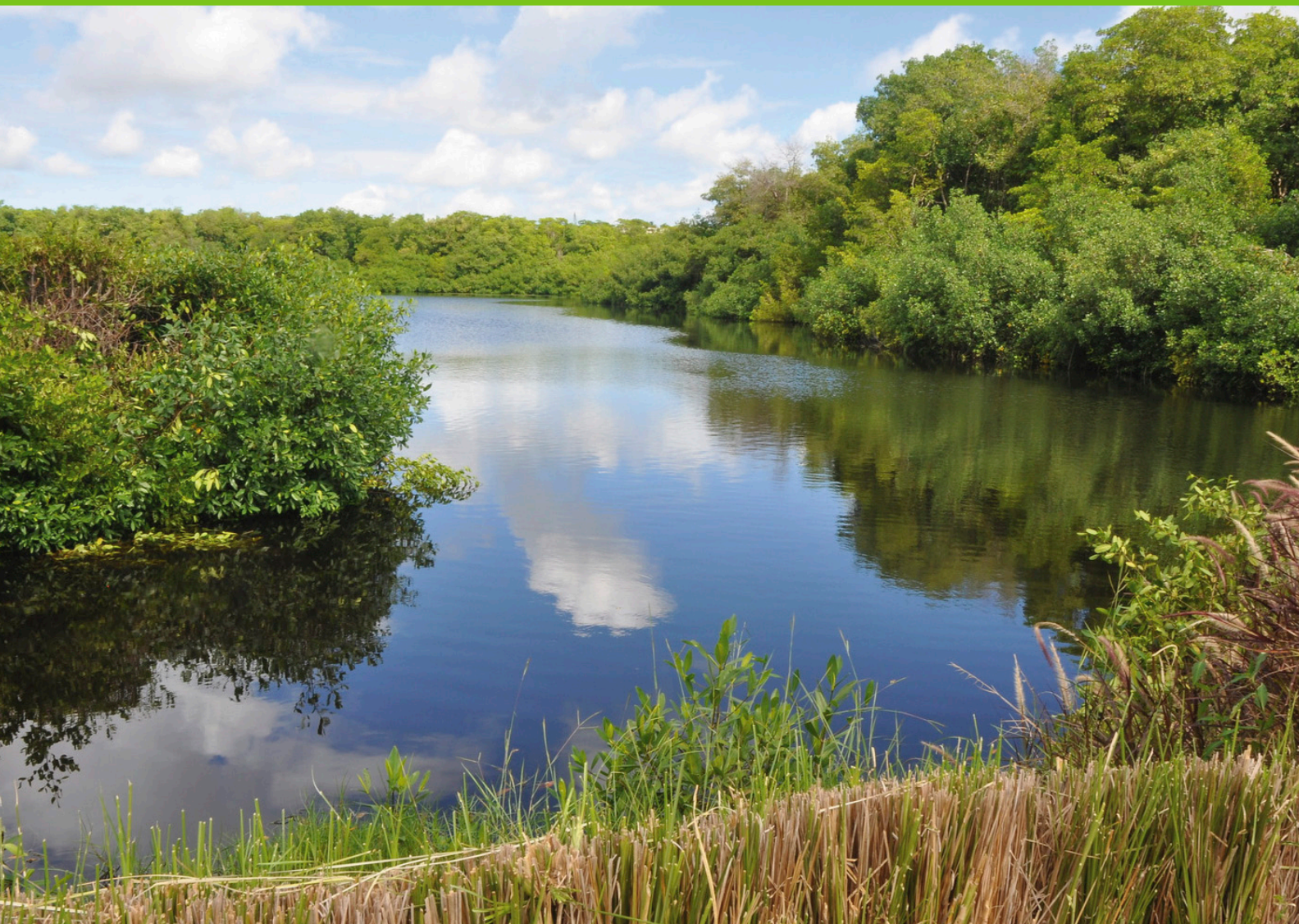
Swim Barbados

Taste of the Caribbean

The Dream Cup

The Knot Wedding Promotion

The National Wedding Show





INDEPENDENT AUDITOR'S 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, 2013, 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 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 auditor considers 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, 2013, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers SRL'. The signature is written in a cursive, flowing style.

August 21, 2013
Bridgetown, Barbados

TOURISM DEVELOPMENT CORPORATION

Balance Sheet

As at March 31, 2013




(expressed in Barbados dollars)

	2013	2012
	\$	\$
Current assets		
Cash on hand and at bank (note 4)	225,354	186,433
Cash on hand and at bank - held for BHTA and special projects (note 4)	751,622	694,580
Short-term fixed deposits (note 5)	1,990,626	2,677,381
Short-term fixed deposits - held for BHTA (note 5)	71,746	69,487
Prepaid expenses	13,696	2,633
	3,053,044	3,630,514
Non-current assets		
Plant and equipment (note 6)	752	1,838
Long-term fixed deposits (note 5)	1,851,936	1,111,713
Long-term fixed deposits - held for BHTA (note 5)	1,100,597	1,116,856
	2,953,285	2,230,407
Total assets	6,006,329	5,860,921
Current liabilities		
Accounts payable and accrued liabilities	19,980	20,566
Funds held for Barbados Hotel and Tourism Association (note 7)	1,282,161	1,330,034
Provision for development and promotional expenditure (note 8)	438,049	361,619
Funds held for Queen Elizabeth Hospital Project (note 12)	606,463	509,963
Funds held for Barbados Chamber of Commerce and Industry (note 9)	21,000	26,000
Funds held for Barbados Marine Trust	-	4,150
Funds held for Ministry of Transport & Works (note 10)	14,341	10,776
	2,381,994	2,263,108
Total liabilities	2,381,994	2,263,108
Accumulated surplus	3,624,335	3,597,813
Total liabilities and accumulated surplus	6,006,329	5,860,921

Approved by the Board of Directors on August 21, 2013


Hutson Best
Director


Roel Morris
Director

TOURISM DEVELOPMENT CORPORATION
Statement of Changes in Accumulated Surplus
For the year March 31, 2013



(expressed in Barbados dollars)

	Accumulated surplus \$
Balance at March 31, 2011	3,230,193
Surplus for the year	<u>367,620</u>
Balance at March 31, 2012	3,597,813
Surplus for the year	<u>26,522</u>
Balance at March 31, 2013	<u>3,624,335</u>

TOURISM DEVELOPMENT CORPORATION

Statement of Comprehensive Income For the year ended March 31, 2013



(expressed in Barbados dollars)

	2013	2012
	\$	\$
Income		
Members' and sponsors' contributions (note 2(b))	628,306	790,043
Other contributions	12,000	12,000
Interest income	153,469	142,971
	<hr/>	<hr/>
Total income	793,775	945,014
	<hr/>	<hr/>
Expenditure		
Development and promotional expenditure (note 11)	579,135	381,110
Administration expenses	67,393	71,252
Salaries, allowances and national insurance (note 13)	82,118	80,192
Professional fees	34,078	40,756
Depreciation (note 6)	2,144	1,949
Subscriptions	1,234	1,467
Medical plan	1,151	668
	<hr/>	<hr/>
Total expenditure	767,253	577,394
	<hr/>	<hr/>
Surplus for the year	26,522	367,620

TOURISM DEVELOPMENT CORPORATION

Statement of Cash Flows

For the year ended March 31, 2013



(expressed in Barbados dollars)

	2013	2012
	\$	\$
Cash flows from operating activities		
Surplus for the year	26,522	367,620
Adjustments for:		
Depreciation	2,144	1,949
Interest income	(153,469)	(142,971)
	<hr/>	<hr/>
Operating (deficit)/surplus before working capital changes	(124,803)	226,598
(Increase)/decrease in prepaid expenses	(11,063)	86
(Decrease)/increase in accounts payable and accrued liabilities	(586)	464
(Decrease)/increase in funds held for Barbados Hotel and Tourism Association	(47,873)	20,133
Increase/(decrease) in development and promotional expenditure committed	76,430	(165,030)
Increase in funds held for Queen Elizabeth Hospital Project	96,500	277,683
Decrease in funds held for Barbados Marine Trust	(4,150)	–
Increase in funds held for Ministry of Transport & Works	3,565	–
(Decrease)/increase in funds held for Barbados Chamber of Commerce and Industry	(5,000)	26,000
	<hr/>	<hr/>
Net cash (used in)/from operating activities	(16,980)	385,934
Cash flows from investing activities		
Purchase of plant and equipment	(1,058)	–
Interest received	151,451	225,392
Investment in fixed deposits	(2,501,518)	(3,249,781)
Maturity of fixed deposits	2,464,068	3,015,732
	<hr/>	<hr/>
Net cash from/(used in) investing activities	112,943	(8,657)
Net increase in cash on hand and at bank	95,963	377,277
Cash on hand and at bank - beginning of year	881,013	503,736
	<hr/>	<hr/>
Cash on hand and at bank - end of year	976,976	881,013
	<hr/>	<hr/>

(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.

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 2013 financial year

There are no standards, interpretations and amendments to existing standards effective in the 2013 financial year which have a significant impact on the Corporation's financial statements.

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 has determined that there are none which significantly impact the Corporation. The Corporation has not early adopted the new standards, amendments and interpretations.

(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.

(expressed in Barbados dollars)

2. Significant accounting policies ...continued**(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.

(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 - short and long term fixed deposits

Loans and receivables - short and long term fixed deposits, 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.

(expressed in Barbados dollars)

2 Significant accounting policies ...continued

(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.

4. Cash on hand and at bank

Total cash on hand and at bank comprise the following:

	2013	2012
	\$	\$
Cash on hand and at bank	225,354	186,433
Cash on hand and at bank - held for BHTA and special projects		
Held for Barbados Marine Trust	–	4,150
Held for Barbados Chamber of Commerce and Industry	21,000	26,000
Held for Barbados Hotel and Tourism Association	109,818	143,691
Held for Ministry of Transport & Works	14,341	10,776
Held for Queen Elizabeth Hospital Project	606,463	509,963
	751,622	694,580

TOURISM DEVELOPMENT CORPORATION

Notes to Financial Statements

March 31, 2013



(expressed in Barbados dollars)

5. Fixed deposits

Total short-term fixed deposits comprise the following:

	2013	2012
	\$	\$
Over 90 days but less than one year		
Barbados Shipping and Trading Company Limited	542,501	620,711
Cave Shepherd & Co. Limited	375,053	356,982
Consolidated Finance Co. Ltd	856,789	912,028
Globe Finance Inc.	–	251,431
Republic Bank (Barbados) Ltd	267,670	260,042
Signia Financial Group Inc.	–	276,187
The Bank of Nova Scotia	20,359	69,487
	2,062,372	2,746,868
Less: Held for BHTA		
Consolidated Finance Co. Ltd	51,387	–
The Bank of Nova Scotia	20,359	69,487
	71,746	69,487
Short-term fixed deposits	1,990,626	2,677,381

Total long-term fixed deposits comprise the following:

	2013	2012
	\$	\$
Greater than one year		
Consolidated Finance Co. Ltd	142,565	110,155
Globe Finance Inc.	1,520,839	1,206,270
Signia Financial Group Inc.	1,289,129	912,144
	2,952,533	2,228,569
Less: Held for BHTA		
Consolidated Finance Co. Ltd	–	110,155
Globe Finance Inc.	647,343	620,342
Signia Financial Group Inc.	453,254	386,359
	1,100,597	1,116,856
Long-term fixed deposits	1,851,936	1,111,713

Fixed deposits earn interest at varying rates from 2.75% to 5% (2012 - 2.75% to 6%).

(expressed in Barbados dollars)

6. Plant and equipment

	Leasehold improvements	Computer equipment	Furniture and fittings	Other office equipment	Donated equipment	Total
	\$	\$	\$	\$	\$	\$
At March 31, 2011						
Cost	3,646	21,125	10,082	16,021	3,221	54,095
Accumulated depreciation	(3,646)	(21,125)	(8,588)	(14,291)	(2,658)	(50,308)
Net book amount	–	–	1,494	1,730	563	3,787
Year ended March 31, 2012						
Opening net book amount	–	–	1,494	1,730	563	3,787
Depreciation charge	–	–	(763)	(865)	(321)	(1,949)
Closing net book amount	–	–	731	865	242	1,838
At March 31, 2012						
Cost	3,646	21,125	10,082	16,021	3,221	54,095
Accumulated depreciation	(3,646)	(21,125)	(9,351)	(15,156)	(2,979)	(52,257)
Net book amount	–	–	731	865	242	1,838
Year ended March 31, 2013						
Opening net book amount	–	–	731	865	242	1,838
Additions	–	1,058	–	–	–	1,058
Depreciation charge	–	(352)	(685)	(865)	(242)	(2,144)
Closing net book amount	–	706	46	–	–	752
At March 31, 2013						
Cost	3,646	22,183	10,082	16,021	3,221	55,153
Accumulated depreciation	(3,646)	(21,477)	(10,036)	(16,021)	(3,221)	(54,401)
Net book amount	–	706	46	–	–	752

(expressed in Barbados dollars)

7. Funds held for Barbados Hotel and Tourism Association

	2013	2012
	\$	\$
Balance at beginning of year	1,330,034	1,309,901
Member contributions received during year	672,497	939,641
Disbursements to and on behalf of BHTA during year	(634,410)	(840,588)
Interest on fixed deposits	44,408	51,305
Commissions	(130,368)	(130,225)
	1,282,161	1,330,034

The Tourism Development Corporation collects contributions on behalf of the Barbados Hotel and Tourism Association. These contributions are used for the promotion and development of the Barbados Tourism Industry.

During the year, the Tourism Development Corporation invested the balances in fixed deposits on behalf of the Barbados Hotel and Tourism Association. The interest on fixed deposits represents interest earned on these fixed 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. The movement is as follows:

	2013	2012
	\$	\$
Balance at the beginning of the year	361,619	526,649
Development and promotional expenditure (note 11)	579,135	381,110
	940,754	907,759
Disbursements	(502,705)	(546,140)
Balance at the end of the year	438,049	361,619

9. Funds held for Barbados Chamber of Commerce and Industry

The Tourism Development Corporation collects contributions on behalf of the Barbados Chamber of Commerce and Industry to facilitate the Revitalisation of Bridgetown Initiative (TRBI) Project.

(expressed in Barbados dollars)

10. Funds held for Ministry of Transport & Works

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

11. Development and promotional expenditure

	2013	2012
	\$	\$
Development and promotional expenditure incurred during the year	605,201	398,477
Less write back of previous years' over commitments	(26,066)	(17,367)
	579,135	381,110

12. Funds held for Queen Elizabeth Hospital Project

	2013	2012
	\$	\$
Balance at beginning of year	509,963	232,280
Contributions collected during the year	150,000	400,000
Disbursements on behalf of the QEH Private Sector Donor Group	(53,500)	(122,317)
	606,463	509,963

The Tourism Development Corporation collects contributions on behalf of the QEH Private Sector Donor Group to assist with the effective development of the Queen Elizabeth Hospital.

13. Staff costs

	2013	2012
	\$	\$
Administrative salaries	75,245	73,744
National Insurance	6,873	6,448
	82,118	80,192

(expressed in Barbados dollars)

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 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

The Corporation's interest rate risk arises from its fixed deposits. The fixed deposits 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.

(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. Fixed deposits are placed with regulated financial institutions and reputable public companies within limits set under policy guidelines approved by the Board of Directors.

(expressed in Barbados dollars)

14. Financial risk management ...continued

(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.

	2013	2012
	\$	\$
Accounts payable and accrued liabilities	19,980	20,566
Funds held for Barbados Hotel and Tourism Association	1,282,161	1,330,034
Provision for development and promotional expenditure	438,049	361,619
Funds held for Queen Elizabeth Hospital Project	606,463	509,963
Funds held for Barbados Marine Trust	-	4,150
Funds held for Barbados Chamber of Commerce and Industry	21,000	26,000
Funds held for Ministry of Transport & Works	14,341	10,776
	2,381,994	2,263,108

(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.



Produced by:

TOURISM DEVELOPMENT CORPORATION

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TOURISM
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CORPORATION

Supporting Barbados Tourism