



Annual Report 2014



Produced by:

TOURISM DEVELOPMENT CORPORATION

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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 Project 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.





NOTICE OF MEETING

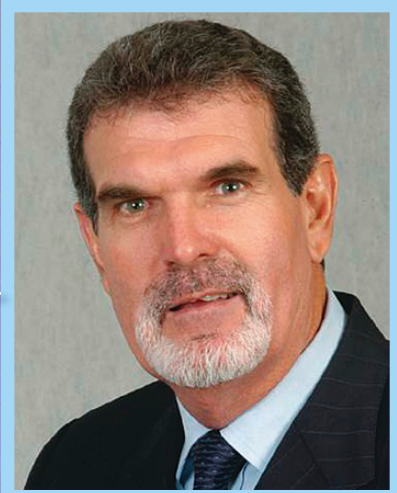
Members are invited to attend the
**Twenty-seventh
Annual General Meeting** of the
Tourism Development Corporation (TDC)
to be held at the
*Accra Beach Hotel & Spa on
Tuesday, September 30th, 2014, at 11 a.m.*



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BOARD OF DIRECTORS



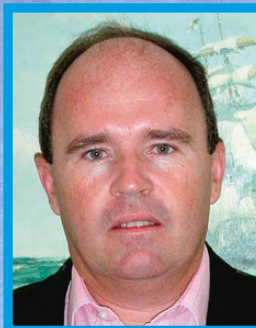
Chairman
G. Anthony King



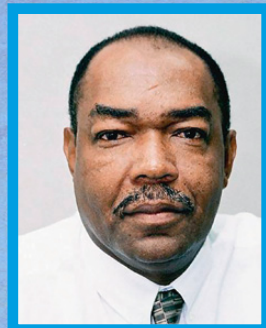
Rovel Morris



Mark Thompson



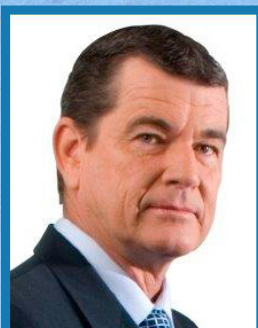
Martin Ince



Hutson Best



Bernard Weatherhead



Frere Delmas



Maureen Davis



Ray Chee-A-Tow



Susan Springer



Mark Durant



Chairperson
Mark Thompson

COMMITTEE & EXECUTIVE



Roseanne Myers



Michelle Smith-Mayers



Douglas Armstrong



Maureen Davis



Barry Gale



Nicole Alleyne



Jon Martineau



Geoffrey Roach



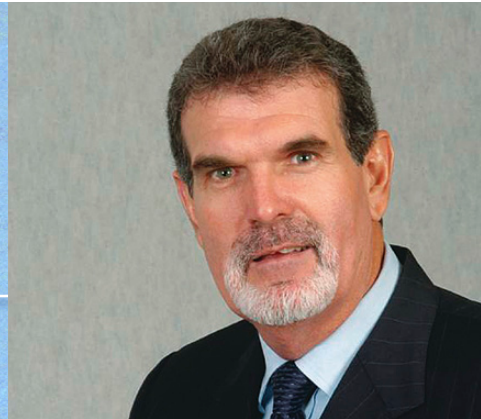
Executive Officer
Dawn A. Franklin

ADVISORS

PricewaterhouseCoopers SRL - Auditors
CIBC FirstCaribbean International Bank Ltd. - Bankers
Valence A. Lynch & Co. - Accountants

CHAIRMAN'S REPORT

Chairman
G. Anthony King



During the Financial Year ended March 2014, Barbados' tourism industry continued to be under strain with a reported overall decline in total long-stay visitor arrivals of 5.2% for 2013. All of our major source markets such as the USA, Canada and UK produced fewer guests. Notably, the United States declined 7.8% and Canada was down 6.7%. For the first quarter of 2014 the figures were mixed with the USA and Canada still negative while UK and Europe recorded gains over Q1 2013 but overall, arrivals were down. One encouraging area in 2013 was cruise tourism which reflected an increase in total cruise passengers of 10.2% and a 4.4% increase in cruise calls; however the figures returned for Q1 2014 are below those of Q1 2013.

At the time of writing, the outlook seems somewhat brighter according to feedback from the industry with improved bookings for the upcoming winter over the 2013/14 winter period. The enlarged Casuarina property should also be back on stream in early 2015.

In March 2014 the British Chancellor announced that the Air Passenger Duty (APD) would be reformed to result in reduced rates from April 2015 and this news was welcomed as the region has been lobbying for this for quite some time. More however needs to be done for Barbados to win over increased holiday makers from the UK, given the many choices they have of destinations and the improvements in the UK economy which fuels their ability for holiday travel.

It is unfortunate that over recent years the island has seen a significant fall in room stock with the available rooms in operation reported to be now about 5000. This

has notably impacted airlift, revenue and employment for the sector. Decreased airlift to the island has also occurred with the notable loss of the American Airlines flight from New York. News reports of new investment and construction which will rebuild our room stock and improve our product offering are encouraging but still await finalisation before action is invoked.

Also worthy of note, was the announcement in July 2013 by the Minister of Tourism, The Hon. Richard Sealy, of a ten-point plan intended to turn the sector around. This plan featured land-tax, electricity and water rebates, a programme to encourage hotels to implement renewable energy and water management processes, plans to strengthen event-based tourism and credit vouchers for British visitors affected by the APD among other initiatives. At this time we do not have full details of the implementation of the various elements of this plan or the associated impact thereof.

Another significant development occurring in this last financial year, was the announcement by the Minister of Tourism that our major industry partner, the Barbados Tourism Authority would be restructured and divided into two entities - namely the 'Barbados the Tourism Product Authority' and the 'Barbados Tourism Marketing Inc'. This, together with insufficient funding, has nevertheless brought delays in new marketing programmes which are very much needed.

TDC Initiatives

The TDC has however continued to carry out its role of providing financial support for projects that seek to either improve our local facilities or attract new visitors.

Further to the Tourism Audit on the state of local attractions commissioned last financial year, the TDC acted upon the significant information garnished from this report and committed a significant amount of funds to restorative and development work needed by the attractions. We also contracted a Product Development Consultant to ensure that the funds were appropriately distributed and applied as warranted.

Support for events has also been important and this year it was recognised by the Board that some of the project managers, especially those with repeat events, appeared to need additional marketing and implementation assistance as other avenues of sponsorship were often reduced. To this end the organization has started to offer some level of consultant support to a few select projects. This is a new area for the TDC and we are collecting a listing of potential consultants specializing in the areas of Project Management, Event Planning etc, with the view of creating a data base for future reference.

Industry Collaborations

The Barbados Hotel & Tourism Association

The TDC continued to work very closely with the BHTA. The TDC participated in the BHTA's Marketing and Product Development Committee meetings which were held in July, August and September. These meetings covered a variety of topics including presentations on the Rihanna Campaign, Travel apps, airlift support, Book Barbados Now and Barbados Island Inclusive Programme. As per usual the TDC was able to join

forces with the BHTA to ensure funding requirements were met for various tourism projects, a few of which are mentioned in the Committee Report.

Ministry of Tourism's 'Host Programme'

Mr. Mark Thompson, Chairman of the Project Assessment Committee continued to attend the Task Force meetings of the "Tourism Host Programme" on TDC's behalf. The Programme is to provide training to tourism practitioners and the wider service sector and to establish a welcoming environment for visitors to be truly treated as guests of the island. It is set to be launched in the latter half of 2014 and will be funded by government and administered by the Ministry of Tourism.



National Host Programme Presentation

The Barbados Tourism Authority

There were no major joint projects between the BTA and the TDC this year, however the organisation did collaborate and attend meetings to discuss some sports tourism events; and once again the TDC provided sponsorship for the Barbados Food and Wine & Rum Festival. As mentioned earlier this institution was reorganised during the year.

The Royal Barbados Police Force Video Surveillance Project

With respect to the CCTV project, the TDC attended meetings with members of the RBPF and visiting representatives of a proposed analytics software vendor to discuss a proposal by the RBPF to expand and improve the effectiveness of the force's capabilities with the CCTV system. This software is intended to reduce the dependence on manpower to monitor the



Book Barbados Now Website

existing and new CCTV coverage, improving the ability to detect incidents by tracking specific parameters. In tandem with this proposal the TDC was contacted by the Barbados Tourism Investment Inc. with regard to a joint project to extend the CCTVs to the West Coast and Warrens areas.

Special Projects Facilities

The TDC continued to assist with its Special Project Facilities, designed to offer incentives for the collection of project funds. Notably the TDC was pleased to administer significant activity with the disbursement of funds for the QEH Hospital with over \$400,000 being given to worthwhile medical causes in this financial period. The TDC was also able to obtain permission from the Ministry of Finance to facilitate the collection of funds for a special heritage project.



Queen Elizabeth Hospital

Membership Contributions and Project Expenditures

For the year ended March 31, 2014, TDC membership contributions were approximately \$116 thousand higher than for the prior year. However, a number of contributions attributable to the prior year were received after the close of the 2012/13 year and, as contribution revenue is recognised on a cash received basis, higher receipts were recorded for the 2013/14 year. On whole however, contributions have been reasonably stable over the two years. Interest earned on deposits was marginally higher although deposit interest rates have been declining somewhat.

By the close of the financial year under review, the funds committed for development and promotional expenditure stood at some \$144 thousand higher than at the close of the prior year. New commitments agreed during the year were also higher but the write-back

of unutilised commitments resulted in a net charge for the year of \$497.7 thousand versus \$579.1 for the year before.

Funds held in cash and on deposit which are available for the TDC's purposes stood at \$4.4 million at year-end, compared to just under \$4.1 Million which was available at the close of the prior year.

Conclusion

I wish to thank the members of the Board for their diligent work throughout the year. Special thanks are extended to Mr. Denis Roach who resigned from the Board effective August 31st, 2013 to pursue his business interests. We thank Denis for extended years of dedicated service on our Project Assessment Committee and to the Board. We welcomed Mr. Frere Delmas of Massy Barbados to our Board in January this year.

Sincerest thanks are extended to our Project Assessment Committee headed by Mr. Mark Thompson who continued his duties as Committee Chairperson during this period. This dedicated group of individuals continues to volunteer their valued time to discuss and evaluate incoming projects and make the necessary recommendations to the Board.

Subsequent to the close of the financial year, our Executive Officer Ms. Dawn Franklin resigned after some 2 years of proficient and attentive service with effect from August 29th, 2014. We wish Dawn the very best in her new endeavours. In her place, we welcome Mrs. Natalie de Caires - Natalie has worked with the TDC before and we are pleased to have her back with the organisation.

Finally, I extend sincerest appreciation to our members for your support and financial contributions. The TDC is very appreciative of your continued support in spite of the ongoing local recession, as this indicates your faithful dedication to the work of this organization.

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

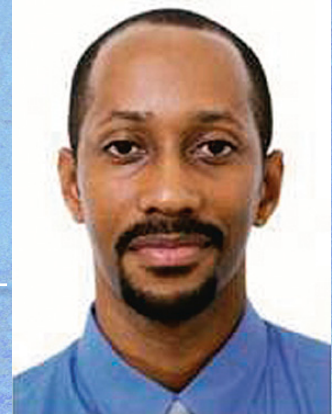
Members & Contributors

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
 Bougainvillea Beach Resort
 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.
 Sagicor General Insurance Inc.
 Sandy Lane Hotel Co. Ltd.
 The Bank of Nova Scotia
 Treasure Beach Hotel
 Williams Industries Inc.

COMMITTEE REPORT

Chairperson
Mark Thompson

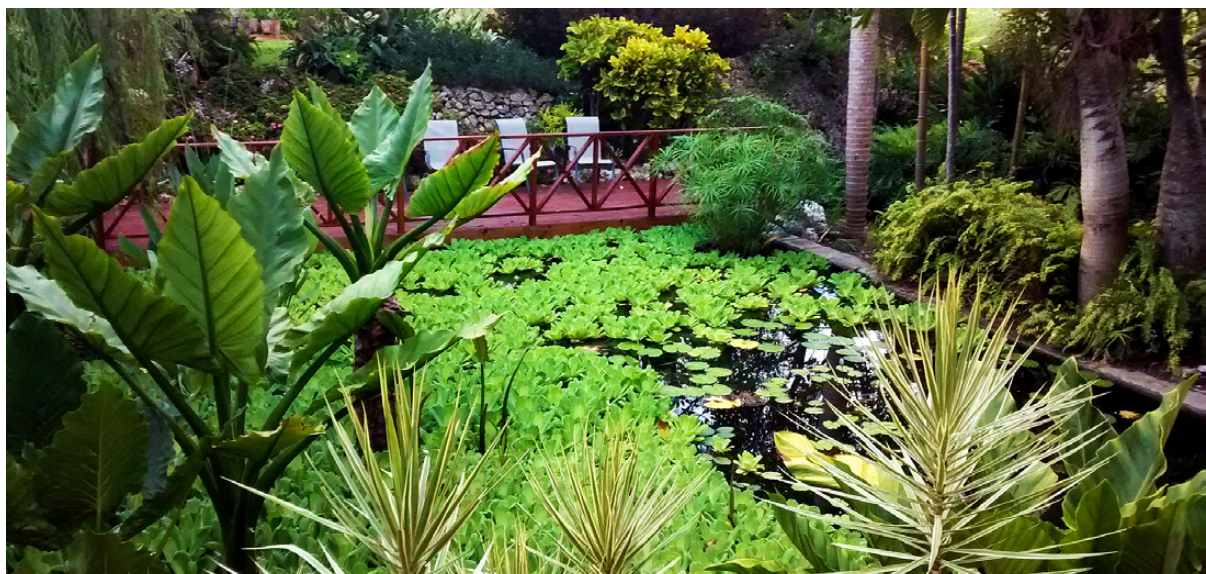


Again a significant percentage of this financial year's funding was directed towards sports tourism activities which accounted for almost 25% of the funds committed, however the vast majority of funds went towards Attraction Development (39%). The remainder of the funds was disbursed to heritage, promotional activities, epicurean, meeting and incentives, crime prevention and eco-tourism.

Given the current economic climate, it was of immense importance to focus on upgrading and keeping current the appearance of many of our attractions included in the Tourism Attraction Audit Phase 2. The Audit commissioned by the TDC and administered by the BHTA last year, lead to the execution of the scope of works carried out and monitored by Sharon Banfield-Bovell contracted as our Product Development Consultant. Funding and implementation of project activities for the following properties were carried out:

- Flower Forest Botanical Gardens
- Bath Beach
- Crane Beach Access
- Pico Teneriffe
- Sunbury Great House & Plantation
- St. John Parish Church
- Codrington College
- Farley Hill National Park
- Medford Craft World
- Chalky Mount Potters
- Adromeda Gardens
- Welchman Hall Gully
- Gun Hill Signal Station

Nearly \$200,000 in funding was allocated to address a number of issues including directional and interpretive signage, pathway, parking area, footpath, handrail,



Andromeda Gardens

bridge, and ramp renovations; and the purchase of pumps, plants, benches, garbage bins, ground lights, etc. Additionally, the Consultant was also engaged to work with the Barbados National Trust on developing a Strategic Marketing Plan for some of their properties.

Heritage

In addition to the heritage properties touched by the aforementioned Attractions audit, the TDC once more partnered with the Barbados Garrison Historical Consortium as the main sponsor of the **Garrison Tunnel Project**. This project was conceptualized and developed by the BGHC on behalf of the Bush Hill Tourism Trust and came about after the re-discovery of the tunnels at George Washington House.



Launch of the Garrison Tunnel Project

Funds were allocated specifically for the construction of stairwells for visitors to GWH to be able to enter the tunnels and walk a 207 foot section, emerging within the garden of the main GWH site. This tunnel attraction is earmarked to become a major component of the GWH attraction.

This year the TDC was approached to sponsor the inaugural **Caribbean Conference of National Trusts**. The local National Trust recognized that heritage tourism is the fastest growing segment of tourism globally and determined that Barbados could be the leading Caribbean destination and a major competitor. This conference was conceptualized to enrich and produce synergies with the rest of the Caribbean and to produce major media publicity and networks, hopefully creating greater interest and funding for preservation and heritage.

Sports Tourism

As noted, Sports Tourism initiatives received a quarter of the financial year's funding. The six different sporting

initiatives represented were soccer, darts, triathlon, swimming, rugby and golf.

Due to the prevailing economic conditions, the TDC continued to support some long standing sports tourism events such as the **Barbados Masters Football Festival** and the **Barbados Darts Festival**, as these events have undoubtedly proven their ability to continuously attract a large number of visitors who spend money on local accommodation and attractions. For example the Barbados Darts Festival continues to attract darts players, their partners, children and friends who consider this festival as their main holiday in that calendar year and spend quite some time on the island.

Of the newer events to the TDC, the **Pan American Triathlon Confederation (PATCO)**, once again awarded to Bridgetown was co-sponsored by the TDC. This highly sought after Pan American Sprint Triathlon hosts a number of overseas competitors and results in increased island exposure to this segment.



Barbados Open Water Festival

The **Swim Barbados Vacations** was again selected for significant funding due to the extensive coverage it obtained in its inaugural year and the new events earmarked to grow the festival this time around. The TDC is pleased to encourage these new events which attract new sectors to the island.

Rugby Barbados Sevens approached the TDC for funding to assist with their marketing and promotion strategy for their overseas tournament participation. The BRFU viewed this as a significant opportunity to market Brand Barbados at an event that attracted 40 teams and thousands of spectators. The TDC was happy to partner with the Barbados Rugby Federation to work towards the ultimate goal of hosting an international event here.



2014 Caribbean Week



2014 Caribbean Week



Launch of the Garrison Tunnel Project



Launch of the Garrison Tunnel Project



2014 Caribbean Week



2014 Caribbean Week



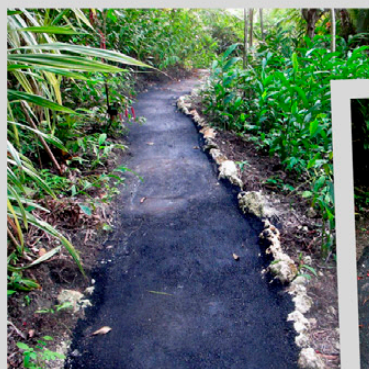
Highway beautification — Future Centre Trust



Barbados Culinary Team



Taste of the Caribbean



Pathways at Flower Forest



Flower Forest



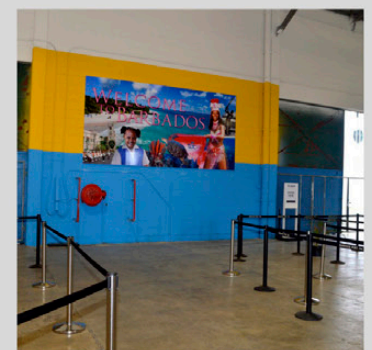
Taste of the Caribbean



2014 Caribbean Week



Bins at Flower Forest



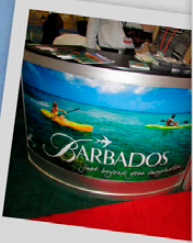
Welcome sign at the Bridgetown Cruise Terminals



Bath Beach



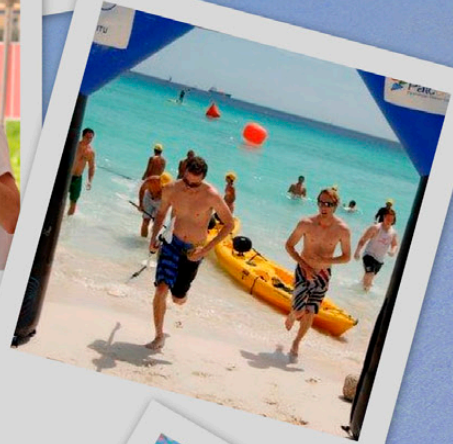
Bath Beach



IMEX 2013



Barbados Open Water Festival



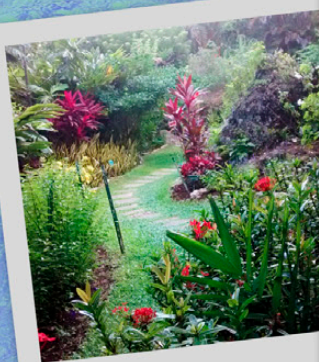
Farley Hill



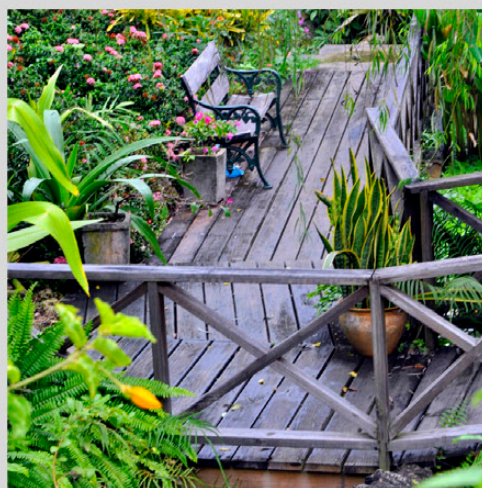
Farley Hill



Barbados Open Water Festival



Andromeda Gardens



Andromeda Gardens



Barbados Open Water Festival

Funds were also allocated for the production of the **Sir Garfield Sobers Golf Video** which features the beauty and elevated ocean views with commentary on our four Championship courses. The video is expected to be distributed initially by the Barbados Tourism Authority through all of its overseas offices in addition to being used by Sir Garfield on his overseas promotional tours. It will also be sent to all golf clubs, posted on websites, etc.

Crime Prevention

The TDC continued to recognize the importance of crime prevention to the stability of the local tourism industry. **The Crime Stoppers International Conference** received TDC funds to sponsor the cost of implementing their PR strategy utilizing online and social media.



A small but important funding project was the **Dodd's Prison's NIFCA Drama**. This drama heightened awareness of the effects of crime on tourism and consequently the lives of all living in Barbados. The Government Information Service filmed the drama for television viewing. Additionally it is envisaged that the DVD would be made available to our 26 secondary schools and other youth centres. TDC congratulated the work done on the drama which went on to win a NIFCA Gold Award.

Epicurean

The TDC joined forces with the BTA to provide significant sponsorship funds to the **Barbados Food and Wine & Rum Festival** which was intended to draw visitors from overseas and highlight our local culinary talent.

Similarly we joined with the BHTA to provide sponsorship funds for **Taste of the Caribbean**. It is envisaged that the development of the epicurean market will continue to draw visitors as these Barbadian Culinary team members continue to represent Barbados locally, regionally and internationally at several events. From the Product Development standpoint these events help to produce some of the best Chefs and Bartenders on the island.



2014 Caribbean Week Chef Presentation at Williams Sonoma Columbus Circle - Photo by Christopher Gill

Promotion

In Celebration of the **40th Anniversary of Caribbean Week in New York**, TDC funds helped Barbados to participate in the events aimed to increase awareness of the destination and to drive increased business. These activities presented the unique opportunity to expose consumers to the culinary expertise of our Chefs as well as the unique attributes that differentiate Barbados from our competitors. Book Barbados Now was also promoted at this event.

Under the promotions umbrella, the TDC provided some funds towards the **Sporting Barbados Magazine**. Sporting Barbados is a marketing tool for the major sporting events in this island which is distributed to hotels, villas, attractions, clubs, VIP lounges, sports bars and restaurants. In addition it is prominently featured at World Travel Market, the overseas offices and the local BTA office for visiting sporting groups.

Eco-Tourism

The TDC continued to provide platinum sponsorship to the **CYEN International Coastal Clean-up** which took place on September 21st 2013 and involved close to 600 volunteers who were able to remove 3406 kg of marine debris over a distance of 5.76 km. A much needed exercise indeed.

The TDC partnered with the **Future Centre Trust** to provide sponsorship for the continuation of **Tree Planting** along this Northern side of the ABC Highway. The planting of these trees are intended to beautify and enhance the redeveloped ABC highway from Warrens to Haggatt Hall, a major transportation corridor by way of planting some 750 varietal palm trees. The TDC is proud to be associated with this example of greening in Barbados in support of the country's goals of a 'Green Economy'.

Product Development

The TDC welcomed the opportunity to assist our cruising sector by funding two new signs which were placed inside the Homeport Terminals South and North of the Barbados Port. This was deemed an important project as this new homeport had already processed about 15,000 guests without any 'Welcome to Barbados' signage. Funds were provided for the design, production

and installation of these large, colourful 16 by 8 feet PVC signs.

Additional assistance was lent to the **Barbados Sea Turtle Project** in the form of funds made available for security services during the nesting season for the project workers. Barbados is currently home to the second-largest hawksbill turtle nesting population in the Wider Caribbean, with up to 500 females nesting per year. Previous unfortunate events necessitated this need for continued security.

Conclusion

During this financial year, the Committee was pleased to work with our industry partners, the BHTA and the BTA and assist with the execution of various projects. Our support tends to remain more reactionary than proactive with the notable exception of the Attractions Audit project where a number of our islands premier Attractions were given much needed attention. It is hopeful that in these times where a targeted approach is even more needed that we could be engaged in more strategic funding in order to position ourselves to make significant gains.

The Committee again had the opportunity to host some of the project proposers at our monthly assessment meetings for the purpose of receiving additional clarifications for the projects presented, but also to try to lend expertise to further develop these events and make them more self-sustaining.

This coming year we look forward to reviewing new and exciting proposals submitted to our organization and to continued collaborations with our industry partners. We stand by our commitment to acknowledging all proposals received and thoroughly reviewing them to carefully select those which meet TDC's marketing and product development mandates.

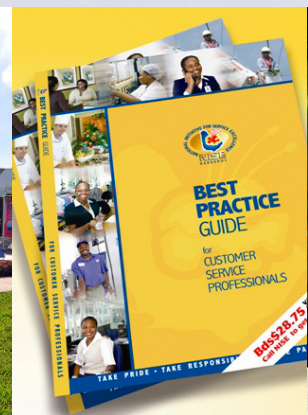


Mark Thompson

Chairperson

Project Assessment Committee

PROJECTS SUPPORTED 1987-2014



- 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
- AIBTM
- 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
- Annual Barbados International Hockey Festival 2012
- Annual Barbados International Masters Football Festival
- 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 Food & Wine Festival 2012
- 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 Open Badminton Tournament
- Barbados Private Sector Agency Projects
- Barbados Rally Carnival
- Barbados Sea Turtle Project Initiatives
- Barbados Sea Turtle - Security Project
- Barbados Style DVD Promotion
- Barbados Super Fall Getaway 2012
- Barbados Take A Closer Look Video
- Barbados Tourist Attraction Audit Programme
- Barbados Tourism Attraction Audit Programme (Phase 2)
- 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 Book Barbados Now
- 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 2013
- Crime Stoppers International Training Conference 2012
- Crop Over Festivals
- CTC 20 & 24 Conferences
- CYEN International Coastal Cleanup Sponsorship
- 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
- Future Centre Trees Projects
- 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
- IMEX
- Immigration Department Training
- Installation of Litter Bins
- Installation of signage in Historic Bridgetown and its Garrison
- 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
- Over the Wall - Crime Prevention Book (Reprint)
- 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
- Sprint Distance Pan American Continental Cup Triathlon
- 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
- Swim Barbados
- Taste of Barbados Food Festival
- Taste of the Caribbean
- TDC Youth Arm
- The Dream Cup
- The Garrison Committee Litter Bins
- The Knot Wedding Promotion
- 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

18th Annual Barbados International Masters Football Festival
 Barbados Darts Festival
 Barbados Food & Wine and Rum Festival
 Caribbean Conference of National Trusts
 IMEX
 Sporting Barbados Magazine
 Swim Barbados Vacations
 BGHC – The Garrison Tunnels
 Caribbean Week in New York
 Crime Stoppers International Training Conference
 Future Centre Trust – Future Trees
 Her Majesty's Prison Dodds – NIFCA Drama
 New Homeport Terminal – Welcome Signs
 Sea Turtle Project - Security Services
 Tourism Attraction Audit – Phase 2 – Consultancy
 Tourism Attraction Audit – Phase 2 – Project Implementation



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, 2014, the statements of comprehensive income, changes in accumulated surplus and 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, 2014, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

September 3, 2014
Bridgetown, Barbados

TOURISM DEVELOPMENT CORPORATION

Balance Sheet

As at March 31, 2014

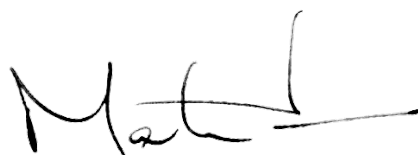
(expressed in Barbados dollars)

	2014	2013
	\$	\$
Current assets		
Cash on hand and at bank (note 4)	394,864	225,354
Cash on hand and at bank - held for BHTA and special projects (note 4)	399,045	751,622
Short-term fixed deposits (note 5)	2,084,925	1,990,626
Short-term fixed deposits - held for BHTA (note 5)	800,608	71,746
Prepaid expenses	1,943	13,696
	<u>3,681,385</u>	<u>3,053,044</u>
Non-current assets		
Plant and equipment (note 6)	362	752
Long-term fixed deposits (note 5)	1,953,520	1,851,936
Long-term fixed deposits - held for BHTA (note 5)	387,130	1,100,597
	<u>2,341,012</u>	<u>2,953,285</u>
Total assets	<u>6,022,397</u>	<u>6,006,329</u>
Current liabilities		
Accounts payable and accrued liabilities	19,875	19,980
Funds held for Barbados Hotel and Tourism Association (note 7)	1,400,974	1,282,161
Provision for development and promotional expenditure (note 8)	582,401	438,049
Funds held for Queen Elizabeth Hospital Project (note 12)	160,469	606,463
Funds held for Barbados Chamber of Commerce and Industry (note 9)	11,000	21,000
Funds held for Ministry of Transport & Works (note 10)	14,341	14,341
	<u>2,189,060</u>	<u>2,381,994</u>
Total liabilities	<u>2,189,060</u>	<u>2,381,994</u>
Accumulated surplus	<u>3,833,337</u>	<u>3,624,335</u>
Total liabilities and accumulated surplus	<u>6,022,397</u>	<u>6,006,329</u>

Approved by the Board of Directors on September 3, 2014



Mr. G. Anthony King
Chairman



Mr. Martin Ince
Director

Statement of Changes in Accumulated Surplus

For the year March 31, 2014

(expressed in Barbados dollars)

	Accumulated surplus \$
Balance at March 31, 2012	3,597,813
Surplus for the year	<u>26,522</u>
Balance at March 31, 2013	3,624,335
Surplus for the year	<u>209,002</u>
Balance at March 31, 2014	<u>3,833,337</u>

TOURISM DEVELOPMENT CORPORATION***Statement of Comprehensive Income***

For the year March 31, 2014

(expressed in Barbados dollars)

	2014	2013
	\$	\$
Income		
Members' and sponsors' contributions (note 2(b))	744,761	628,306
Other contributions	12,000	12,000
Interest income	159,093	153,469
	<hr/>	<hr/>
Total income	915,854	793,775
	<hr/>	<hr/>
Expenditure		
Development and promotional expenditure (note 11)	497,685	579,135
Administration expenses	93,069	67,393
Salaries, allowances and national insurance (note 13)	79,589	82,118
Professional fees	34,016	34,078
Depreciation (note 6)	390	2,144
Subscriptions	550	1,234
Medical plan	1,553	1,151
	<hr/>	<hr/>
Total expenditure	706,852	767,253
	<hr/>	<hr/>
Surplus for the year	209,002	26,522

Statement of Cash Flows

For the year March 31, 2014

(expressed in Barbados dollars)

	2014	2013
	\$	\$
Cash flows from operating activities		
Surplus for the year	209,002	26,522
Adjustments for:		
Depreciation	390	2,144
Interest income	(159,093)	(153,469)
Operating surplus/(deficit) before working capital changes	50,299	(124,803)
Decrease/(increase) in prepaid expenses	11,753	(11,063)
Decrease in accounts payable and accrued liabilities	(105)	(586)
Increase/(decrease) in funds held for Barbados Hotel and Tourism Association	118,813	(47,873)
Increase in development and promotional expenditure committed	144,352	76,430
(Decrease)/increase in funds held for Queen Elizabeth Hospital Project	(445,994)	96,500
Decrease in funds held for Barbados Marine Trust	—	(4,150)
Increase in funds held for Ministry of Transport & Works	—	3,565
Decrease in funds held for Barbados Chamber of Commerce and Industry	(10,000)	(5,000)
Net cash used in operating activities	(130,882)	(16,980)
Cash flows from investing activities		
Purchase of plant and equipment	—	(1,058)
Interest received	210,048	151,451
Investment in fixed deposits	(3,596,607)	(2,501,518)
Maturity of fixed deposits	3,334,374	2,464,068
Net cash (used in)/generated from investing activities	(52,185)	112,943
Net (decrease)/increase in cash on hand and at bank	(183,067)	95,963
Cash on hand and at bank - beginning of year	976,976	881,013
Cash on hand and at bank - end of year	793,909	976,976

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 2014 financial year

There are no standards, interpretations and amendments to existing standards effective in the 2014 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 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.

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:

	2014	2013
	\$	\$
Cash on hand and at bank	394,864	225,354
Cash on hand and at bank - held for BHTA and special projects		
Held for Barbados Chamber of Commerce and Industry	11,000	21,000
Held for Barbados Hotel and Tourism Association	213,235	109,818
Held for Ministry of Transport & Works	14,341	14,341
Held for Queen Elizabeth Hospital Project	160,469	606,463
	399,045	751,622

*(expressed in Barbados dollars)***5. Fixed deposits**

Total short-term fixed deposits comprise the following:

	2014	2013
	\$	\$
Over 90 days but less than one year		
Barbados Shipping and Trading Company Limited	563,703	542,501
Cave Shepherd & Co. Limited	391,870	375,053
Consolidated Finance Co. Ltd	199,817	856,789
Globe Finance Inc.	1,102,939	—
Republic Bank (Barbados) Ltd	—	267,670
Signia Financial Group Inc.	606,327	—
The Bank of Nova Scotia	20,877	20,359
	2,885,533	2,062,372
Less: Held for BHTA		
Consolidated Finance Co. Ltd	51,387	51,387
Globe Finance Inc.	674,342	—
Signia Financial Group Inc.	54,002	—
The Bank of Nova Scotia	20,877	20,359
	800,608	71,746
Short-term fixed deposits	2,084,925	1,990,626

Total long-term fixed deposits comprise the following:

	2014	2013
	\$	\$
Greater than one year		
Consolidated Finance Co. Ltd	752,444	142,565
Globe Finance Inc.	687,674	1,520,839
Signia Financial Group Inc.	900,532	1,289,129
	2,340,650	2,952,533
Less: Held for BHTA		
Globe Finance Inc.	—	647,343
Signia Financial Group Inc.	387,130	453,254
	387,130	1,100,597
Long-term fixed deposits	1,953,520	1,851,936

Fixed deposits earn interest at varying rates from 2.5% to 5% (2013 - 2.75% to 5%).

TOURISM DEVELOPMENT CORPORATION

Notes to Financial Statements

March 31, 2014

(expressed in Barbados dollars)

6. Plant and equipment

	Leasehold improvements	Computer equipment	Furniture and fittings	Other office equipment	Donated equipment	Total
	\$	\$	\$	\$	\$	\$
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
Year ended March 31, 2014						
Opening net book amount	—	706	46	—	—	752
Additions	—	—	—	—	—	—
Depreciation charge	—	(352)	(38)	—	—	(390)
Closing net book amount	—	354	8	—	—	362
At March 31, 2014						
Cost	3,646	22,183	10,082	16,021	3,221	55,153
Accumulated depreciation	(3,646)	(21,829)	(10,074)	(16,021)	(3,221)	(54,791)
Net book amount	—	354	8	—	—	362

(expressed in Barbados dollars)

7. Funds held for Barbados Hotel and Tourism Association

	2014	2013
	\$	\$
Balance at beginning of year	1,282,161	1,330,034
Member contributions received during year	800,870	672,497
Disbursements to and on behalf of BHTA during year	(598,993)	(634,410)
Interest on fixed deposits	47,850	44,408
Commissions	(130,914)	(130,368)
	1,400,974	1,282,161

The Tourism Development Corporation collects contributions on behalf of the Barbados Hotel and Tourism Association in projects sponsored by the BHTA. 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:

	2014	2013
	\$	\$
Balance at the beginning of the year	438,049	361,619
Development and promotional expenditure (note 11)	497,685	579,135
	935,734	940,754
Disbursements	(353,333)	(502,705)
Balance at the end of the year	582,401	438,049

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.

TOURISM DEVELOPMENT CORPORATION

Notes to Financial Statements

March 31, 2014

(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

	2014	2013
	\$	\$
Development and promotional expenditure incurred during the year	635,623	605,201
Less write back of previous years' over commitments	(137,938)	(26,066)
	<u>497,685</u>	<u>579,135</u>

12. Funds held for Queen Elizabeth Hospital Project

	2013	2012
	\$	\$
Balance at beginning of year	606,463	509,963
Contributions collected during the year	—	150,000
Disbursements on behalf of the QEH Private Sector Donor Group	(445,994)	(53,500)
	<u>160,469</u>	<u>606,463</u>

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

	2014	2013
	\$	\$
Administrative salaries	73,000	75,245
National Insurance	6,589	6,873
	<u>79,589</u>	<u>82,118</u>

(expressed in Barbados dollars)

14 Development and promotional expenditure committed

Development and promotional expenditure committed, as reported in the balance sheet, comprises the following:

	2014	2013
	\$	\$
17th Annual Barbados International Masters Football Festival 2013	—	20,000
18th Annual Barbados International Masters Football Festival 2014	20,000	—
27th Annual Barbados International Hockey Festival	—	583
Barbados Darts Festival 2013	—	16,100
Barbados Darts Festival 2014	14,850	—
Barbados Food & Wine and Rum Festival 2012	13,360	50,000
Barbados Food & Wine and Rum Festival 2013	50,000	—
Barbados Museum - Promotional Brochure	—	3,000
Barbados Open Badminton Tournament 2012	—	2,703
BGHC Inc. GHA Project Activities 2009/10	—	76,187
BGHC Inc. – The Garrison Tunnels	85,661	—
Bridgetown American Sprint Triathlon 2013	—	18,500
Caribbean Conference of National Trusts	9,000	—
Annual Crime Stoppers International Conference 2012	—	228
Annual Crime Stoppers International Conference 2013	—	8,500
Future Centre Trust – Future Trees Program - Phase 2	18,100	18,100
Future Centre Trust – Future Trees Program - Phase 3	9,000	—
IMEX 2014	20,000	—
Installation of Signage In Historic Bridgetown and Its Garrison	20,271	20,271
Our Barbados Video Broadcast	—	15,000
Pan American Continental Cup (Barbados) Triathlon 2014	13,500	—
QR Code Interpretation of Garrison Historic Area	—	1,500
Refurbishment of the Barbados Museum Gift Shop	13,341	13,340
Rugby Barbados Sevens	25,000	—
Sea Turtle Project –Security Services	—	—
Sol Rally Barbados 2013	—	50,000
Swim Barbados Vacations 2014 Events	57,686	—
Swim Barbados Vacations 2013 Events	—	40,884
The Dream Cup	—	69,300
Tourism Attraction Audit – Phase 2 – TDC Consultancy	22,375	—
Tourism Attraction Audit – Phase 2 – Project Implementation	190,257	—
Tourism Awareness and Information Tools Initiative	—	8,400
Zouave Uniforms - Changing of the Sentry Attraction at the Garrison	—	5,453
Total Development and Promotional Expenditure Committed	582,401	438,049

TOURISM DEVELOPMENT CORPORATION

Notes to Financial Statements

March 31, 2014

(expressed in Barbados dollars)

15 Development and promotional expenditure

Development and promotional expenditure as reported in note 11 to the financial statements, comprises the following:

	2014	2013
	\$	\$
(a) Marketing		
17th Annual Barbados International Masters Football Festival 2013	—	20,000
18th Annual Barbados International Masters Football Festival 2014	20,000	—
27th Annual Barbados International Hockey Festival	—	17,000
AIBTM 2012	—	10,000
Barbados Darts Festival 2013	—	16,100
Barbados Darts Festival 2014	17,500	—
Barbados Food & Wine and Rum Festival 2012	—	50,000
Barbados Food & Wine and Rum Festival 2013	50,000	—
Barbados Hotel & Tourism Authority - Book Now Barbados	—	40,000
Barbados International Masters Football Festival 2012	—	20,000
Barbados Museum - Promotional Brochure	—	3,000
Barbados Open Badminton Tournament 2012	—	13,580
Barbados Promotion BBNFG12 (Superfall Getaway)	—	10,000
'Barbados Style' DVD's Shipment	—	2,447
Bridgetown American Sprint Triathlon 2013	—	18,500
Caribbean Conference of National Trusts	9,000	—
IMEX 2013	15,000	20,000
IMEX 2014	20,000	—
Our Barbados Video Broadcast	—	15,000
Pan American Continental Cup (Barbados) Triathlon 2014	13,500	—
Rugby Barbados Sevens	25,000	—
Sir Garry Sobers Golf Video	15,000	—
Sol Rally Barbados 2013	—	50,000
Sporting Barbados 2014	12,500	—
Swim Barbados Vacations 2014 Events	60,000	—
Swim Barbados Vacations 2013 Events	—	60,000
The Dream Cup	—	70,000
The Knot Partnership	—	8,925
The National Wedding Show	—	4,199
Total for Marketing	257,500	448,751

*(expressed in Barbados dollars)***15 Development and promotional expenditure ...continued**

	2014	2013
	\$	\$
(b) Product Development		
BGHC Inc. – The Garrison Tunnels	85,661	–
Barbados Police Association Booklet	–	750
BSTP - Security Services for The Upcoming Turtle Nesting Season	–	5,050
Caribbean Week In New York	5,000	–
Annual Crime Stoppers International Conference 2012	–	24,200
Annual Crime Stoppers International Conference 2013	5,000	8,500
CYEN Annual International Coastal Cleanup 2012	–	1,000
CYEN Annual International Coastal Cleanup 2013	1,000	–
Future Centre Trust – Future Trees Program - Phase 1	–	18,100
Future Centre Trust – Future Trees Program - Phase 2	–	18,100
Future Centre Trust – Future Trees Program - Phase 3	9,000	–
Her Majesty's Prison Dodds – NIFCA Drama	2,000	–
Installation of Signage In Historic Bridgetown and Its Garrison	–	60,750
New Homeport Terminal – Welcome Signs	12,194	–
Over The Wall - Her Majesty's Prison Dodds Crime Prevention Handbook	–	5,000
Sea Turtle Project –Security Services	14,335	–
Taste of The Caribbean 2012	–	15,000
Taste of The Caribbean 2013	10,000	–
Tourism Attraction Audit – Phase 2	3,750	–
Tourism Attraction Audit – Phase 2 – TDC Consultancy	33,500	–
Tourism Attraction Audit – Phase 2 – Project Implementation	196,683	–
Total for Product Development	378,123	156,450

TOURISM DEVELOPMENT CORPORATION

Notes to Financial Statements

March 31, 2014

(expressed in Barbados dollars)

15 Development and promotional expenditure ...continued

	2014	2013
	\$	\$
(c) Write Back of previous year's over commitments		
17th Annual Barbados Int'l Masters Football Festival 2013	(799)	—
2013 Bridgetown American Sprint Triathlon	(4,257)	—
27th Annual Barbados International Hockey Festival	(583)	—
Banks International Hockey festival 2011 & 2012	—	1,576
Barbados Darts Festival 2013	(2,224)	—
Barbados Gymnastics Invitational 2012 & 2013	—	(1,502)
Barbados Museum - Promotional Brochure	(3,000)	—
Barbados Open Badminton Tournament 2012	(2,702)	—
BGHC GHA Project Activities	(76,187)	(14,557)
Crime Stoppers Annual International Training	(227)	—
Dream Cup	(20,000)	—
Our Barbados Video Broadcast	(15,000)	—
QR Code Interpretation and Garrison Historic Area	(1,500)	—
Replacement of the Gazebo Roof At Gun Hill Signal Station	—	(4,112)
Sea Turtle Project –Security Services	(56)	(63)
The Barbados Cup International Youth Soccer	—	(4,256)
Tourism Awareness and Information Tool Initiative	(8,400)	—
Zouave Uniforms	(3,003)	—
Total for Write Back of previous year's over commitments	(137,938)	(26,066)
Total Marketing and Product Development	497,685	579,135

(expressed in Barbados dollars)

16 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)

16 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. Liquidity risk is managed by the maintenance of adequate short term and long term fixed deposits to meet cash demand. There are no balances due beyond 12 months.

	2014	2013
	\$	\$
Accounts payable and accrued liabilities	19,875	19,980
Funds held for Barbados Hotel and Tourism Association	1,400,974	1,282,161
Provision for development and promotional expenditure	582,401	438,049
Funds held for Queen Elizabeth Hospital Project	160,469	606,463
Funds held for Barbados Chamber of Commerce and Industry	11,000	21,000
Funds held for Ministry of Transport & Works	14,341	14,341
	<u>2,189,060</u>	<u>2,381,994</u>

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.



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