



## Annual Report 2017





# Board of Directors



## LEFT TO RIGHT:

Martin Ince, Chairman  
Desmond Layne  
Bernard Weatherhead  
Jon Martineau  
Mark Thompson  
Maureen Davis  
Rohan Seale  
Patrick McCaskie  
(Ministry of Finance Representative)  
Michael Armstrong  
Rudy Grant  
(BHTA representative)

## PAC COMMITTEE:

Mark Thompson – Chairman  
Maureen Davis  
Geoffrey Roach  
Nicole Alleyne  
Jon Martineau  
Jonathon Hart  
Kavita Sandiford  
Debbie Stoute  
Christopher Parravicino  
Michael Edwards  
William Griffith  
Kerry Hall  
Natalie Springer

## SERVICE PROVIDERS:

PricewaterhouseCoopers SRL, Auditor  
CIBC FirstCaribbean International Bank Ltd., Bankers  
Valence A. Lynch & Co., Accountants

# 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 enticements, 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 all of the major income earning sectors in Barbados face serious challenges.

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

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

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





# Members & Sponsors

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- Accra Beach Hotel & Spa
- Atlantis Submarines (B’dos) Inc.
- Automotive Art International Inc.
- Banks (B’dos ) Breweries Ltd.
- Barbados Light & Power Co. Ltd.
- Massy Barbados Group
- Bridgetown Cruise Terminals Inc.
- Butterfly Beach Hotel
- Carter & Co. Ltd.
- Cave Shepherd & Co. Ltd.
- CGM Gallagher Insurance Brokers (B’dos) Ltd.
- Chickmont Foods Ltd.
- Colombian Emeralds International
- Ernst & Young
- Foster & Ince Cruise Services Inc.
- Gale’s Agro Products Ltd.
- Goddard Enterprises Ltd.
- Harbour Lights Barbados
- KPMG
- MBV 502 Ltd.
- PricewaterhouseCoopers SRL
- PVH Group Inc.
- RBC Royal Bank (B’dos) Ltd.
- Realtors Ltd.
- Republic Bank (B’dos) Ltd.
- Roberts Manufacturing Co Ltd.
- Sagicor General Insurance Inc.
- Sandy Lane Hotel Co. Ltd.
- Stoutes Car Rentals
- Sun Group Hotels
- Sun Group Inc
- The Bank of Nova Scotia
- The Mark Thompson Group Inc.
- Tomlin Insurance Brokers
- Treasure Beach Hotel
- Vision Development Inc.
- Williams Industries Inc.

**Membership:**  
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 or a fixed donation, claim 100% of their contribution for tax purposes and are entitled to vote at the TDC’s Annual General Meeting.



Martin Ince  
Chairman

## Chairman's Report

It has been an honour to have completed this past year as Chairman of the Tourism Development Corporation. I continue to be reminded of the critical importance of the role that the TDC plays in continuing to build the foundations of the Tourism Industry in Barbados alongside our valued Tourism partners. At the same time, I am reminded of how crucial the Tourism Industry is to the Barbados economy - this sector continues to be the lifeblood for the Island.

The TDC has just completed its 30th Anniversary of operations and as a Tourism funding organisation we are as relevant today as we were 30 years ago. On researching information for the TDC's 30th Anniversary newspaper feature, Sir Geoffrey Cave, one of the TDC founders, highlighted that the TDC was originally meant to only be a 3 year private sector initiative to solve some critical issues that the Barbados Tourism Industry was facing in 1987. It would be hard to imagine the Tourism Industry without the efforts and funding of the TDC which have played its part in propelling the Tourism Industry to where it is today. Achieving a milestone of 30 years of continued funding support of the Tourism Industry in Barbados is a testament to the legacy of strong leadership, valued contributions of our members and solid partnerships with our Barbados Tourism partners.

On numerous occasions we have been told that the TDC is one of the best kept secrets in Barbados and to this end, the TDC has increased the self-promotion of our organisation at various events and sponsorship initiatives that we have been involved in through improved signage, exposure and public relations. We have also stepped up our Social media and online activity and at the same time improved our communication with our existing members via a quarterly Newsletter. Additionally, we have been reaching out to potential new Corporate members highlighting the TDC's achievements and accomplishments. This communication has been targeted to their decision makers in the various companies, encouraging them to join the TDC organisation.

During the year, the TDC Board took the decision to review the funding activity with a defined plan to increase the funding allocations to support a wider range of activities and initiatives - focussed on tourism product improvement. It was felt that the TDC reserved funds could be used to support many areas of the tourism offering that needed urgent improvement, of which many had fallen into a state of disrepair. The focus was on heavily visited specific areas of the Barbados tourism product that required immediate attention. The TDC's Board does envisage these increased funding initiatives continuing in the future as beautification of the country is key in order to ensure that the Barbados brand is up to the standard and expectation in this highly competitive global tourism market.

The decision by the Barbados Government to reduce the Tax incentive on TDC contributions from 150% to 100% some two years ago, continues to be a disappointment for the organization and its membership. Despite a focussed lobbying effort to have this incentive reinstated, to date it has not been realised. Whilst the Board recognizes that various incentives are being reduced, it was felt that the TDC plays such a pivotal role in supporting the same Tourism funding initiatives and the consensus was that this TDC reinstated tax incentive needed special consideration from the Barbados Government.

## Chairman's Report

The TDC continues to encourage new ideas and tourism products that will make the Barbados product stand out from the global competition. We continue to reach out to organisations that are not requesting funding, as well as attempting to bring non-traditional partners to the table, that with some funding, can make a tremendous difference.

The TDC continues to forge partnerships with the BTMI, BTPA and the BHTA, as they are the key tourism entities and it is vitally important for these entities to all work together and pool the various resources for maximum impact and results for the Barbados brand.

I would like to take this opportunity to thank our existing members and to welcome our newest members; Harbour Lights, Stoutes Car Rentals, Tomlin Insurance Brokers, P.E. Development and MBV 502 Ltd. Thank you all for believing in what the TDC organization does and for entrusting us with your contributions.

I would like to especially thank our Executive Officer, Natalie Springer for her unwavering dedication and support of the TDC. Natalie has brought a new energy and professionalism to the organization and for this we are all thankful. A special thanks to Mark Thompson and the members of the Product Assessment Committee (PAC) for their tireless work screening and guiding all of the projects that come to the Directors for approval. We would also like to welcome Debbie Stoute from Republic Bank, Christopher Parravicino from Realtors Ltd, Michael Edwards from Carter & Co Ltd and Jonathon Hart from Automotive Art to the PAC, they all bring fresh perspectives and ideas to the table.

To the TDC Board of Directors, thank you for your sound guidance, commitment, passion and continued support for this worthy organization.

Lastly, and most importantly I would like to thank and salute our forward thinking and valuable TDC membership base. Year after year, they continue to contribute and support the TDC with the understanding of how important our funding efforts are and without the TDC's assistance, many of these projects would not be realised.

I am very excited about the future of Barbados. We have some tough economic times ahead but through the positiveness of our Tourism Industry and active collaborations with both public and private sector entities, Barbados will continue to maintain its position as one of the leading worldwide visitor destinations.

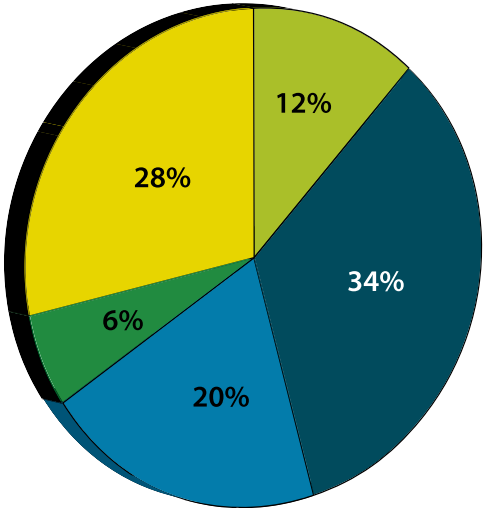
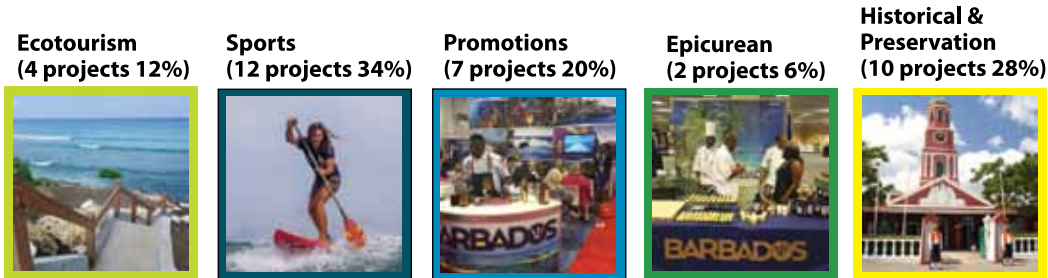


Martin Ince  
Chairman



Mark B.A. Thompson,  
Chairman - Project  
Assessment Committee

During this past financial year in review, the TDC has approved and dispensed funds to a diverse set of projects and initiatives which we believe had and will have a positive impact on the tourism industry both in terms of spend and the physical product that Barbados has to offer. While we categorize all projects as either Marketing and Promotions or Product Development, they all fit into more specific sub-categories as shown in the chart below.



Committee  
Report

**ECOTOURISM – 12% (4 PROJECTS)**

The TDC continued its partnership with the Future Centre Trust by commencing the final phase of the Tree Planting along the ABC Highway with the stretch from the Simpson Motors round-a-bout down to the Spring Garden Highway. This will complete the beautification of the highway as is evident when one sees the palms that have been erected in previous years growing nicely along the embankments.

Ongoing is the installation of four mega yacht moorings to be completed in time for the upcoming winter season, thus improving on this much needed product offering.

Sea Turtles are currently more endangered than ever in Barbados and the TDC is pleased to continue working with the Barbados Sea Turtle project team to assist with security to protect their volunteers who work tirelessly night after night protecting them. The success of this project is little known and Barbados on the whole should be very proud of its accomplishments in this regard.

The popular surf spot and vantage point of Enterprise Sea View on the South Coast has been beautified, made safe and is now there for full use by all.

- Future Centre Trust Highway palms
- Mega Yacht Moorings
- Barbados Sea Turtle Project
- Enterprise Sea View



### **SPORTS – 34% (12 PROJECTS)**

The designation of 2017 as the year of sports by the BTMI, brought further attention to an area which has received the largest allocation of TDC funds over the last number of years. There are many high level sporting events where the TDC looks to assist in taking them to the next level by improving on quality from year to year and through strategic marketing efforts increase the number of athletes, participants and supporters who come to take part and enjoy what the island has to offer otherwise.

Some of the key events supported this past year are:

- Barbados Dive Festival 2017 - inaugural event to help create awareness and grow the dive market.
- Run Barbados - grows from year to year with more participants.
- Barbados Open Water Swim - now the second largest open water swim event in the Caribbean.
- BFIT – attracting more triathletes from year to year and this year Barbados will be hosting the first ever Carifta Triathlon and Aquathon Championship in October.
- Barbados Surf Pro – inaugural event bringing world class surfers to Barbados to compete.
- Barbados Open Squash Championship – attracting top Pro Squash associating players to the island to compete.
- Barbados Darts Festival – a long standing and traditionally successful event.
- Barbados Hockey Festival - first time being held on the newly installed astro turf this year.
- Hockey Astroturf- the TDC assisted with funding to install the new astro turf.
- Sol Rally 2016 - World class event growing from strength to strength each year.
- Sol Rally 2017
- Tri Nation Cricket

### **PROMOTIONS – 20% (7 PROJECTS)**

In light of the worldwide economic situation, with factors such as Brexit, it is crucial for Barbados to be marketing and promoting all that we have to offer in the various marketplaces. The TDC recognises this need and has supported several key marketing initiatives in the source markets.

- WAFA Consultant – to manage the process and help execute the WAFA world class event.
- WAFA 2017 - this event was a world class event, bringing over 400 participants from 21 different countries with 1000 visitors.
- Chelsea Flower Show Flyer
- CMITE 2016 – the key event for networking, growing and maximising Caribbean MICE business.
- IMEX 2016 - America's worldwide exhibition for incentive travel, meetings and events.
- Sporting Barbados Newsletter – this was introduced to spread the word about all of the wonderful sporting events Barbados has to offer year round. It is sent to targeted sporting databases to attract niche sporting visitors to the island.
- WTM 2016 - seen as the key trade show for Barbados, held annually in our main source market, the UK.

### **EPICUREAN – 6% (2 PROJECTS)**

Barbados has been described as the culinary capital of the Caribbean and the TDC would like to see this reputation grow from strength to strength. With that in mind, the TDC supported the Barbados Taste of the Caribbean team to travel and compete and they came back with several awards with the highest being Chef of the Caribbean. Year after year Barbados comes away with top honours at this event, which can only enhance the quality of the culinary offerings our local chefs have to offer, encouraging visitors to return to our island year after year. For the first time Barbados had its Sugar and Rum Season and the Rum Revelry event was held to showcase all of the amazing quality rums Barbados has to offer, enhance the product offering and even encourage rum enthusiasts to come and participate.

- Rum Revelry
- Taste of the Caribbean 2016





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4



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7



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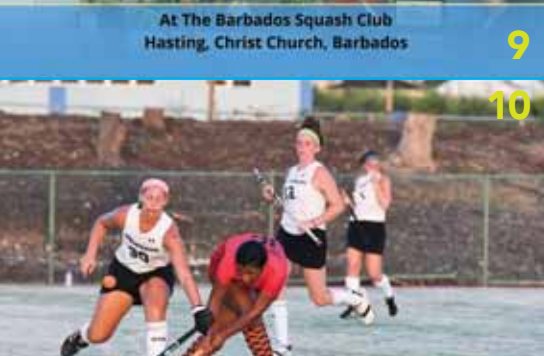


PSA

PSA-BTMI-TDC  
BARBADOS  
OPEN 2017

At The Barbados Squash Club  
Hasting, Christ Church, Barbados

9



10



11



12

1. Enterprise Sea View

2. Run Barbados 2016

3. Future Centre Trust – Palms on the Highway planting

4. Taste of the Caribbean 2017

5. Barbados Surf Pro

6. CAMTRI Sprint Triathlon American Cup &

Central American and Caribbean Championship

7. Barbados Dive Festival

8. Barbados Waterman Festival

9. Barbados Open Squash

10. Barbados Hockey Festival

11. World Travel Market 2016

PROJECTS SUPPORTED





13



14



15



16



19



17



18



20



21



22



23

12. Worthing Bathroom Refurbishment  
13. Enterprise Sea View  
14. Bridgetown Lamps Refurbishment  
15. Barbados Open Water Swim

16. New Hockey Astro Turf  
17. Barbados Rugby 7s  
18. St. John's Church bathroom Refurbishment  
19. Barbados Sea Turtle project

20. Barbados Dive Festival  
21. Barbados Open Squash  
22. IMEX 2016  
23. World Flower Show



# SPORTS TOURISM



The designation of 2017 as the year of sports by the BTMI, brought further attention to an area which has received the largest allocation of TDC funds over the last number of years.

# 34%

### **HISTORICAL AND PRESERVATION – 28% (10 PROJECTS)**

For another year this category represents the second largest allocation of TDC funding. While the TDC supports new projects and initiatives, it is just as crucial and strategic to maintain the valued existing buildings and structures we have in place to maintain the character that makes us uniquely Barbados and to create awareness of these various attractions.

While the Morgan Lewis Mill upgrade was completed during the ensuing year, the TDC funded signage for the Historic Bridgetown and its Garrison area, Carlisle Bay and the UNESCO World Heritage Property sites. The lamps in Bridgetown that were originally funded by the TDC were given an overhaul and brought back to pristine condition. Our Capital Bridgetown, continues to be an area that cries out for attention and the TDC would be happy to be part of a team working in conjunction with other private and public sector partners to revitalise it.

The TDC also worked with the NCC to refurbish public bathrooms at St. John's Church and Bathsheba for use by both residents and visitors alike. In the next financial year, the bathrooms at the Worthing and Accra locations will be refurbished.

- Installation of signage in Historic Bridgetown and its Garrison
- Morgan Lewis
- Refurbishment of the Barbados Museum entrance
- Tourism Attraction Audit
- Carlisle Bay Signage
- UNESCO World Heritage Property Signage Program
- Bridgetown Lamps Refurbishment
- Public Monuments Assessment
- St. John's Church and Bathsheba Bathroom refurbishment
- Worthing and Accra bathroom refurbishment assessment

### **CONCLUSION:**

As is typical the projects supported in this financial year have represented a wide cross section of our tourism offering. Since the TDC is a supporting partner, the Committee is always cognizant of its working relationship with our key tourism partners and makes sure of their involvement with the projects funded.

During the year, some new Committee members were added, which allowed for different and new directions of discussion to occur. Of vital importance is to ensure that all projects coming for approval have the necessary marketing plans to achieve the maximum reach to attract visitors to our shores and that there is a plan for growth of the various projects and future sustainability.

During the year ahead the Committee remains committed to balancing the allocation of funding to both Marketing and Product as both need to be developed to ensure the future of tourism in Barbados. Working with our industry partners, BTMI, BTPA, MOT and the BHTA, getting their insight and views, is key to the success of the projects supported and we look forward to using all of our strengths to help support Barbados tourism and fund its growth.



Mark B.A. Thompson,  
Chairperson, Project Assessment Committee



# Projects Supported 2012-2016



AIBTM	Future Trees – 300 palms along the ABC Highway
AnimeKon VI: Fantopia Geekcation	Golden Oldies Cricket Festival
Annual Barbados International Hockey Festival 2012	Gun Hill Rehabilitation Phase 2
Annual Barbados International Masters Football Festival	Homeporting Signage
BGHC Tunnels	IMEX 2013, 2014 & 2015
Badminton Tournament	Installation of signage in Historic Bridgetown and its Garrison
Barbados International Masters Football Festival Barbados	International Hockey Festival
Darts Festival	Litter Collection Project
Barbados Darts Festival 2014 & 2015	Morgan Lewis Enhancements
Barbados Food, Wine and Rum Festival 2012 & 2013	Mount Gay Round the Island Race 2015
Barbados Hockey Festival	NBC The Voice Promotion of Ms. Kareen Clarke
Barbados House	National Tourism Host Programme Launch
Barbados Museum Promotional Brochure	Over the Wall - Crime Prevention Book (Reprint)
Barbados Open Badminton Tournament	Pan American Continental Cup (Barbados) Triathlon 2014
Barbados Open Water Festival	Pan American Sprint Triathlon 2016
Barbados Port Inc - Training Workshop	PRISON (Dodds) NIFCA DRAMA
Barbados Sea Turtle - Security Project	Public Monuments Assessment
Barbados Style DVD Promotion	Rugby Barbados World 7s
Barbados Style DVD 350 copies for Climate Fund Mtg	Rugby Sevens
Barbados Super Fall Getaway 2012	Run Barbados 2014 & 2016
Barbados Tourism Attraction Audit Programme (Phase 2)	Sailing Promo – St. Tropez
Beach Culture World Tour	Sea Turtle Security
BHTA Book Barbados Now	Segways for RPB through the BHTA
BHTA CONNECT BGI Villa Event 2014	SOL Rally 2013, 2014 & 2015
Bridgetown & it's Garrison Signage Programme	Summertastic 2014
Business Barbados Advertorial 2014	Sporting Barbados 2014 & 2015
CCTV Analytics Pilot	Sporting Barbados 2016 flash drives
Caribbean Conference of National Trust	Sprint Distance Pan American Continental Cup Triathlon
Caribbean Week in New York	Swim Barbados 2013, 2014, 2015 & 2016
Changing of the Sentry activity	Taste of the Caribbean 2013, 2014 & 2015
Chelsea Surfing Documentary	TDC Carlisle Bay Signage
Coterie Retreat	The Dream Cup
Crime Stoppers International Training Conference 2012	The FCT Future Centre Trees Project - Phase 3
Crime Stoppers International Conference 2013	The National Wedding Show
Crime Stoppers Annual International Training Conference 2013	The Knot Wedding Promotion
CYEN International Coastal Cleanup Sponsorship	Tourism Audit Consultancy
CYEN Coastal Clean-Up 2013	Tourism Audit Phase 2 - Part 1
CYEN International Coastal cleanup 2014	Tourism Attraction Audit
Darts Festival 2016	Sir Garry Sobers Golf Video
18th Annual Masters Football Festival	UNESCO World Heritage Property Historic
Future Centre Trees Projects	World Flower Show 2017 Event Coordinator
Future Trees - 200 Palms Warrens to Paradise	World Travel Market 2014 & 2015

## Current Projects 2017



Future Centre Trust – Palms along the Highway  
 Installation of Signage in Historic Bridgetown and  
 Its Garrison  
 Morgan Lewis Enhancements  
 Refurbishment of the Barbados Museum Entrance  
 Tourism Attraction Audit  
 Carlisle Bay Signage  
 UNESCO World Heritage Property Signage Program  
 World Flower Show 2017 Event Coordinator  
 Bridgetown Lamps Refurbishment  
 Barbados Dive Festival 2017  
 Rum Revelry 2017  
 Barbados Open Water Swim 2017  
 Run Barbados 2017  
 Mega Yacht Moorings  
 Barbados Federation of Island Triathletes 2017 Season  
 Barbados Surf Pro  
 World Flower Show 2017  
 Professional Squash Association Barbados Open 2017

Darts Festival 2017  
 Chelsea Flower Show Flyer  
 CMITE 2016  
 IMEX 2016  
 ReDiscover Barbados 2017  
 Sol Rally Barbados 2016  
 Sol Rally Barbados 2017  
 Sporting Barbados Newsletter 2017  
 Tri-Nation Cricket  
 World Travel Market 2016  
 Barbados Sea Turtle Project  
 Enterprise Surf View Access  
 Hockey Astro turf Replacement  
 Public Monument Assessment  
 St. John's Church Bathrooms Refurbishment  
 Bathsheba Bathrooms Refurbishment  
 Taste of the Caribbean 2016  
 Worthing and Accra Bathroom  
 Refurbishment Assessment





## INDEPENDENT AUDITOR'S REPORT

### To the Members of Tourism Development Corporation

#### **Our opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of **Tourism Development Corporation ("the Corporation")** as at March 31, 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

#### **What we have audited**

The Corporation's financial statements comprise:

- the balance sheet as at March 31, 2017;
- the statement of comprehensive income for the year then ended;
- the statement of changes in accumulated surplus for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

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

#### **Independence**

We are independent of the Corporation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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#### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, 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.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

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#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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*PricewaterhouseCoopers SRL, The Financial Services Centre, Bishop's Court Hill, P.O. Box 111, St. Michael, BB14004, Barbados, West Indies*  
*T: +246-626-6700, F: 246-436-1275, [www.pwc.com/bb](http://www.pwc.com/bb)*

"PwC" refers to PricewaterhouseCoopers SRL, a Barbados society with restricted liability which is a member of PricewaterhouseCoopers International Limited, each member firm of which is a separate legal entity.



As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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**Other matter**

This report is made solely to the Corporation's members, as a body, in accordance with Section 147 of the Companies Act of Barbados. Our audit work has been undertaken so that we might state to the Corporation's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Corporation and the Corporation's members as a body, for our audit work, for this report, or for the opinion we have formed.

A handwritten signature in blue ink that reads "PricewaterhouseCoopers SRL".

August 30, 2017  
Bridgetown, Barbados

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*PricewaterhouseCoopers SRL, The Financial Services Centre, Bishop's Court Hill, P.O. Box 111, St. Michael, BB14004, Barbados, West Indies*  
*T: +246-626-6700, F: 246-436-1275, [www.pwc.com/bb](http://www.pwc.com/bb)*

"PwC" refers to PricewaterhouseCoopers SRL, a Barbados society with restricted liability which is a member of PricewaterhouseCoopers International Limited, each member firm of which is a separate legal entity.



# TOURISM DEVELOPMENT CORPORATION

## Balance Sheet

**As at March 31, 2017**

(expressed in Barbados dollars)

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Current assets</b>		
Cash on hand and at bank (note 4)	<b>180,733</b>	289,401
Cash on hand and at bank - held for BHTA and special projects (note 4)	<b>731,758</b>	336,287
Short-term fixed deposits (note 5)	<b>2,691,406</b>	2,325,852
Short-term fixed deposits - held for BHTA (note 5)	<b>825,299</b>	499,417
Prepaid expenses	<b>1,315</b>	1,567
	<b>4,430,511</b>	3,452,524
<b>Non-current assets</b>		
Plant and equipment (note 6)	<b>3,680</b>	599
Long-term fixed deposits (note 5)	<b>1,202,662</b>	1,748,339
Long-term fixed deposits - held for BHTA (note 5)	<b>439,675</b>	778,136
	<b>1,646,017</b>	2,527,074
<b>Total assets</b>	<b>6,076,528</b>	5,979,598
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	<b>21,829</b>	19,259
Funds held for Barbados Hotel and Tourism Association (note 7)	<b>1,971,391</b>	1,567,581
Provision for development and promotional expenditure (note 8)	<b>362,582</b>	540,396
Funds held for Queen Elizabeth Hospital Project (note 12)	<b>-</b>	20,918
Funds held for Barbados Chamber of Commerce and Industry (note 9)	<b>11,000</b>	11,000
Funds held for Ministry of Transport & Works (note 10)	<b>14,341</b>	14,341
<b>Total liabilities</b>	<b>2,381,143</b>	2,173,495
<b>Accumulated surplus</b>	<b>3,695,385</b>	3,806,103
<b>Total liabilities and accumulated surplus</b>	<b>6,076,528</b>	5,979,598

The accompanying notes form an integral part of these financial statements.

Approved by the Board of Directors on August 22, 2017



Martin Ince, Chairman



Mark B. A. Thompson, Director

## TOURISM DEVELOPMENT CORPORATION

Statement of Changes in Accumulated Surplus

**For the year ended March 31, 2017**

(expressed in Barbados dollars)



	<b>Accumulated surplus \$</b>
<b>Balance at March 31, 2015</b>	3,926,421
Deficit for the year	<u>(120,318)</u>
<b>Balance at March 31, 2016</b>	3,806,103
Deficit for the year	<u>(110,718)</u>
<b>Balance at March 31, 2017</b>	<u><b>3,695,385</b></u>



## TOURISM DEVELOPMENT CORPORATION

### Statement of Comprehensive Income

**For the year ended March 31, 2017**

(expressed in Barbados dollars)

	<b>2017</b> \$	<b>2016</b> \$
<b>Income</b>		
Members' and sponsors' contributions (note 2(b))	<b>606,984</b>	584,168
Interest income	<b>126,010</b>	147,249
Other income	-	350
<b>Total income</b>	<b>732,994</b>	731,767
<b>Expenditure</b>		
Development and promotional expenditure (note 11)	<b>656,808</b>	692,930
Administration expenses	<b>52,734</b>	42,240
Salaries, allowances and national insurance (note 13)	<b>87,098</b>	79,629
Professional fees	<b>45,488</b>	34,451
Depreciation (note 6)	<b>1,008</b>	598
Subscriptions	<b>576</b>	547
Medical plan	-	1,690
<b>Total expenditure</b>	<b>843,712</b>	852,085
<b>Deficit for the year</b>	<b>(110,718)</b>	(120,318)

The accompanying notes form an integral part of these financial statements.

## TOURISM DEVELOPMENT CORPORATION

### Statement of Cash Flows

**For the year ended March 31, 2017**

(expressed in Barbados dollars)



	<b>2017</b> \$	<b>2016</b> \$
<b>Cash flows from operating activities</b>		
Deficit for the year	<b>(110,718)</b>	(120,318)
Adjustments for:		
Depreciation	<b>1,008</b>	598
Interest income	<b>(126,010)</b>	(147,249)
Operating deficit before working capital changes	<b>(235,720)</b>	(266,969)
Decrease/(increase) in prepaid expenses	<b>252</b>	(250)
Increase/(decrease) in accounts payable and accrued liabilities	<b>2,570</b>	(1,038)
Increase in funds held for Barbados Hotel and Tourism Association	<b>403,810</b>	105,633
(Decrease)/increase in development and promotional expenditure committed	<b>(177,814)</b>	83,327
Decrease in funds held for Queen Elizabeth Hospital Project	<b>(20,918)</b>	-
<b>Net cash used in operating activities</b>	<b>(27,820)</b>	(79,297)
<b>Cash flows from investing activities</b>		
Purchase of plant and equipment	<b>(4,089)</b>	-
Interest received	<b>189,457</b>	199,322
Investment in fixed deposits	<b>(2,533,082)</b>	(2,787,753)
Maturity of fixed deposits	<b>2,662,337</b>	2,651,871
<b>Net cash generated from investing activities</b>	<b>314,623</b>	63,440
<b>Net increase/(decrease) in cash on hand and at bank</b>	<b>286,803</b>	(15,857)
<b>Cash on hand and at bank - beginning of year</b>	<b>625,688</b>	641,545
<b>Cash on hand and at bank - end of year</b>	<b>912,491</b>	625,688



## TOURISM DEVELOPMENT CORPORATION

Notes to Financial Statements

**March 31, 2017**

(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.

#### ***i) New Standards, amendments and interpretations to existing standards effective in the 2017 financial year***

The following amendment to published standards is applicable to the financial period. The amendment below did not have a significant impact on the financial statements.

**Amendment to IAS 1, 'Presentation of financial statements'** on the disclosure initiative (effective annual periods beginning on or after January 1, 2016). These amendments are part of the IASB initiative to improve presentation and disclosure in financial reports.

#### ***ii) New standards, amendments and interpretations to existing standards effective in the 2017 financial year, but are not relevant***

**Amendment to IFRS 10 and IAS 28** on investment entities applying the consolidation exception (effective annual periods beginning on or after January 1, 2016)

**Amendment to IFRS 11 'Joint arrangements'** on acquisition of an interest in a joint operation (effective January 1, 2016)

**IFRS 14, 'Regulatory deferral accounts'** (effective January 1, 2016)

**Amendment to IAS 16 'Property, plant and equipment'** and IAS 41, 'Agriculture', regarding bearer plant (effective January 1, 2016)

## TOURISM DEVELOPMENT CORPORATION

Notes to Financial Statements

**March 31, 2017**

(expressed in Barbados dollars)



## 2. Significant accounting policies...continued

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

**Amendment to IAS 16, 'Property, plant and equipment'** and IAS 38, 'Intangible assets', on depreciation and amortisation (effective January 1, 2016)

**Amendment to IAS 27, 'Separate financial statements'** on the equity method (effective January 1, 2016)

### iii) **New standards, amendments and interpretations to existing standards that are not yet effective but will be relevant to the Corporation**

Management has reviewed the new standards, amendments and interpretations to existing standards that are not yet effective and has determined that the following are relevant to the Corporation's operations. The Corporation has not early adopted the new standards, amendments and interpretations nor has the Corporation assessed their full impact.

**IAS 7** 'Statement of cash flows' (Amendments) on the disclosure initiative. These amendments are as part of the IASB initiative to improve presentation and disclosure in financial reports (effective January 1, 2017).

**IFRS 9** 'Financial instruments' simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortised cost and fair value where the basis of classification depends on the Company's business model and the contractual cash flow characteristics of the financial asset (effective January 1, 2018).

**IFRS 15** 'Revenue from contracts with customers'. This standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers (effective January 1, 2018).

**IFRS 15** Revenue from contracts with customers (Amendments). These amendments comprise clarifications of the guidance on identifying performance obligations, accounting for licenses of intellectual property and the principal versus agent assessment (gross versus net revenue presentation). The IASB has also included additional practical expedients related to transition to the new revenue standard.

### (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.



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

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

Investment income is recognised on the accrual basis.

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

Plant and equipment is stated at historical cost less depreciation.

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

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

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

### **(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.



## 2. Significant accounting policies...continued

### b) Transactions and balances

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

### (i) Trade payables

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

## 3. Taxation

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

## 4. Cash on hand and at bank

Total cash on hand and at bank comprise the following:

	2017 \$	2016 \$
<b>Cash on hand and at bank</b>	<b>180,733</b>	289,401
<b>Cash on hand and at bank - held for BHTA and special projects</b>		
Held for Barbados Chamber of Commerce and Industry	11,000	11,000
Held for Barbados Hotel and Tourism Association	706,417	290,028
Held for Ministry of Transport & Works	14,341	14,341
Held for Queen Elizabeth Hospital Project	-	20,918
	<b>731,758</b>	336,287



## TOURISM DEVELOPMENT CORPORATION

Notes to Financial Statements

**March 31, 2017**

(expressed in Barbados dollars)

### 5. Fixed deposits

Total short-term fixed deposits comprise the following:

#### Over 90 days but less than one year

	2017 \$	2016 \$
Massy (Barbados) Limited	353,635	605,944
Cave Shepherd & Co. Limited	441,074	425,517
Consolidated Finance Co. Ltd.	618,475	259,728
Globe Finance Inc.	1,554,522	337,539
Signia Financial Group Inc.	527,619	1,175,161
The Bank of Nova Scotia	21,380	21,380

**3,516,705** 2,825,269

#### Less: Held for BHTA

Consolidated Finance Co. Ltd.	57,210	-
Globe Finance Inc.	746,709	-
Signia Financial Group Inc.	-	478,037
The Bank of Nova Scotia	21,380	21,380

**825,299** 499,417

Short-term fixed deposits attributable to TDC

**2,691,406** 2,325,852

Total long-term fixed deposits comprise the following:

#### Greater than one year

	2017 \$	2016 \$
Consolidated Finance Co. Ltd.	151,177	491,008
Globe Finance Inc.	341,788	1,511,064
Signia Financial Group Inc.	1,149,372	524,403

**1,642,337** 2,526,475

#### Less: Held for BHTA

Consolidated Finance Co. Ltd.	-	55,265
Globe Finance Inc.	-	722,871
Signia Financial Group Inc.	439,675	-

**439,675** 778,136

Long-term fixed deposits attributable to TDC

**1,202,662** 1,748,339

Fixed deposits earn interest at varying rates from 2.25% to 4.5% (2016 - 2.25% to 4.75%).

## TOURISM DEVELOPMENT CORPORATION

Notes to Financial Statements

**March 31, 2017**

(expressed in Barbados dollars)



### 6. Plant and equipment

	Leasehold improvements \$	Computer equipment \$	Furniture and fittings \$	Other office equipment \$	Donated equipment \$	Total \$
<b>At March 31, 2015</b>						
Cost	3,646	23,978	10,082	16,021	3,221	56,948
Accumulated depreciation	(3,646)	(22,781)	(10,082)	(16,021)	(3,221)	(55,751)
Net book amount	-	1,197	-	-	-	1,197
<b>Year ended March 31, 2016</b>						
Opening net book amount	-	1,197	-	-	-	1,197
Depreciation charge	-	(598)	-	-	-	(598)
<b>Closing net book amount</b>	-	599	-	-	-	599
<b>At March 31, 2016</b>						
Cost	3,646	23,978	10,082	16,021	3,221	56,948
Accumulated depreciation	(3,646)	(23,379)	(10,082)	(16,021)	(3,221)	(56,349)
<b>Net book amount</b>	-	599	-	-	-	599
<b>Year ended March 31, 2017</b>						
Opening net book amount	-	599	-	-	-	599
Additions	-	-	4,089	-	-	4,089
Depreciation charge	-	(599)	(409)	-	-	(1,008)
<b>Closing net book amount</b>	-	-	<b>3,680</b>	-	-	<b>3,680</b>
<b>At March 31, 2017</b>						
Cost	3,646	23,978	14,171	16,021	3,221	61,037
Accumulated depreciation	(3,646)	(23,978)	(10,491)	(16,021)	(3,221)	(57,357)
<b>Net book amount</b>	-	-	<b>3,680</b>	-	-	<b>3,680</b>



## TOURISM DEVELOPMENT CORPORATION

Notes to Financial Statements

**March 31, 2017**

(expressed in Barbados dollars)

### 7. Funds held for Barbados Hotel and Tourism Association

	<b>2017</b> \$	<b>2016</b> \$
Balance at beginning of year	<b>1,567,581</b>	1,461,948
Member contributions received during year	<b>814,270</b>	833,026
Disbursements to and on behalf of BHTA during year	<b>(312,644)</b>	(627,941)
Interest on fixed deposits	<b>43,633</b>	46,032
Commissions	<b>(141,449)</b>	(145,484)
	<b>1,971,391</b>	1,567,581

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:

	<b>2017</b> \$	<b>2016</b> \$
Balance at the beginning of the year	<b>540,396</b>	457,069
Development and promotional expenditure (note 11)	<b>656,808</b>	692,930
	<b>1,197,204</b>	1,149,999
Disbursements	<b>(834,622)</b>	(609,603)
Balance at the end of the year (note 14)	<b>362,582</b>	540,396

### 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. At March 31, 2017 this amounted to \$11,000.



## 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. At march 31, 2017 this amounted to \$14,341.

## 11. Development and promotional expenditure

	2017 \$	2016 \$
Development and promotional expenditure incurred during the year	<b>750,909</b>	861,226
Less write back of previous years' over commitments (note 15)	<b>(94,101)</b>	(168,296)
	<b>656,808</b>	692,930

## 12. Funds held for Queen Elizabeth Hospital Project

	2017 \$	2016 \$
Balance at beginning of year	<b>20,918</b>	20,918
Disbursements on behalf of the QEH Private Sector Donor Group	<b>(20,918)</b>	-
	<b>-</b>	20,918

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.  
The balance was fully disbursed during the year.

## 13. Staff costs

	2017 \$	2016 \$
Administrative salaries	<b>80,023</b>	73,000
National Insurance	<b>7,075</b>	6,669
	<b>87,098</b>	79,629



## TOURISM DEVELOPMENT CORPORATION

Notes to Financial Statements

**March 31, 2017**

(expressed in Barbados dollars)

### 14. Development and promotional expenditure committed

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

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Animekon VI: Fantopia Geekcation	-	4,750
Barbados Darts Festival 2016	-	13,800
Barbados Museum - Promotional Brochure	-	2,400
Barbados Open Badminton Tournament	-	478
Beach Culture World Tour	-	17,000
Chelsea Surfing Documentary	-	1,522
Gun Hill Rehabilitation Phase 2	-	1,844
Future Centre Trust – Future Trees Program - Highway Palms	<b>20,000</b>	45,000
Installation of Signage In Historic Bridgetown and Its Garrison	<b>8,965</b>	14,220
Morgan Lewis Enhancements	<b>14,000</b>	64,000
Pan American Sprint Triathlon 2016	-	20,000
Public Monuments Assessment	-	750
Refurbishment of the Barbados Museum Entrance	<b>6,555</b>	8,017
Rugby 2016 Pre-Promotion in Tobago	-	10,000
Rugby Barbados Sevens	-	100,000
Run Barbados 2015	-	12,162
Run Barbados 2016	-	50,000
Swim Barbados Vacations 2016 Events	-	50,000
Tourism Attraction Audit – Phase 2 – TDC Consultancy	<b>2,350</b>	7,775
Tourism Attraction Audit – Phase 2 – Project Implementation	-	16,188
Tourism Development Corporation Carlisle Bay Signage	<b>17,172</b>	17,172
UNESCO - World Heritage Property Signage Program	<b>15,093</b>	23,318
World Flower Show 2017 Event Coordinator	<b>15,000</b>	30,000
World Travel Market 2015	-	30,000
Bridgetown Lamps Refurbishment	<b>60,000</b>	-
Barbados Dive Festival 2017	<b>22,291</b>	-
Rum Revelry 2017	<b>5,800</b>	-
Mega Yacht Moorings	<b>4,465</b>	-
Run Barbados 2017	<b>50,000</b>	-
Barbados Open Water Swim 2017	<b>40,000</b>	-
BFIT 2017 Season	<b>16,400</b>	-
Barbados Surf Pro	<b>26,000</b>	-
WAFA 2017	<b>10,891</b>	-
Professional Squash Association Barbados Open 2017	<b>14,000</b>	-
Darts Festival 2017	<b>13,600</b>	-
<b>Total Development and Promotional Expenditure Committed</b>	<b>362,582</b>	540,396



## 15. Development and promotional expenditure

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

### (a) Marketing

	2017 \$	2016 \$
Barbados Darts Festival 2015	-	94
Barbados Darts Festival 2016	1,487	13,800
Barbados International Hockey Festival	39,500	-
Barbados Open Professional Squash Association	5,575	-
Chelsea Flower Show Flyer	5,288	-
CMITE	10,000	15,000
IMEX 2015	-	30,000
IMEX 2016	30,000	-
NBC In The Mix	-	10,000
Pan American Sprint Triathlon 2016	-	20,000
ReDiscover Barbados 2017	6,000	-
Rugby 2016 Pre-Promotion In Tobago	-	10,000
Rugby Barbados Sevens	-	100,000
Run Barbados 2015	-	35,432
Run Barbados 2016	-	50,000
Sol Rally Barbados 2016	63,664	-
Sol Rally Barbados 2017	23,301	-
Sailing Promo - St. Tropez	-	5,000
Sporting Barbados 2015	-	14,999
Sporting Barbados 2017	17,625	-
Swim Barbados Vacations 2016 Events	8	50,000
Tri-Nation Cricket Ad	10,000	-
WAFA 2017	2,475	-
World Travel Market 2015	-	80,000
World Travel Market 2016	80,000	-
Run Barbados 2017	50,000	-
Barbados Open Water Swim 2017	40,000	-
BFIT 2017 season	16,400	-
Barbados Surf Pro	26,000	-
WAFA 2017	10,891	-
Professional Squash Association Barbados Open 2017	14,000	-
Darts Festival 2017	13,600	-
<b>Total for Marketing</b>	<b>465,814</b>	<b>434,325</b>

## TOURISM DEVELOPMENT CORPORATION

Notes to Financial Statements

**March 31, 2017**

(expressed in Barbados dollars)

### 15. Development and promotional expenditure...continued

#### (b) Product Development

	2017 \$	2016 \$
Annual Barbados International Hockey Festival	-	15,000
Barbados Sea Turtle Project	14,335	-
BGHC Inc. - Changing the Sentry Activity	-	10,000
Enterprise SurfView Access	50,000	-
Future Centre Trust - Future Trees Program - Highway Palms	-	65,000
Gun Hill Rehabilitation Phase 2	-	100,000
Hockey Astroturf	50,000	-
Morgan Lewis Enhancements	-	100,000
Public Monuments Assessment	2,787	3,250
Segways for The Royal Barbados Police Force	-	36,479
St. John & Bathsheba Bathroom Refurbishment	59,536	-
Taste of the Caribbean 2015	-	15,000
Taste of the Caribbean 2016	15,000	-
Tourism Attraction Audit - Phase 2 - TDC Consultancy	-	2,350
UNESCO - World Heritage Property Signage Program	-	27,787
World Flower Show 2017 Event Coordinator	-	52,035
Worthing & Accra Bathroom Refurbishment	881	-
Bridgetown Lamps Refurbishment	60,000	-
Barbados Dive Festival 2017	22,291	-
Rum Revelry 2017	5,800	-
Mega Yacht Moorings	4,465	-
<b>Total for Product Development</b>	<b>285,095</b>	426,901
<b>Write Back of previous year's over commitments</b>	<b>(94,101)</b>	(168,296)
<b>Total Marketing and Product Development</b>	<b>656,808</b>	692,930

### 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.





## **16. Financial risk management...continued**

### **(a) Market risk...continued**

#### **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.

### **(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.

Accounts payable and accrued liabilities	
Funds held for Barbados Hotel and Tourism Association	
Provision for development and promotional expenditure	
Funds held for Queen Elizabeth Hospital Project	
Funds held for Barbados Chamber of Commerce and Industry	
Funds held for Ministry of Transport & Works	

<b>2017</b>	<b>2016</b>
<b>\$</b>	<b>\$</b>
<b>21,829</b>	19,259
<b>1,971,391</b>	1,567,581
<b>362,582</b>	540,396
<b>-</b>	20,918
<b>11,000</b>	11,000
<b>14,341</b>	14,341
<b>2,381,143</b>	2,173,495



**16. Financial risk management...continued**

**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.

# 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.



TOURISM DEVELOPMENT CORPORATION

BHTA Building, 4th Avenue, Belleville, St. Michael Barbados, W.I. Tel: (246) 228-8900

E-mail: [tourismdev@caribsurf.com](mailto:tourismdev@caribsurf.com) • [www.tdcbarbados.com](http://www.tdcbarbados.com)