

TOURISM PRODUCT DEVELOPMENT COMPANY LIMITED
ANNUAL REPORT 2013 - 14



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Message from the Chairman of the Board

The Tourism Product Development Company Ltd (TPDCo) during the period under review performed creditably. Dennis Hickey was recruited in June as the new Executive Director. This gave the company a greater sense of stability and allowed it to turn its full attention to the strategic objectives of the organization.

Several positive changes were made including reducing the liability on the balance sheets which was occasioned by outstanding vacation leave. Initiatives to ensure greater coverage of resort areas and elections were held in resort areas to choose Resort Board Chairs. All Chair persons originally nominated by the Honourable Minister were given their own mandate by the constituents except for Portland which saw a new Chairman in the person of Lawrence Robinson being elevated to the office.

The introduction of strategies, to reduce harassment got underway and other key posts were filled as part of the re-structuring of the organization for greater productivity and efficiencies. The company await approvals from the Ministry of Finance to move full speed ahead.

The financial year ended with an increase of \$23.79M or 3% above the revenues of \$721.23M for the previous period. This was due to increases in programme related revenues. Recurrent expenditures of \$478.83M represented a 5.6% increase above that expended for 2012 -2013. This was due to increased departmental and programme related activities within the period.

Total capital related expenditure stood at \$264.19M which reflected an increase of 13.94% on the previous year. This was as a result of increased project related disbursements, project implementation and associated costs for maintenance and operation of leases for properties/attractions. Although the company ended the year with a net surplus which was less than the previous period, the net book value of fixed assets increased to \$21.18M up from \$18.78M.

The TPDCO staff continues to be its best asset and its strengthening was given priority attention at all levels for the period.

The Product Quality Department continued to promote same and to facilitate its enhancement. Of the assessments conducted across sub-sectors just under 4000 met the requisite standards and over five thousand licences were approved by the JTB.

The licensing of hotels continued in earnest and even though there were five new entrants the sector experienced a decrease in room numbers due to the closure of another four of its larger properties. Work continued in increasing compliance among the accommodations' and attractions' sub sectors as well as water sports, car/bike rentals, tour operators, contract carriage and craft. The HIV unit of TPDCo continued, despite funding challenges, to reach out to workers in the sector and over one thousand (1000) team players in the sector were reached through a media campaign, sensitization sessions and risk assessment and health and wellness fairs.

The visitor information booths continued to provide visitor information and serviced approximately four hundred thousand (400,000) enquiries.

The year 2013 -2014 saw the organization undertaking some thirty six (36) projects. Of that number only ten were brought to completion during the period due to several challenges. Despite this, the staff persisted in achieving the re-roofing of shops and repairs at Devon House, Upgrading of the Neville Antonio Park in Port Antonio, Upgrading of the Berrydale Loading Bay, renovation of the Craft Village in Port Antonio, landscaping of Norman Manley Boulevard with several others in progress.

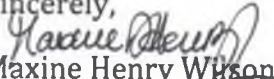
The completion of forty three attractions signs and on-going technical assistance to communities such as Nine Miles, Seaford Town, Oxford Caves and Braes River allowed the attractions department to continue to fulfil its mandate. JADCO projects which include Roaring River Park and Cave, Falmouth Swamp Safari, Rafting on the Rio Grande, Hardwar Gap, Lovers' Leap among others came in for some attention.

Tourism Training conducted some 149 Team Jamaica Training Sessions from which 2,643 participants were certified. An additional 320 persons also completed certification bringing the total to 2,963. The skills upgrading programmes saw 1,865 participants being certified in skills ranging from Tour Guiding, Customer Service Excellence, Security Awareness and Management, to Entrepreneurship. This included some 796 students who participated in the Tourism Summer Intern Programme (TSIP). Several sub-sectors were represented in the training as well as community groups and independents.

The Information systems department focused on several projects aimed at improving business processes and supporting the overall company objectives. While they were at varying stages of completion the Tourism Entity Management System (TEMS), Human Resource Management Capital System (HRMC) and Unified Communication Solution will come on stream in the next financial year. The department benefitted from network infrastructure upgrade and continued to provide support services to the ministry of Tourism and its agencies.

Again TPDCo had a successful staging of the Tourism Summer Intern programme employing some 700 youngsters and exposing them to the business of tourism. The Kinston Metropolitan Resort area's newsletter was launched and continues to be a vehicle to share information on developments in that Resort.

I thank members of the board, management and staff and all stakeholders for their dedication and efforts in meeting the challenges. As we streamline to become more relevant and efficient in the execution of our duties in the year ahead, we crave your continued support.

Sincerely,

Maxine Henry Wilson

Message from the Executive Director

TPDCo...moving ahead strategically

I have had the good fortune of leading this organization for the better part of the period under review. I am thoroughly convinced of the significant role that the Tourism Product Development Ltd. plays in delivering to our visitors the enhanced product that will help to differentiate Jamaica in the market place. Even as we cater to the safety, security and comfort of our visitors our role in ensuring that destination residents benefit broadly from the industry is also at the forefront. As we reflect on the year past we recognize that while there are areas that require focused attention there are indeed aspects of our work that we can be proud of.

Without capital budget support from central government the company was still able to execute several projects with the assistance of the Tourism Enhancement Fund which continued to be an ally for development. Revenue improved with a total intake of \$745.02M and despite an increase in recurrent expenditures the company ended the year with a net surplus of \$2.03M (after taxation and depreciation.)

Although there were mixed results in product development the foundation has been laid for a dedicated "Projects" unit with the necessary skills sets that should reap rewards for the period ahead. Projects totalling \$308 Million were executed, with another \$229 Million in progress.

TPDCo supported the Ministry of Tourism and Entertainment in its drive to formulate a community tourism policy which was anticipated to guide the diversification of the industry in the period ahead. Heritage and community projects in places like Seaford Town and Nine Miles benefited from technical assistance.

Several hundred students were beneficiaries of the company's summer Intern Programme which exposed many to tourism in particular and the world of work in general. The programme continued to be in high demand.

The restructuring work to ensure comprehensive service to the resort areas began in this time. The Product Quality Department has worked assiduously in assessing and monitoring standards which will ensure a quality tourism product. It has spanned all the subsectors and it could not have been done without the partnerships forged with other important government agencies such as fire, health and the police.

While TPDCo continue to operate attractions like Lovers Leap and Rafting on the Rio Grande upgrading has been on-going with the expectation of offering these in the near future to the private sector as investment opportunities.

2643 individuals were certified in the Team Jamaica Programme and another 1,865 in the skills upgrading programmes. This was possible through private/public collaborations with institutions such as JSIF, Community Colleges, Human

Employment Agency Resource Training (Heart/NTA) and approved training partners.

The move to improve the craft sector was initiated against the background of complaints relating to the nature of infrastructure, product development and lack of business. To that end some craft markets came in for upgrading, training was done in entrepreneurial and business skills with emphasis on Customer Service and traders formed work clusters to develop new designs and techniques. Over 200 traders island-wide were trained by Heart Trust NTA during the period. Craft Night outs were staged and a "Best Craft Market" competition was staged in Ocho Rios with plans for its replication.

COMMUNITY AWARENESS

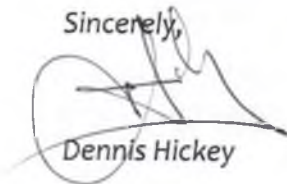
The Community Awareness Department handed over an 11 piece steel band to the Cornwall Court Citizens Association for the engagement of young persons and an income generating opportunity. Six hundred and ninety (690) youngsters were also placed in tourism and other entities during the Summer Intern Programme which provided both an economic opportunity and an introduction to the hospitality and tourism industry.

The Kingston Calling Newsletter was used as a vehicle to share information with stakeholders primarily in the Kingston Metropolitan region and advances were made in positioning the organization to its various publics through participation in various expos and fairs. The department continued to provide support to the organization in its internal and external public relations efforts and enhancing the brand.

TPDCo committed to re-doubling its efforts to ensure that stakeholders were not only satisfied with its level of customer service but with the outputs that were essential to improving the many and varied products of destination Jamaica. The company will continue improvement in technology to drive the organization to its maximum efficiency.

Thanks Team TPDCo, - members of the board, managers and staff for a valiant effort. We will stay the course in the year ahead in order to be more responsive and relevant to those that we serve. We move ahead with a sense of purpose, strategically aligned to the priorities of the Ministry of Tourism and Entertainment.

Sincerely,



Dennis Hickey

DEPARTMENT
Reports

HUMAN RESOURCES & ADMINISTRATION

NEW EXECUTIVE DIRECTOR

The company recruited Mr. Dennis Hickey as its new Executive Director in June 2013. He has already been making positive changes in respect of restructuring for better coverage of resort areas and focusing on key development areas such as anti-harassment and community tourism.

STAFF DEVELOPMENT

The human resources of TPDCo. continued to be the most significant asset. During the period under review, considerable resources were allocated to strengthening the cadre of senior management and other levels of staff, through recruitment, formal training, coaching, cross training, attendance at seminars and short term overseas programmes.

COMPUTERISATION

During the period we started the major project of computerizing of payroll, workforce administration, leave management and performance management. The project was slated for completion in 2014.

RESTRUCTURING

Given the current strategic emphasis of TPDCo the company also started a restructuring exercise which was aimed at ensuring comprehensive service to the resort areas with the requisite accountability. The exercise was near completion.

STAFF WELLNESS

Understanding that the overall wellness of the staff will make them more productive TPDCo have maintained its comprehensive staff wellness programme including quarterly socials, quarterly staff development, lunchtime talks, subsidized gym fees, participation in health activities such as walk and run events and the facilitation of staff participation in making contributions to various charities.

OFFICE FACILITIES MANAGEMENT

The company ensured adequate insurance for all its assets and potential risks at the most economic cost. It invited competitive bids by qualified insurance providers and selected the most cost effective provider.

PRODUCT QUALITY DEPARTMENT

The Product Quality Department as it monitors standards within the tourism sector, sought to promote the quality of the tourism product and assisted all stakeholders and partners to attain/maintain the achievement of a quality tourism product. Engagement with supporting regulatory agencies such as the Public Health Department, the Tourism Liaison Police and the Fire Department continued with a view to representing the concerns of the sector and to effecting compliance with standards at a minimum cost. The report below reflected the objectives achieved over the period April 2013 to March 2014.

Quality Assurance Assessments

Four thousand nine hundred and thirty (**4,930**) assessments were conducted of the tourism sectors including accommodations, attractions, water sports operations, car rentals, bike rentals, tour operations, travel agencies, in bond shops, contract carriage operators and craft sites. Of these, **3,868** met the required standards

Twenty-nine (**29**) consultations with new and existing operations in order to facilitate the development of tourism enterprises were conducted. An additional fourteen (**14**) was done in partnership with the Jamaica Social Investment Fund (JSIF) under their Rural Economic Development Initiative (REDI) Project.

Licence Processing

Five thousand two hundred and sixty-nine (**5,269**) licences were approved by the Jamaica Tourist Board resulting in data being collated on the sector in order to inform and guide development.

River Rafting Authority

Ninety percent (90%) of Operators on the Gazetted Rivers have received their Rafting Permits for the Licensing Period December 15, 2013 to December 15, 2014.

The Authority in collaboration with the Black River Marine Police conducted a sensitization meeting with the fishermen conducting boat tours on the Black River. The Superintendent committed to increase the monitoring of the Black River by the Police. This exercise assisted greatly in minimizing the illegal boat tours.

The Technical Review Sub-Committee (TRC) conducted consultation visits to three (3) entities that submitted project proposals to the Authority to conduct activities on Gazetted Rivers. The proposals received were from the St. Elizabeth Recreations Limited (Black River), Jamaica Jungle River Promotions (Great River) and Island Routes (River Bumpkin Farm Tour, Martha Brae).

Meetings were held with the Operators on the Black River in an effort to address reports received that the major boat tour operators were in breach of the River Rafting Act in that guests were allowed to pet and feed the crocodiles and to swim in the river.

RIVER RAFTING AUTHORITY			
Financial Report for the Period April 1 to March 31, 2014			
EXPENDITURE:			\$
	Compensation of Employee		2,603,375.79
	Travel expenses & Subsistence		375,074.40
	Rental of Property & Machinery		-
	Other Goods & Service		306,932.53
		Total	3,285,382.72
INCOME:			
	Fees Collected		240,881.00
	Net Funding Support from TPDCo		3,044,501.72
		Total	3,285,382.72
Additional Information			
	Board/Directors Fee & Travel		248,260.00
	Value of Assets owned		Nil

RIVER RAFTING AUTHORITY DIRECTORS' COMPENSATION FINANCIAL YEAR APRIL 2013 TO MARCH 2014				
POSITION OF DIRECTOR	FEES (\$)	MOTOR VEHICLE UPKEEP/TRAVELLING OR VALUE OF ASSIGNED MOTOR VEHICLE (\$)	ALL OTHER COMPENSATION INCLUDING NON-CASH BENEFITS AS APPLICABLE (\$)	TOTAL (\$)
CHAIRMAN	66,500.00			66,500.00
DIRECTOR 1	38,500.00	57,420.00		95,920.00
DIRECTOR 2	33,000.00			33,000.00
DIRECTOR 3	5,500.00	8,840.00		14,340.00
DIRECTOR 4	38,500.00			38,500.00
	182,000.00	66,260.00	-	248,260.00

Note:

- All Board members are eligible for travelling. This is paid on a reimbursable claim basis.

Sector Reports

Accommodation Sector

As at March 31, 2014 there were one hundred and seventy-six (**176**) hotels operating in the sector of which one hundred and forty-one (**141**) were licensed.

During the year, five (5) new hotels entered the sector and they are as follows:

Name of Operation	Location	# of rooms
Hotel Tim Bamboo	Portland	25
Westender Inn	Negril	24
Donway A Jamaican Style Village	Montego Bay	24
Jewel Paradise Cove Beach Resort & Spa	Ocho Rios	266
Eden Gardens Wellness & Lifestyle Limited	Kingston	18
Total		357

In addition to the above, twelve (**12**) Non Hotels (villas/guest houses) entered the sector.

The total hotel accommodations (lic./unlic.) as at March 2014 included the following:

Region	# of Hotels	# of rooms
Kingston	17	1,294
St. Catherine	5	214
St. Thomas	3	53
Clarendon	2	39
Manchester	5	168
St. Elizabeth	6	479
St. Mary	7	685
St. Ann	27	4,902
Portland	4	117
St. James	33	6,118
Trelawny	5	508
Hanover	11	3,264
Westmoreland	51	2,108
Total	176	19,949

During the period, the sector experienced a decrease in the number of rooms due to the closure of the following entities:

- ✓ Wyndham Kingston Hotel (*closed due to fire*)
- ✓ The Palmyra Hotel – Solis Resort & Spa (*went into receivership*)
- ✓ Ritz Carlton Rose Hall (*obtained new ownership and closed for refurbishing*)
- ✓ Braco Village (*obtained new ownership and closed for refurbishing*)

Attractions

As at March 31, 2014 there were one hundred and twenty-five (**125**) Attractions in the sector with fifty-nine (**59**) of these operations licensed.

The new operators that entered the sector were Rio Nuevo Village in Ocho Rios, Falmouth Outdoor Adventure Limited in Montego Bay and Bluefields Attractions Limited in Negril.

Water Sports

As at March 31, 2014 there were one hundred and twenty-four (**124**) operators in the sector with eighty-nine (**89**) being licensed.

For this reporting period there were two (2) fatalities recorded on August 17, 2013 in Ocho Rios and January 28, 2014 in Negril involving personal water crafts.

In an effort to decrease the number of personal water craft (PWC) accidents in keeping with the ban on the importation of all PWCs tabled in Parliament by Minister of Tourism and Entertainment, Honourable Dr. Wykeham McNeill, effective February 10, 2014, twelve (12) meetings were held by TPDCo with personal water craft operators in Ocho Rios, Montego Bay and Negril during the period. From these meetings, the operators were asked to cease operations and that they would have an opportunity to become licensed in the future.

Car Rental /Bike Rental

As at March 31, 2014 there were seventy-two (**72**) Car Rental operations in the sector of which forty-nine (**49**) were licensed.

The Department provided secretariat support for the Duty Concession programme and was responsible for monitoring the operators that received the duty concessions. The total number of cars approved within this reporting period amounted to twenty-five (25) with two hundred and fifty-three (253) vehicles granted.

As of March 31, 2014, there were ten (**10**) Bike Rental operations in the sector. For this reporting period only five (**5**) operations were licensed.

Tour Operators

As at March 31, 2014 there were one hundred and forty-three **(143)** Domestic Tour operators of which one hundred **(100)** were licensed. These include tour operators with vehicles, destination management companies as well as independent contract carriage operators that are associated with tour companies such as JUTA, JCAL and Maxi.

Contract Carriage

Owners that operate in the sector have to obtain a Contract Carriage licence from the Jamaica Tourist Board before they are eligible for a road traffic contract carriage licence. For this reporting period three thousand four hundred and fifty-four **(3,454)** were licensed. Of this amount one hundred and sixty **(160)** were new operators.

HIV/AIDS Programme

In summary, over **one thousand one hundred and twenty (1,120)** workers were reached in the tourism sector including staff members of the Ministry of Tourism and Entertainment and its agencies. The unit also facilitated over **one hundred and forty-five (145)** workers within the sector to get their HIV test done during planned Health and Wellness Fairs. A total of **seven thousand eight hundred and fifty-two (7,852)** male condoms were distributed.

Media Campaign

The drive to increase awareness resulted in media campaign such as, DVD Placement of TPDCo “*Wanted*” and “*Hotel Paradise*” on Public Broadcasting Corporation, billboard Placement of “*Hotel Paradise*” billboards in Negril and Montego Bay and advertorial on the Ministry of Tourism and Entertainment and its agencies’ Websites and Intranets.

HIV and AIDS and STI Awareness/Sensitization/Risk Assessment

Twenty-six (26) Sensitization/Awareness Sessions were held with various stakeholders in the tourism industry, reaching **eight hundred and fifty (850)** participants.

Health and Wellness Fairs and Setting up of Booth

Two (2) Health and Wellness Fairs facilitated with tourism partners and Regional Health Authorities’ and Jamaica Red Cross resulting in **one hundred and forty-five (145)** employees being tested for HIV.

HIV and AIDS Work Place Policy Development Discussions

Five (5) HIV and AIDS Work Place Policy Development sessions held with the following tourism entities: (1) Holiday Inn Sunspree Resort (2) Sunset Jamaica Grande (3) Couples Swept Away (4) Devon House (5) Milk River Hotel and Spa.

Visitor Information Programme

For this reporting period the following was an estimation of activities at the Information Kiosks islandwide for this reporting period April 2013 - March 2014:

USAGE OF INFORMATION KIOSKS, MONTEGO BAY REGION (HISTORIC FALMOUTH PIER) & OCHO RIOS

Regions	Number of non-residents that utilize kiosks	Number of residents that utilize information kiosks	Enquiries
Ocho Rios	32,320	460	28,689
Montego Bay & Historic Falmouth Cruise Ship Pier	363,712	3,381	367,289
Total	396,032	3,841	395,978

A total of three hundred and fifty-seven (**357**) vessels arrived in Jamaica during the reporting period, of which there was one million two hundred and fifty-four thousand three hundred and seventy-four (**1,254,374**) passengers and four hundred and fifty-three thousand seven hundred and fifteen (**453,715**) crew members.

PRODUCT DEVELOPMENT DEPARTMENT

Achievements

The Department earned \$48.046m management fees from the execution of projects. This was 44% below the projected target but approximately 14.36% more than the previous year. Over the period, a total of 36 projects were undertaken, we were however, only able to complete 10, the others are in progress.

The following table highlights projects completed during the 2013/2014 period:

Completed Projects-2013-2014			
Project/Contractors	Scope	End Date	Budget
Devon House -Re-Roofing Pavement and Structures	Re-roofing of the Devonshire, Court Yard Shops and the Grog Shoppe.	September 13,2013 Adjusted End Date: October 4,2013*	\$34,300,000.00
Holywell Infrastructure Development – JCDT Force Account	Repairs to Gazebos Bathrooms, Stage, and Nature Trails.	July 23,2013	\$5,900,000.00
West End Guard Rail Installation – Westmoreland Parish Council	Fabrication and installation of Guardrail along the West End.	July 22,2013	\$1,234,223.10
Blenheim Rehabilitation / D. R. Foote Construction	Installation of perimeter chain link fencing.	June 24,2013	\$2,165,760.00
Harbour Street Craft Market (phase 1) / St. James Parish Council	Repairs to leaking roofs, retraining and sealing of gutters.	July 22,2013	\$1,300,000.00

Completed Projects-2013-2014			
Project/Contractors	Scope	End Date	Budget
Palm Tree Maintenance / NSWMA	Replace 20 Royal Palms and maintain all palms for one (1) year.	July 26,2013	\$4,560,000.00
Neville Antonio Park Upgrade - Miller Electrical	Upgrade of stage area, seating area, construction of bathrooms, gazebos and minor landscaping.	July 15,2013 Adjusted End Date: October 31,2013*	\$15,807,600.00
Berrydale Loading Bay – Miller Electrical	Rehabilitation of the Loading Bay.	April 30,2013 Adjusted End Date October 30,2013	\$5,031,000.00
Ocho Rios Fix-Up – SADCo	Upgrade and beautification of sections of the Resort Town.	July 31,2013 Adjusted End Date: December 15, 2013	\$8,600,000.00
Ocho Rios clock Rehabilitation- Zuar Limited	Restoration of the Clock Tower.	July 31, 2013 Adjusted End Date: December 17,2013	\$2,125,597.00
Portland Craft Village - Miller Electrical	Upgrading of existing shops, flooring, sewage system, electrics, bathrooms, kitchen area, amphitheatre. Construction of bar, wheel chair access and guard house.	July 31,2013 Adjusted End Date: December 30, 2013	\$12,710,947.70
Milk River Pool Complex THLC Company Limited	Construction of barbeque pit, redesign and construction of entrances, landscaping, upgrading of pool deck and bathroom facilities.	November 12,2013	\$5,320,379.18
Completed Projects-2013-2014			\$99,055,506.98

ATTRACTIONS DEVELOPMENT DEPARTMENT

Signage

This project was implemented in collaboration with the National Works Agency. The installation of Forty-three (43) attractions signs completed.

Identification of signs under Phase 3 of the Signage project continued. Locations were identified for the South Coast and Trelawny.

Heritage/Community Based Tourism

Seaford Town

On going technical assistance was provided to the Seaford Town Community Tourism project. The Seaford Town NGO submitted a draft lease agreement for the land to be utilized for the siting of the museum to the Church for its consideration.

Working drawings were finalized and a submission for a waiver on planning fees was submitted to the Westmoreland Parish Council.

Nine Miles

Worked continued with the Noranda Bauxite to execute social and infrastructural programmes.

Proposals were submitted to Noranda Bauxite to fund an adult literacy programme and to the Universal Access Fund for computers and the Jamaica Social Investment Fund (REDI Project) for assistance for training.

Oxford Caves Community Project

A project proposal for the use of the One Eye River was made to the Forestry Department. A project proposal to fence the community centre was made to the Community Development Fund of the Ministry of National Security. Meetings continued to be held with the Citizens' Association, TPDCo and the Social Development Commission.

Brae's River

The Janga and Dasheen Festival was held in May 26, 2013. The festival was successful and well supported by the public. A County fair dubbed 'Ole Time Sinting' was also held in July 2013.

Assistance was provided by TPDCo in registering the group as an NGO and the submission to the Jamaica Social Investment Fund (REDI Project) for assistance for Training.

Jamaica Attractions Development Projects - JADCO

Roaring River Park and Cave

Negotiations continued during the period under review and culminated in the receipt of a final draft lease document from the Sugar Company of Jamaica which was submitted to the Board in March for approval and was granted. Meetings were held with the community members and site visits were conducted by TPDCo in order to assess the condition of the physical facilities of the attraction, and develop a scope of works.

Funding was approved by the TEF to carry out physical improvement works to the facility. Tenders were invited on April 8, 2013 and were returned on April 24. An analysis of the tenders was undertaken.

Falmouth Swamp Safari

The attraction has been experiencing noise and dust nuisance from the adjoining factory. Consultation with the relevant stakeholders to mitigate these nuisances have taken place but the matter is still unresolved as the operator has not put in place the mitigation measures recommended by the Health department and NEPA.

Rafting on the Rio Grande

TPDCo has been operating the facility while work to upgrade, licence and sublet were in progress.

Portland Craft Village

Monitoring of the site continued. The Parish Council commenced physical improvements and the facility was officially opened in March 2014.

Hardwar Gap

The facility continued to be plagued by a shortage of water. The deplorable road conditions continued to be a challenge to the effective operation of the facility. The facility is opened from Thursdays to Sundays.

Discussions have been had with the Jamaica Conservation Development Trust (JCDT) regarding sourcing water from their source and a response is awaited.

A proposal to secure funding for the repair works to the facility was approved by the Board of Directors.

Lovers' Leap Attractions

The Attraction continued to be operated by TPDCo. and was open seven (7) days per week. Negotiations were on-going between TPDCo and the National Land Agency for a section of the forest reserves (Bluff) and with Port Authority of Jamaica for the Lighthouse Property.

Recreational Development Corporation (RDC)

Lime Cay

Monitoring of the site continued. A site visit meeting was held with the relevant agencies to chart the way forward.

Jackson Bay

The beach was still badly eroded, however the concessionaire had indicated that he was willing to retain the site. The National Environment and Planning Agency (NEPA) has been assessing and monitoring the site on a continuous basis.

Other Projects

Nature Preservation Foundation (Hope Gardens)

The Department provided technical assistance to the asset utilization committee.

Resort Boards

Technical assistance to the Resort Boards continued and the Terms of Reference which outlines the operations of the boards was finalised.

CRAFT DEVELOPMENT UNIT

Overview:

This period under review was very worthwhile as it saw Tourism Product Development Company Limited along with the Ministry of Tourism and its Agencies moving forward to improve the Craft Sector. Over the years there have been numerous complaints and issues about the Sector related to a lack of business, the nature of the infrastructure or stalls and the conditions related to the craft traders and producers within the Sector.

All these were factors that have impacted the sector for years and needed to be addressed. Product Development was also a major issue as it was realized that there were opportunities to be had but that they remained untapped.

The period under review could be seen as the game changer. The Craft Strategy was now fully completed and represented a fulsome script from all stakeholders as it had been painstakingly done barring none. The Craft Development Strategy sets the stage for all else. It is the prescription for Craft Development going forward.

It was well received as it addressed most if not all the concerns.

Craft Traders/Producers:

The craft traders re-tooled and recognized that they had to do things differently. They realized at last that there was money to be made but they had to learn how to do it as a professional. As such during 2013-2014 several training courses were held in Entrepreneurial and Business Skills with particular emphasis on Customer Service.

This course was well received and as delivered by HEART Trust/NTA it was designed for adults in a business environment. The traders found the course value added and soon it was in demand everybody wanted to attend. It was so good that even on a public holiday they attended the training so as not to miss a day.

Work-Clusters and partnerships were formed as traders committed themselves to maximize profit through team work. The Clusters formed were to develop new designs and techniques. Skits and dances were practiced and "Craft Night Outs" planned and staged.

In Ocho Rios, the traders staged 'A best Craft market' Competition, it was well supported by visitors and traders/producers. It was very encouraging to see the level of marketing and organization. The training received over the years by the traders/producers had impacted somewhat. The Craft Markets in the other regions also decided to have a similar activity since that was so successful. All traders have been encouraged to improve themselves and their attitude so that business can increase.

Craft Markets

The Craft Markets were being repaired Harbour Street and should be completed in short order. During this period a number of concerns were raised about the management, security and maintenance of the Craft Markets.

To resolve many of the issues two meetings were arranged with the St. James Parish Council. One was convened. At this meeting many of the issues were dealt with and to date there was a relative good relationship between both stakeholders.

With regards to the upkeep and maintenance of the craft markets the traders have been asked to ensure that the garbage bins are strategically placed for the disposal of garbage. They were also asked to ensure that the plants planted to enhance the environment were watered and protected.

One registered craft market at Coconut Grove was mostly unoccupied as the traders claim that there was no business. The stalls at this location were used primarily to store goods for the days the traders go to the Pier.

Unlicensed Craft Markets:

April 2013 –March 2014 saw a lot of restlessness among the unregistered craft sites. Although several letters have been written to try and assist these traders to return to the Pier there had been no success; owing to the lack of licensing. Efforts were still being made to resolve or to find a suitable alternate location.

Training:

Over two hundred Traders Island wide were trained by HEART Trust /NTA over this period. Fifty traders have already received their certificates with one hundred and fifty waiting.

Plans have been made to continue this training as it was in demand. Another one hundred and seventy traders have been sensitized and dates and venues are being sourced to accommodate them.

TOURISM TRAINING DEPARTMENT

TRAINING PROGRAMMES YEAR TO DATE

TEAM JAMAICA TRAINING:

For the fiscal year **April 2013 to March 2014**, a total of One hundred and forty nine (149) Team Jamaica training programmes were delivered to three thousand, two hundred and sixteen (3,216) registered participants. Of this total, two thousand, six hundred and forty-three (2,643) participants were certified. Additionally, during the delivery of these programmes, three hundred and twenty-two (320) persons completed certification through *Make-up* sessions. This brought the number of participants certified during the period to two thousand, five hundred and fifty four (2,554).

Total Programmes: 149

Total Participants: 3,216

Total Certified: 2,643

SKILLS UPGRADING:

Seventy-five (75) Skills Upgrading programmes were delivered to two thousand and seventy nine (2,079) registered participants of which one thousand eight hundred and sixty-five (1,865) were certified (forty (40) participants did not require certification). The total number of participants registered in the Skills Upgrading programmes includes seven hundred and ninety-six (796) students involved in the 2013 TSIP programme.

Total Programmes: 75

Total Participants: 2079 (*796 – TSIP)

Total Certified: 1,865

Tourism Summer Intern Programme: Tourism sensitization sessions were held in all resort areas. A total of seven hundred and ninety-six (796) students were involved. *seven hundred and eighty-eight (788) were certified.

TRAINING TOTALS TO DATE: 1996 – MARCH 2014

TYPE OF TRAINING	# of Programmes	# of Participants
Team Jamaica (1997-2014)	2531	52,330
Skills Upgrading (1996-2014)	877	23,732
Combined Total	3,408	76,062

Subsectors represented in training programmes:

The following tourism sub-sectors were represented in the various training programmes delivered during the period April 2013 – March 2014:

- Transportation
- Attractions
- Accommodation
- Craft
- Support services (JCF, Courtesy Corp, private security firms,)
- Community groups
- Independent persons - self employed and unemployed

Community Groups: Team Jamaica Training and Skills upgrading programmes were delivered to representatives from various community groups, such as from Nine Miles - St. Ann; Rastafarian Indigenous Village, Montego Bay Fisher Folk , Sturge Town Heritage Village, Trelawny Community group, Treasure Beach, Rums of Jamaica; Lions Ville

Hospitality Groups:

St. Monica's College; Solutions Catering; Jan's School of Hospitality Services

Participating entities:

Some of the entities which participated in training programmes include:

Accommodations: 12

Educational Institutions: 9

Attractions: 7

Tourism Support: 4 (Public sector Agencies)

Transportation: 1 (Tour Company)

Shopping: Craft Markets

The division collaborated with public and private sector organizations such as:

- Jamaica Social Investment Fund/REDI
- Community Colleges (Team Jamaica training)

- Ministry of Tourism / Jamaica Tourist Board
 - Work Permit meeting
 - Protocol Assignments
- Jamaica Cultural Development Commission
- Human Employment Agency Resource Training (HEART/NTA)
- Approved training Partners: Montego Bay (2) , Falmouth (1); Ocho Rios (2)- St Monica’s College

The Tourism Training unit offers two (2) types of training programmes:

1. TEAM JAMAICA

This is the flagship programme for TPDCo. It is a *movement* for quality service improvement which seeks to provide tourism personnel with the requisite knowledge, interpersonal skills and attitude for the delivery of customer service excellence to enhance visitor’s experience.

Over the years, modifications have been made in order to update information on trends in tourism, and to ensure relevance to the industry. As a direct response to industry requests, the total training contact hours have been contracted to twenty-four (24) to keep in line with manpower demands on stakeholders. The modules include:

- **Tourism Awareness & Customer Relations**
- **Tourism Product: The People** (*History, Heritage & Jamaican Folklore*)
- **Tourism Product: The Environment** (*Geography, Local Attractions, Flora & Fauna, Environmental care and protection*)
- **Review & Evaluation**

Certification Levels in Team Jamaica training:

There are four (4) levels in the Team Jamaica training programme: Line level; supervisory; management and Team Trainer.

2. SKILLS UPGRADING

Skills upgrading programmes are designed to improve technical and interpersonal skills; knowledge and attitudes. They are offered both “*in-house*” on demand by stakeholders, or in scheduled “*Open Sector*” sessions. Skills upgrading programmes include:

- **Tour Guiding Skills**
- **Customer Service Excellence**
- **Security Awareness & Management**
- **Entrepreneurship** – with topics for the Craft and Agro-tourism sectors such as:
 - *Business Development*
 - *Packaging & Labeling*

– *Marketing & Sales*

- **Supervisory management**
- **Train-The-Trainer / Team Trainer**
- **CPR & First Aid**
- **Protocol & Professional Etiquette**

RESULTS:

- Positive feedback from participants (average of 95% favorability rating)
- The development of Team Jamaica has been recognized throughout the Caribbean.

MANAGEMENT INFORMATION SYSTEMS

For the fiscal year 2013/2014, the department focused on several initiatives to improve the business processes and support organizational objectives.

The department's activities were project driven to assist other departments within the company to work smarter in fulfilling the tourism mandate – to transform and enhance the product. The following projects were undertaken:

Tourism Entity Management System (TEMS)

Given its thrust to provide an improved service to the sector and to streamline its processes to be cost effective and efficient, TPDCo embarked on the implementation of a comprehensive information system - Tourism Entity Management System (TEMS).

The application is an online system which will enable the **Product Quality** Department to electronically capture all information collected during the licensing and inspection process.

This will provide real time information and alerts that will engender a greater level of efficiency and effectiveness within the department.

The closure on the TEMS project was the focus for the 2013/2014 period. The project is scheduled to go live in November 2014 for its final phase of development.

Business Benefits:

- Eliminate the cost of report integration across the regions
- Real time, accurate, event driven information about the entities e.g.. accommodation, watersports, attractions , contract carriage operators
- Better management of the challenges associated with compliance within the tourism sector
- Portal for Regulatory Agencies access to Entity Information
- Linkages with the Tax Registration Department for verification

Human Resource Management Capital System (HRMC)

In keeping with the department objective to improve the delivery of services to staff using modern technology, we identified an HRM Software built on the renowned PeopleSoft platform, aimed at addressing the human resource management needs of the organization.

As a result of this initiative, the company would see improvement in the management of its human capital, through the use of an automated computerized system.

For the Fiscal year 2013/2014, the project entered its final phase. The project was scheduled to be completed on October 31, 2014.

Business Benefits:

- Automated leave application
- Employee access to real-time relevant information
- Eliminate cost associated with the printing of leave forms
- Automation of Performance Appraisal Systems
- Automation of common administrative duties

Unified Communication Solution (UCS)

Providing a converged infrastructure where voice and data communication flow over a common transport medium across the Ministry and its agencies, ultimately, linking all PBXs together.

The solution was intended to reduce call charges, including cell phone calls which would allow extension to extension dialing across the regions; Providing a framework for future services including VoIP technology, i.e., Video Conferencing.

During the period, a Request for Proposal (RFP) document was prepared and the project tendered. The implementation of the Unified Communication Solution was scheduled for the end of 2014.

Network Infrastructure Upgrade

The current Information, Communication Technology (ICT) infrastructure which supports the organization, the Tourism Enhancement Fund (TEF), Ministry of Tourism and Entertainment and Jamaica Vacations was stretched and required upgrading. This was necessary as most of the systems that support the network became obsolete and were non-compliant with current industry standards.

Additional server hardware and software were acquired during the period 2013/2014 for the platform foundation.

Support Services

MIS continued to provide Information Technology services to the Ministry and its Agencies. Some of the support services that the Agencies currently benefit from include:

- Shared access to Microsoft Exchange Server including maintenance, patching, upgrading, monitoring and problem resolution.
- Managed e-mail services
- File Storage and Archiving
- Intranet Support
- Internet Services

Security: Anti-virus Protection, Intrusion Detection and Monitoring System

FINANCIAL HIGHLIGHTS

Revenues:

Total revenue for the financial year ending March 31, 2014 was \$745.02M representing an increase of \$23.79M or 3% above the revenue of \$721.23M realized for the financial year ending March 31, 2013. The increase in total revenue is due largely to increases in programme related revenues within the year.

Recurrent Expenditures

Recurrent expenditure for this financial year ending March 31, 2014 was \$478.83M reflecting an increase of \$25.24m or 5.56% above the expenditure of \$453.59M expended for the previous financial year. There were increased departmental and programme related activities within the period. Included within the total expenditure is a budget allocation of \$ 3.2M for the River Rafting Authority.

Capital Expenditure

Total capital related expenditure for the financial year was \$264.19M reflecting an increase of \$32.33M or 13.94% when compared with the expenditure of \$231.86M for the previous financial year. The increased expenditure was as a result of increased project related

disbursements, increased project implementations and also increases in costs associated with the maintenance and operation of leased properties and/or attractions.

Fixed Assets

The total value of fixed assets acquired within the year was \$11.90M. Net book value increased to \$21.18M as at March 31, 2014, up from the \$18.78M value the previous year.

Surplus/Deficit

The audited financial statement is reflecting a net surplus of \$2.03M (after taxation and depreciation) compared to a surplus of \$35.81M recorded last year which resulted from booking the GOJ staff retroactive compensation.

Adjustments to the financial statements include an increase in the provision for doubtful debt by \$8.8m as at March 31, 2014. The company received additional programme support within the year and all prior year adjustments for government obligations (one-off payments, retro, etc.) have been accounted for within the period.

Conclusion:

The Audited financial statements, with the various disclosures and figures presented therein, have been reviewed by management and can be relied on as reflecting a true and fair view of the state of the company's affairs as at March 31, 2014.



**Tourism Product Development
Company Limited**

**Financial Statements
31 March 2014**

Tourism Product Development Company Limited

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31 March 2014

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Independent Auditors' Report

**To the Members of
Tourism Product Development Company Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of Tourism Product Development Company Limited, set out on pages 1 to 21, which comprise the statement of financial position as at 31 March 2014 and the statements of comprehensive income, changes in equity 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 of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and with the requirements of the Jamaican Companies Act, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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.

PricewaterhouseCoopers, Scotiabank Centre, Duke Street, Box 372, Kingston, Jamaica
T: (876) 922 6230, F: (876) 922 7581, www.pwc.com/jm



pwc

**Members of Tourism Product Development Company Limited
Independent Auditors' Report
Page 2**

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Tourism Product Development Company Limited as at 31 March 2014, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Jamaican Companies Act.

Report on Other Legal and Regulatory Requirements

As required by the Jamaican Companies Act, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the accompanying financial statements are in agreement therewith and give the information required by the Act, in the manner so required.

PricewaterhouseCoopers

Chartered Accountants
31 July 2014
Kingston, Jamaica

Tourism Product Development Company Limited

Statement of Comprehensive Income

Year ended 31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

	Note	2014 \$'000	2013 \$'000
Revenue		322,511	359,492
Other operating income	6	422,504	361,742
Operating expenses	7	<u>(743,018)</u>	<u>(685,463)</u>
Operating Surplus		1,997	35,771
Finance income	10	<u>43</u>	<u>53</u>
Surplus before Taxation		2,040	35,824
Taxation	11	<u>(10)</u>	<u>(16)</u>
Net Surplus, being Total Comprehensive Income for the Year		<u><u>2,030</u></u>	<u><u>35,808</u></u>

Tourism Product Development Company Limited

Statement of Financial Position

31 March 2014

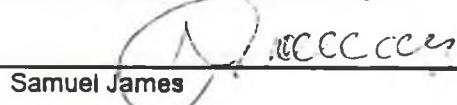
(expressed in Jamaican dollars unless otherwise indicated)

	Note	2014 \$'000	2013 \$'000
Non-Current Asset			
Property, plant and equipment	12	21,185	18,779
Current Assets			
Receivables	13	53,819	61,923
Cash and bank	14	68,816	28,570
Taxation recoverable		868	1,730
		121,503	92,223
Current Liabilities			
Bank overdraft	14	277	-
Payables	15	116,885	87,500
Taxation payable		5,053	5,059
		122,215	92,559
Net Current Liabilities		(712)	(336)
		20,473	18,443
Shareholders' Equity			
Share capital	16	1	1
Capital reserve	17	325	325
Accumulated surplus		20,147	18,117
		20,473	18,443

Approved for issue by the Board of Trustees on 31 July 2014 and signed on its behalf by:


Maxine Henry-Wilson

Director


Samuel James

Director

Tourism Product Development Company Limited

Statement of Changes in Equity

Year ended 31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

	No. of Shares	Share Capital \$'000	Capital Reserve \$'000	Accumulated (Deficit)/Surplus \$'000	Total \$'000
Balance at 1 April 2012	2	1	325	(17,691)	(17,365)
Net surplus, being total comprehensive income for the year	-	-	-	35,808	35,808
Balance at 31 March 2013	2	1	325	18,117	18,443
Net surplus, being total comprehensive income for the year	-	-	-	2,030	2,030
Balance at 31 March 2014	2	1	325	20,147	20,473

Tourism Product Development Company Limited

Statement of Cash Flows

Year ended 31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

	2014 \$'000	2013 \$'000
Cash Flows from Operating Activities		
Net surplus	2,030	35,808
Items not affecting cash:		
Taxation expense	10	16
Depreciation	9,497	7,286
Interest income	(43)	(53)
Changes in operating assets and liabilities:		
Payables	29,385	(28,585)
Receivables	8,104	7,247
Cash provided by operating activities	48,983	21,719
Tax refund	846	2,581
Net cash provided by operating activities	49,829	24,300
Cash Flows from Investing Activities		
Interest received	43	53
Purchase of property, plant and equipment	(11,903)	(3,752)
Cash used in investing activities	(11,860)	(3,699)
Increase in cash and cash equivalents	37,969	20,601
Cash and cash equivalents at beginning of year	28,570	7,969
CASH AND CASH EQUIVALENTS AT END OF THE YEAR (Note 14)	66,539	28,570

Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

1. Identification and Activities

The Tourism Product Development Company Limited (the Company) was incorporated in Jamaica as a private company on 31 July 1975 and is owned by the Accountant General on behalf of the Government of Jamaica.

The Company's principal activities are to facilitate the development of the Jamaican tourism product, promote tourism awareness programmes, set and monitor quality standards for tourism destinations and conduct training for employees in the industry.

The Company's operations are primarily financed by cash grants from the Government against operating budgets prepared annually by the Company. Income earned from fees charged and the temporary investment of surplus funds are credited to the statement of comprehensive income.

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and 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 Company's accounting policies. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

Standards and amendments to published standards effective in current year

IFRS 13, 'Fair Value Measurement', IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRS. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards. The requirements are similar to those in IFRS 7, 'Financial instruments: Disclosures', but apply to all assets and liabilities measured at fair value, not just financial assets and liabilities. The adoption of this standard did not have a significant impact in measurement or disclosure statement.

Standards, interpretations and amendments to published standards that are not yet effective

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been issued which are mandatory for the Company's accounting periods beginning on or after 1 April 2014, and which the Company has not early adopted. The Company has assessed the relevance of all such new standards, interpretations and amendments, has determined that the following may be relevant to its operations, and has concluded as follows:

Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Standards, interpretations and amendments to published standards that are not yet effective (continued)

IFRS 9, Financial instruments part 1: Classification and measurement (effective for annual periods beginning on or after 1 January 2015) was issued in November 2009 and replaces those parts of IAS 39 relating to the classification and measurement of financial instruments. Key features are as follows:

Financial assets are required to be classified into two measurement categories: those to be measured subsequently at fair value, and those to be measured subsequently at amortised cost. The decision is to be made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.

An instrument is subsequently measured at amortised cost only if it is a debt instrument and both the objective of the entity's business model is to hold the asset to collect the contractual cash flows, and the asset's contractual cash flows represent only payments of principal and interest (that is, it has only 'basic loan features'). All other debt instruments are to be measured at fair value through profit or loss.

All equity instruments are to be measured subsequently at fair value. Equity instruments that are held for trading will be measured at fair value through profit or loss. For all other equity investments, an irrevocable election can be made at initial recognition, to recognise unrealised and realised fair value gains and losses through other comprehensive income rather than profit or loss. There is to be no recycling of fair value gains and losses to profit or loss. This election may be made on an instrument-by-instrument basis. Dividends are to be presented in profit or loss, as long as they represent a return on investment.

While adoption of IFRS 9 is mandatory from 1 January 2015, earlier adoption is permitted. The Company is considering the implications of the standard, the impact on the Company and the timing of its adoption.

There are no other new or amended standards and interpretations that are issued but not yet effective that are expected to have a significant impact on the accounting policies or financial disclosures of the Company.

Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies (Continued)

(b) Foreign currency translation

i) Functional and presentation currency

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

ii) 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.

(c) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset in one entity and a financial liability or equity of another entity.

Financial assets

The Company's financial assets comprise receivables and cash and bank balances.

Financial liabilities

The Company's financial liabilities comprise payables and bank overdraft.

The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. The determination of the fair values of the Company's financial instruments is discussed in Note 3.

Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies (Continued)

(d) Property, plant and equipment

Motor vehicles and certain computer equipment are shown at deemed cost, less subsequent depreciation. All other property, plant and equipment are stated at historical cost less accumulated depreciation.

Depreciation is calculated using the straight-line method at such rates that will write off the carrying value of the assets over the period of their expected useful lives as follows:

Office equipment	20%
Office furniture	10%
Motor vehicles	20%
Computer equipment	20%

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating surplus/(deficit). Repairs and renewals are charged to the statement of comprehensive income when the expenditure is incurred.

When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

The cost of major renovations is included in the carrying amount of the asset when it is possible that future economic benefits are in excess of the originally assessed standard of performance of the existing asset that will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

(e) Impairment of non-current assets

Property, plant and equipment and other non-current assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lower levels for which there are separately identifiable cash flows.

(f) Receivables

Receivables are carried at original invoice value less provision for impairment of these receivables. A provision for impairment of trade receivables is made when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows, discounted at the market rate of interest. Bad debts are written off during the period in which they are identified.

(g) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash at bank and in hand, net of bank overdraft.

Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies (Continued)

(h) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable and is recognised in the accounting period in which the services are rendered on a time-proportionate basis. Revenue is recognised as follows:

Government grants

Government grants are recognised in the period received and are based on amounts approved by the Ministry of Finance.

Sales of services

Fees for services to the Tourism Enhancement Fund (TEF) and other fees (including licensing fees, management fees etc.) are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Interest income

Interest income is recognised on a time-proportionate basis using the effective interest method.

(i) Employee benefit costs

The Company participates in a defined contribution scheme. The pension scheme is funded by payments from employees and by the Company. A defined contribution scheme is one in which the Company pays fixed contributions, into a separate entity and will have no legal or constructive obligation to pay further contributions if the Company does not hold sufficient assets to pay all employees' benefits relating to employee service in the current and prior periods.

Once the contributions have been paid, the Company has no further payment obligations. The Company's contributions to the scheme are charged to the statement of comprehensive income in the year to which they relate.

(j) Payables

Trade payables are recognised initially at fair value and are subsequently measured at amortised cost.

(k) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

2. Summary of Significant Accounting Policies (Continued)

(l) Leases

(i) As lessee

The leases entered into by the Company are primarily operating leases. The total payments made under operating leases are charged to other operating expenses in the statement of comprehensive income on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

(ii) As lessor

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with similar owned assets. Rental income is recognised on a straight-line basis over the lease term.

(m) Income taxes

Taxation expense in the statement of comprehensive income comprises current charges.

The Company is exempt from taxation on normal operating activities. Current tax charges are based on interest income and other income not exempt from taxation and are calculated at rates that have been enacted at the statement of financial position date.

Deferred taxation is not recognised in these financial statements as a result of the Company's exemption from taxation on normal operating activities and no significant temporary differences in respect of income subject to taxation.

(n) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The Company's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Company regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The Board of Directors is ultimately responsible for the establishment and oversight of the Company's risk management framework. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity.

Audit Committee

The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by the Internal Audit department which undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

(a) Credit risk

The Company takes on exposure to credit risk, which is the risk that its customers, clients or counterparties will cause a financial loss for the Company by failing to discharge their contractual obligations. Credit risk is important for the Company's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally from the Company's receivables from customers. The Company structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single counterparty or groups of related counterparties and to industry segments.

Credit review process

Management performs ongoing analyses of the ability of borrowers and other counterparties to meet repayment obligations.

(i) Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management has established policies under which each customer is analysed individually for creditworthiness prior to the Company offering them this facility.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The Company has significant concentration of trade or other receivables credit risk, as 48% (2013 – 24%) of the total receivables is due from Tourism Enhancement Fund.

(ii) Cash

Cash transactions are limited to high credit quality financial institutions. The Company has policies in place to limit the amount of exposure to any one financial institution.

Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(a) Credit risk (continued)

Exposure to credit risk for trade receivables

The following table summarises the Company's credit exposure for trade receivables at their carrying amounts, as categorised by the customer sector:

	2014	2013
	\$'000	\$'000
Rental/lease properties	13,954	9,609
Less: Provision for credit losses	(8,838)	(638)
	<u>5,116</u>	<u>8,971</u>

Ageing analysis of trade receivables that are past due but not impaired

Trade receivables that are less than 30 days past due are not considered impaired. As of 31 March 2014, trade receivables of \$474,000 (2013 – \$567,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables was as follows:

	2014	2013
	\$'000	\$'000
31 – 60 days	<u>474</u>	<u>567</u>

Ageing analysis of trade receivables that are past due and impaired

As of 31 March 2014, trade receivables of \$8,838,000 (2013 – \$638,000) were impaired. The amount of the provision was \$8,838,000 (2013 – \$638,000). It was assessed that a portion of the receivables is expected to be recovered. The ageing of these receivables was as follows:

	2014	2013
	\$'000	\$'000
61 – 90 days	-	101
Over 90 days	8,838	537
	<u>8,838</u>	<u>638</u>

Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(a) Credit risk (continued)

Movement analysis of provision for impairment of trade receivables

The movement on the provision for impairment of trade receivables was as follows:

	2014 \$'000	2013 \$'000
At 1 April	638	2,573
Provision for impairment	8,317	-
Amounts written-off	<u>(117)</u>	<u>(1,935)</u>
At 31 March	<u>8,838</u>	<u>638</u>

The creation and release of provision for impaired receivables have been included in expenses in the statement of comprehensive income. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

(b) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

Liquidity risk management process

The Company's liquidity management process includes:

- (i) Monitoring future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of collateral which could be used to secure companying if required;
- (ii) Optimising returns on invested cash.

Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(b) Liquidity risk (continued)

Undiscounted cash flows of financial liabilities

The maturity profile of the company's financial liabilities at year end based on contractual undiscounted payments was as follows:

	Within 1 Month \$'000	1 to 3 Months \$'000	3 to 12 Months \$'000	Total \$'000
2014				
Financial liabilities				
Bank overdraft	277	-	-	277
Payables	113,116	3,615	154	116,685
	<u>113,393</u>	<u>3,615</u>	<u>154</u>	<u>117,162</u>
2013				
Payables	87,500	-	-	87,500
	<u>87,500</u>	<u>-</u>	<u>-</u>	<u>87,500</u>

Assets available to meet all of the liabilities and to cover financial liabilities include receivables and cash balances.

(c) Market risk

The Company takes on exposure to market risk, which is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates and interest rates. Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which it manages and measures the risk.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The Company manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The Company has no significant exposure to currency risk at 31 March 2014.

Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

3. Financial Risk Management (Continued)

(c) Market risk (continued)

Interest rate risk

Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the Company to cash flow interest risk, whereas fixed interest rate instruments expose the Company to fair value interest risk.

The Company has no significant exposure to interest rate risk at 31 March 2014.

(d) Capital management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide benefits for its stakeholders and to maintain an optimal capital structure.

There were no changes to the Company's approach to capital management during the year, and this is monitored by the Board of Directors.

The Company is not subject to externally imposed capital requirements.

4. Fair Value Estimation

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. In assessing the fair value of financial instruments, the Company uses a variety of methods and makes assumptions that are based on market conditions existing at the statement of financial position date.

The face value, less any estimated credit adjustments, for financial assets and liabilities with a maturity of less than one year are estimated to approximate their fair values. These financial assets and liabilities are cash and bank, receivables and payables.

5. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

(a) Critical accounting estimates in applying the Company's accounting policies

In the process of applying the Company's accounting policies, management has arrived at no judgements which it believes would have a significant impact on the amounts recognised in these financial statements.

(b) Key sources of estimation uncertainty

Management has derived no estimates for inclusion in these financial statements which it believes has a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year.

Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

6. Other Income

	2014	2013
	\$'000	\$'000
Tourism Enhancement Fund	352,217	306,832
Foreign exchange gain	470	1,801
Income from Tourist Attractions	69,817	53,109
	<u>422,504</u>	<u>361,742</u>

7. Expenses by Nature

Total direct, administration and other operating expenses:

	2014	2013
	\$'000	\$'000
Advertising and promotions	982	694
Audit fees	1,391	1,300
Bad debts	8,517	-
Bank charges	939	1,274
Beautification projects	231,933	205,845
Depreciation (Note 12)	9,497	7,286
Directors' fees	1,480	1,558
Insurance	2,818	2,951
Legal and professional fees	6,310	2,908
Office	4,642	(2,076)
Rental property and equipment	54,914	54,529
Repairs and maintenance	12,299	7,840
Rio Grande related expenses	25,736	19,935
Lovers Leap related expenses	6,521	6,087
Salaries and wages	327,553	330,146
Travelling and subsistence	18,039	19,181
Utilities	18,781	15,874
Other goods and services	10,666	10,131
	<u>743,018</u>	<u>685,463</u>

Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

8. Staff Costs

	2014 \$'000	2013 \$'000
Wages and salaries	200,494	202,248
Statutory contributions	12,805	11,380
Pension costs	6,140	6,079
Other	<u>108,114</u>	<u>110,439</u>
	<u>327,553</u>	<u>330,146</u>

9. Operating Lease Commitments

The Company leases various office spaces under non-cancellable operating leases agreements. The lease terms are between 5 and 10 years and are renewable at the end of the lease period at market rate.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	2014 \$'000	2013 \$'000
Not later than 1 year	38,945	35,852
Later than 1 year and not later than 5 years	<u>194,725</u>	<u>179,260</u>
	<u>233,670</u>	<u>215,112</u>

10. Finance Income

	2014 \$'000	2013 \$'000
Interest income	<u>43</u>	<u>53</u>

Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

11. Taxation

(a) The Company is exempt from taxation on surpluses arising from normal operating activities.

(b) Taxation is charged on interest and other income received during the year, adjusted for taxation purposes and comprise income tax at 25% (2013 – 33 1/3%):

	2014 \$'000	2013 \$'000
Current tax	10	16

(c) Reconciliation of applicable tax charges to effective tax charge:

	2014 \$'000	2013 \$'000
Surplus before tax	2,040	35,824
Tax calculated at 25% (2013 – 33 1/3%):	510	11,941
Adjusted for the effects of:		
Expenses not deductible for tax purposes	185,754	228,486
Income not subject to taxation	(186,254)	(240,411)
Tax charge	10	16

12. Property, Plant and Equipment

	Office Equipment \$'000	Office Furniture \$'000	Motor Vehicles \$'000	Computer Hardware \$'000	Computer Software \$'000	Total \$'000
At Cost -						
At 1 April 2012	84,438	22,086	1,585	699	1,444	110,252
Additions	24	245	-	3,478	5	3,752
31 March 2013	84,462	22,331	1,585	4,177	1,449	114,004
Additions	1,317	372	5,371	1,165	3,678	11,903
31 March 2014	85,779	22,703	6,956	5,342	5,127	125,907
Depreciation -						
At 1 April 2012	72,563	13,666	1,585	41	84	87,939
Charge for the year	5,473	1,448	-	271	94	7,286
31 March 2013	78,036	15,114	1,585	312	178	95,225
Charge for the year	6,075	1,607	1,074	378	363	9,497
31 March 2014	84,111	16,721	2,659	690	541	104,722
Net Book Value -						
31 March 2014	1,668	5,982	4,297	4,652	4,586	21,185
31 March 2013	6,426	7,217	-	3,865	1,271	18,779

Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

13. Receivables

	2014 \$'000	2013 \$'000
Trade receivables	13,954	9,609
Less: Provision for impairment	<u>(8,838)</u>	<u>(638)</u>
	5,116	8,971
Prepayments	4,490	1,635
Tourism Enhancement Fund	30,786	15,640
Other	<u>13,427</u>	<u>35,677</u>
	<u>53,819</u>	<u>61,923</u>

14. Cash and Cash Equivalents

	2014 \$'000	2013 \$'000
Cash and bank	66,816	28,570
Bank overdraft	<u>(277)</u>	<u>-</u>
	<u>66,539</u>	<u>28,570</u>

Cash includes amounts held in current accounts and cash on hand which do not attract interest.

The bank overdraft results from cheques drawn at year end but not presented to the bank.

15. Payables

	2014 \$'000	2013 \$'000
Trade payables	43,854	18,092
Accrued charges	1,193	1,300
Contractors	14,612	13,787
Statutory payables	5,454	20
Other	<u>51,772</u>	<u>54,301</u>
	<u>116,885</u>	<u>87,500</u>

Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

16. Share Capital

	2014 \$'000	2013 \$'000
Authorised – 100 Ordinary shares		
Issued and fully paid – 2 Ordinary shares	<u>1</u>	<u>1</u>

17. Capital Reserve

This represents the donation of motor vehicle and computer equipment from the Planning Institute of Jamaica.

18. Contingencies and Other Commitments

A lawsuit was filed against the Company on February 2, 2004 by Exterior III Constructions Ltd., a former contractor. The claim is in respect of work done on the Portland Craft Village for which final payment of \$5,894,136 was not received. The Company has filed a counter suit in response, claiming \$9,613,200 in damages, interest and costs.

A lawsuit was filed in June 2008 against the Jamaica Tourist Board (JTB) and the company by Riverwalk Limited for breach of contractual and statutory duties pursuant to the Law Reform (Miscellaneous Provisions) Act. The claim was in excess of US\$3,000,000 and a default judgement was made against JTB and the company. The matter was settled out of court on the 22nd of July 2013 for a total of \$500,000 of which \$250,000 was paid by TPDCO.

19. Pension Scheme

The Company operates a defined contribution pension scheme, which is open to all permanent employees and administered by an outside agency.

The scheme is funded by employee contributions at 5% of salary with the option to voluntarily contribute an additional amount provided that their total contributions to the scheme do not exceed 10% of salary. See Note 8 for the amount recognised in the statement of comprehensive income for the year. Pension at normal retirement age is based on the amount that can be obtained from both the employer's and employees' accumulated contribution, with interest.

Tourism Product Development Company Limited

Notes to the Financial Statements

31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

20. Related Party Transactions and Balances

(a) The statement of comprehensive income includes the following transactions with government agencies:

	2014 \$'000	2013 \$'000
Ministry of Finance -		
Subvention fee income	<u>322,511</u>	<u>359,492</u>
Tourism Enhancement Fund -		
Subsidy income and project reimbursement	233,845	236,145
Monitoring fees	29,185	-
Other income	<u>89,187</u>	<u>70,687</u>
	<u>352,217</u>	<u>306,832</u>

(b) The statement of financial position includes the following transactions with government agency:

	2014 \$'000	2013 \$'000
Due from Tourism Enhancement Fund	<u>30,786</u>	<u>15,640</u>

(c) Key management compensation:

	2014 \$'000	2013 \$'000
Salaries and wages	39,068	30,058
Gratuity	1,312	2,767
Other short term benefits	<u>16,811</u>	<u>14,696</u>
	<u>57,191</u>	<u>47,521</u>
Directors' emoluments –		
Fees	<u>1,480</u>	<u>1,558</u>



**Tourism Product Development
Company Limited**

**Supplementary Information
31 March 2014**

Tourism Product Development Company Limited

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31 March 2014

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Tourism Product Development Company Limited

Income and Expenditure

Year ended 31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

	Actual \$'000	Budget \$'000	Favourable/ (Unfavourable) \$'000	2013 \$'000
Income				
Government Grant – Ministry of Finance	322,511	349,026	(26,515)	359,492
Tourism Enhancement Fund	352,217	-	352,217	236,145
Interest income	43	-	43	53
Rio Grande	27,480	-	27,480	16,847
Lovers Leap	3,831	-	3,831	2,997
Other income	38,976	153,904	(114,928)	105,753
Account for Operational Expenditure	745,058	502,930	242,128	721,287
Special Projects				
Beautification projects	54,205	-	(54,205)	79,427
SET programme	174,554	-	(174,554)	117,396
JADCO and RDC properties	3,174	-	(3,174)	9,022
Rio Grande	25,736	-	(25,736)	19,935
Lovers Leap	6,521	-	(6,521)	6,087
Departments				
Direction and administration	213,310	128,384	(84,926)	217,116
Training	20,228	28,605	8,377	40,820
Product development	96,205	102,100	5,895	85,654
Team Jamaica	41,525	42,469	944	-
Inspection and standards	107,560	93,090	(14,470)	95,392
Visitor information programme	-	-	-	14,614
Grand Total Expenditure	743,018	394,648	(348,370)	685,463
		<u>108,282</u>	<u>(106,242)</u>	
Surplus before Taxation	<u>2,040</u>			<u>35,824</u>

Tourism Product Development Company Limited

Special Projects

Year ended 31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

	<u>Actual</u>	<u>Budget</u>
	\$'000	\$'000
Beautification Projects		
All Regions/ Resorts	54,205	-
	<u>54,205</u>	<u>-</u>
	<u>Actual</u>	<u>Budget</u>
	\$'000	\$'000
Sustaining Environment and Tourism (SET)		
Beautification and improvements	174,554	-
	<u>174,554</u>	<u>-</u>
	<u>Actual</u>	<u>Budget</u>
	\$'000	\$'000
JADCO and RDC properties		
Other expenses	3,174	-
	<u>3,174</u>	<u>-</u>
	<u>Actual</u>	<u>Budget</u>
	\$'000	\$'000
Rio Grande		
Other expenses	25,736	-
	<u>25,736</u>	<u>-</u>
	<u>Actual</u>	<u>Budget</u>
	\$'000	\$'000
Lovers Leap		
Other expenses	6,521	-
	<u>6,521</u>	<u>-</u>

Tourism Product Development Company Limited

Departments

Year ended 31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

	<u>Actual</u>	<u>Budget</u>
	\$'000	\$'000
Direction and Administration		
Staff costs	166,208	87,627
Travelling and subsistence	5,345	13,562
Rental of property and equipment	20,344	12,150
Utilities	7,123	4,214
Other goods and services	14,290	10,831
	<u>213,310</u>	<u>128,384</u>
	<u>Actual</u>	<u>Budget</u>
	\$'000	\$'000
Training		
Staff costs	3,512	12,260
Travelling and subsistence	2,836	4,379
Rental of property and equipment	3,770	5,280
Utilities	2,370	730
Other goods and services	7,740	5,956
	<u>20,228</u>	<u>28,605</u>
	<u>Actual</u>	<u>Budget</u>
	\$'000	\$'000
Product Development		
Staff costs	66,319	65,590
Travelling and subsistence	3,599	8,889
Rental of property and equipment	10,320	16,921
Utilities	3,463	1,500
Other goods and services	12,504	9,200
	<u>96,205</u>	<u>102,100</u>

Tourism Product Development Company Limited

Departments (continued)

Year ended 31 March 2014

(expressed in Jamaican dollars unless otherwise indicated)

	<u>Actual</u>	<u>Budget</u>
	\$'000	\$'000
Team Jamaica		
Staff costs	13,332	18,605
Travelling and subsistence	1,277	4,654
Rental of property and equipment	6,519	3,895
Utilities	1,344	960
Other goods and services	19,053	14,355
	<u>41,525</u>	<u>42,469</u>
	<u>Actual</u>	<u>Budget</u>
	\$'000	\$'000
Inspection and Standards		
Staff costs	78,182	48,168
Travelling and subsistence	4,982	15,450
Rental of property and equipment	13,961	22,738
Utilities	4,481	2,304
Other goods and services	5,954	4,430
	<u>107,560</u>	<u>93,090</u>

CORPORATE DATA

REGIONAL OFFICES

HEAD OFFICE:

The Tourism Centre, 4th Floor
64-70 Knutsford Boulevard, Kingston 5
Tel: 968-3441; 968-3626; Fax: 929-8269

MONTEGO BAY:

Praise Concourse Plaza, 18 Queens
Drive.
Montego Bay, St. James
Tel: 979-7987; 979-7988; 940-0374;
Fax: 952-2868

OCHO RIOS:

Office # 3, Ocean Village Shopping
Centre

Ocho Rios, St. Ann

Tel: 974-2093; 974-7705; Fax: 974-2586

MANDEVILLE

Suite #5 The Ashlar, 71 Manchester
Road

Mandeville, Manchester

Tel: 603-4782-3; Fax: 603-4782

COMPANY INFORMATION

WEBSITE ADDRESS:

www.tpdco.org

BANKERS:

The Bank of Nova Scotia Jamaica
Limited

AUDITORS:

PriceWaterhouseCoopers

ATTORNEYS-AT-LAW

Grant, Stewart, Phillip and Company,
Andrea Walters

Board of Directors



Maxine Henry - Wilson



Carol Bourke



Sam James



David Shields



Dr. J Anthony Hall



John Claude Wright



Nicola Madden - Greig



Vana Taylor

RESORT BOARD CHAIRPERSONS

KINGSTON METROPOLITAN - James Samuels

NEGRIL - Cliff Reynolds

MONTEGO BAY - Evatt Bloomfield

SOUTH COAST - Anthony Frecketon

PORTLAND - Marcia Lawrence

OCHO RIOS - Prof. Dr. Rosveldt Crooks



Executive Management Team



Dennis Hickey -
Executive Director



Paul BadreSingh -
Director, Corporate Services



Deanne Keating Campbell -
Director, Product Quality



Allasandra Chung -
Director, Attractions
Development



Duane Nelson -
Executive Human Resource
Manager



Beverly Price -
Acting Executive Tourism
Training Manager



Yvonne Gardner -
Chief Information
Officer



Paul Brissett -
Financial Controller

* Not pictured: **Edson Johnson** - Chief Audit and Risk Executive



SENIOR EXECUTIVE COMPENSATION

FINANCIAL YEAR APRIL 2013 – MARCH 2014

Position of Senior Executive	Year	Salary (\$)	Gratuity or Performance Incentive (\$)	Traveling Allowance or Assigned Motor Vehicle (\$)	Pension or Other Retirement Benefits (\$)	Other Allowances (\$)	Non-Cash Benefits (\$)	Total (\$)
Executive Director	2012 to 2013	6,685,663	-	406,550	-	Lunch – 83,705 Duty – 77,240 Uniform – 178,968 Laundry – 25,615 Lunch – 60,097 Duty – 55,453 Uniform – Laundry – 18,390	nil-	7,457,741
Deputy Executive Director	2012 to 2013	3,429,933	Gratuity – 1,312,236 Incentive - 421,424	569,170	-	Lunch – 103,023 Duty – 95,063 Uniform – 97,619 Laundry – 31,526	nil	5,866,703
Director, Corporate Services	2012 to 2013	4,756,720	Incentive maximum – 191,003	975,720	-	Lunch – 103,023 Duty – 95,063 Uniform – 97,619 Laundry – 31,526	nil	7,420,764
Director, Attractions	2012 to 2013	4,698,135	-	975,720	-	Lunch – 103,023 Duty – 95,063 Uniform – 97,619 Laundry – 31,526	nil	6,149,669
Director, Product Quality	2012 to 2013	3,380,711	Incentive – 273,863	975,720	-	Lunch – 103,023 Duty – 95,063 Uniform – 97,619 Laundry – 31,526	nil	5,328,257
Executive Human Resources Manager	2012 to 2013	3,364,665	Incentive – 136,981	975,720	-	Lunch – 103,023 Duty – 95,063 Uniform – 97,619 Laundry – 31,526	nil	5,183,913
Executive Tourism Training Manager	2012 to 2013	2,672,588	Incentive – 221,281	975,720	-	Lunch – 103,023 Duty – 95,063 Uniform – 97,619 Laundry – 31,526	nil	4,362,771
Financial Controller	2012 to 2013	3,356,762	Incentive – 136,981	975,720	-	Lunch – 103,023 Duty – 95,063 Uniform – 97,619 Laundry – 31,526	nil	5,049,572
Chief Audit and Risk Executive	2012 to 2013	3,378,337	Incentive – 273,963	975,720	-	Lunch – 103,023 Duty – 95,063 Uniform – 97,619 Laundry – 31,526	nil	5,587,444
Chief Information Officer	2012 to 2013	3,344,618	Incentive – 136,981	975,720	-	Lunch – 103,023 Duty – 95,063 Uniform – 97,619 Laundry – 31,526	nil	5,037,428

DIRECTORS COMPENSATION

FINANCIAL YEAR APRIL 2013 – MARCH 2014

Position of Director	Fees	Motor Vehicle Upkeep/travelling or value of assigned motor vehicle	All other compensation including non-cash benefits as applicable
Chairman	262,500.00	92,400.00	354,900.00
Director 1	177,500.00	34,700.00	212,200.00
Director 2	64,500.00	118,800.00	183,300.00
Director 3	101,500.00	20,000.00	121,500.00
Director 4	167,500.00	180,000.00	347,500.00
Director 5	99,000.00	152,100.00	251,100.00
Director 6	135,000.00	153,500.00	288,500.00
Director 7	41,000.00	18,700.00	59,700.00
Director 8	106,500.00	38,460.00	144,960.00
Director 9	89,000.00	58,000.00	147,000.00
Director 10	84,000.00	17,150.00	101,150.00
Director 11	88,500.00	9,800.00	98,300.00
Director 12	60,000.00	4,900.00	64,900.00
Director 13	74,000.00	60,250.00	134,250.00