



BARBADOS
PORT INC.

Welcome to a sea of possibilities.



Y E A R S

HONORING THE PAST.
EMBRACING THE FUTURE.

Annual Report 2021-2022







Vision

Our Vision is to be the most innovative, green maritime hub in the world by 2030.



Mission

To be the most customer focused, cost effective and highly efficient provider of value driven cruise, cargo services and related property development services while providing satisfactory benefits to stakeholders, including customers and employees.



Core Values

SUSTAINABILITY

We prioritise the safety and well-being of our people and environment.

EFFICIENCY

We constantly aim to be more efficient and effective.

RELIABILITY

You can depend on us to keep our promises and follow through on our commitments.

INNOVATION

We explore new options and improved solutions to exceed expectations in everything we do.

TEAMWORK

We work collaboratively towards the achievement of shared goals.

A large container ship is shown from an elevated perspective, sailing on a dark, textured sea. The ship is filled with numerous colorful shipping containers stacked in rows along its deck. The ship's wake is visible in the water behind it. The overall tone of the image is dark and industrial.

MANAGEMENT ATTESTATION

Barbados Port Inc. has included in this Annual Report, all information necessary to enable an informed assessment of its activities and for comparison to the Statement of Corporate Intent and the Annual Plan for the year ended March 31, 2022.



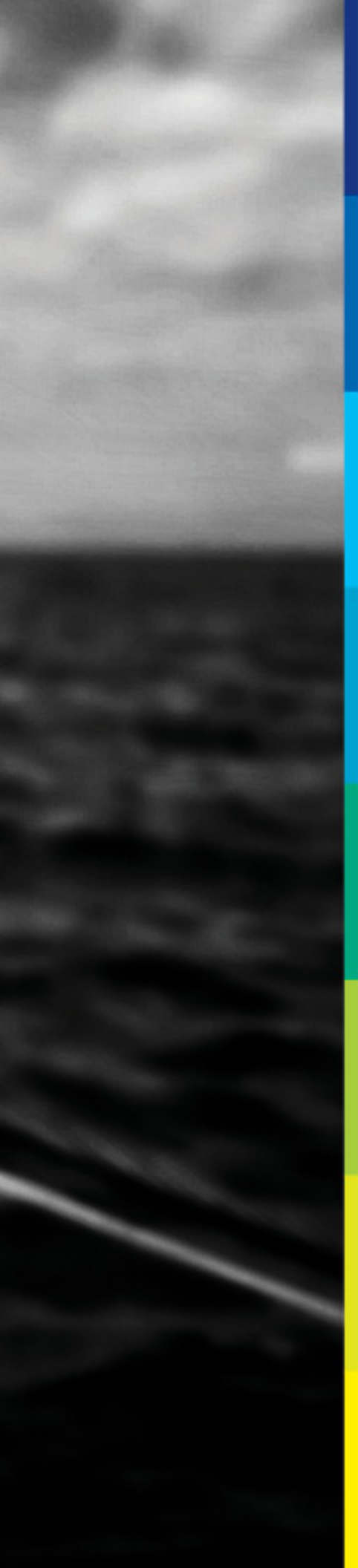


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Company Profile

The Port of Bridgetown is an award-winning, full service, international trade seaport located in Barbados and managed by Barbados Port Inc. (“BPI” or “the Company”).



It is a small port, but more important than its size is the diversity of its portfolio. All major cruise lines have chosen the Port of Bridgetown as a port of call and from among them, an impressive listing have chosen Barbados for homeporting operations.

The marine terminal handles all major categories of cargo including:

- ▶ Containers (incl. imports and exports of food and beverage products, consumer goods such as furniture, appliances, etc.)
- ▶ Liquid bulk (incl. petroleum, molasses, etc.)
- ▶ Dry bulk (incl. grain, cement, gravel, etc.)
- ▶ Break-bulk (incl. agricultural produce, and other goods intended for the manufacturing, processing and distribution sectors)
- ▶ Automobiles

The Port of Bridgetown is International Shipping and Port Facility Security (ISPS) compliant and is renowned for its dependability, reliability and excellent safety record. It is the major point of entry for goods used in the manufacturing and retail sectors in Barbados and is dedicated to supporting businesses in the export trade. State-of-the-art cargo handling facilities and technologies support the following services:

- ▶ Receipt and delivery of cargo, utilising a variety of cargo handling equipment
- ▶ Storage of cargo awaiting delivery or shipment, in covered warehouses or open storage
- ▶ Storage of refrigerated and frozen cargo
- ▶ Unstuffing/stuffing containers
- ▶ Sorting of cargo according to special requirements of consignee

- ▶ Rental of cargo handling operations equipment
- ▶ Priority access to block-stacked empty containers as requested by ship agents

BPI's sustainability principles guide its journey to becoming a world-class port. They are to:

- ▶ Build Long-Term Shareholder Value
- ▶ Strengthen Strategic Alignment
- ▶ Enhance Corporate Image
- ▶ Improve Operating Quality and Efficiency
- ▶ Enhance Market Competitiveness
- ▶ Create a High-Performance Culture
- ▶ Enhance Execution Excellence
- ▶ Build Growth-Enabling Infrastructure

These are the value enablers that are applied across the business and that allow the Company to manage its risks and opportunities and to generate value for all stakeholders. They also guide BPI's relationships with the shareholder, employees, customers, business partners and community groups. They take into account the external environment, the economic conditions and changing innovation and technology drivers, as well as the societal and environmental issues that have an impact on business.

Board of Directors 2021/22



**The Most Honourable
Peter Odle FB**
Chairman



Mr. Denis Cadogan
Deputy Chairman



Mr. David Jean-Marie
Managing Director



Sir Roy Trotman
Director



Capt. George N.M. Fergusson
Director



Mrs. Lisa Gale
Director



Mr. Iain Thomson
Director



Mr. Ricardo McConney
Director



Ms. Janice Brown
Director



Mr. Reynold Grant
Director



Ms. Sonia Foster
Director

CORPORATE SECRETARY
Ms. Karen Forde

AUDITOR
PricewaterhouseCoopers SRL

BANKERS
Republic Bank (Barbados) Limited
First Citizens Bank (Barbados) Limited

ATTORNEY-AT-LAW
George Walton Payne & Co.
Ralph Thorne, Q.C.

Senior Management Team



Mr. David Jean-Marie
Chief Executive Officer



Mr. Kenneth Atherley
Advisor, Projects & Port Operations



Mr. Curtis Smith
Divisional Manager, Human
Resources & Industrial Relations



Capt. Karl Branch
Divisional Manager, Innovation
& Corporate Services



Ms. Karen Forde
Financial Controller & Corporate
Secretary



Mr. Ian Stewart
Divisional Manager, Operations



Mr. Sheldon Layne
Manager, Terminal Operations



Capt. Carl Gonsalves
Manager, Marine Services &
Harbour Master



Mr. Tedroy Marshall
Manager, Engineering Services



Mrs. Michelle Webster
Manager, Management
Information Systems



Mrs. Charmaine Soo Chan
Manager, Internal Audit & Quality
Assurance



Mrs. Nancy Solomon-Batson
Manager, Human Resources/
Administration



Ms. Jane Brome
Manager, Business Development &
Corporate Communications



Ms. Keyshia Barrow
Management Accountant



Ms. Nakita Baptiste
Financial Accountant



Mr. Rommel Edwards
Manager, Digital
Innovation & Development

Chairman's Review



The Most Honourable Peter Odle FB
Chairman

This year was quite a remarkable one for Barbados Port Inc. (BPI). Amidst continued upheavals in the global economy there was much for us to applaud in our 60th year of operation. In many ways, our anniversary celebrations signaled the beginning of the next chapter in the incredible history of the Port of Bridgetown.

Ever since its official opening on May 6, 1961, the Port has remained at the heart of this nation, enriching lives, empowering communities and contributing to the economy through the best of times and the most difficult of times.

One of the achievements we are most proud of this year, is the attainment of the International Organisation for Standardisation (ISO) 9001:2015 certification. The Port of Bridgetown is the first seaport in English-speaking Caribbean to be accredited this Quality Management System (QMS) designation. This achievement not

only enhances the Port's competitiveness as a full service, international trade seaport, but creates the framework to standardize business processes, enhance the quality of products and services, improve operational effectiveness, boost productivity, enhance customer satisfaction, and better manage risks in the organization.

The QMS, along with our just completed corporate rebrand, signals that we are better aligned with our vision and more in tune with our strategic intent.

Our 2021/22 financial results indicate that we are once again on a growth path. BPI's revenues for 2021/22 showed significant recovery. The company registered a net income of \$19.2 million at the end of the financial year, aligned with profitability levels realized pre-COVID.



The results for cargo and cruise operations were encouraging. At the end of the fiscal year March 31, 2022, the Port of Bridgetown had handled 1.3 million tonnes of cargo, up from 1.1 million tonnes in the previous year. The number of twenty-foot-equivalent units (TEUs) of containerized cargo handled increased from 83,459 to 101,936.

With the gradual easing of restrictions and a restart of sailings in 2021 at reduced passenger occupancy, a total of 322 cruise calls were registered during the period under review. The total passenger arrivals were registered at 240,685.

This year, we also celebrated the start of transformative infrastructure projects as outlined in our Masterplan 2020-2030. Construction of the new, expanded Shallow Draught Marina was initiated in February 2022. The Project is expected to continue for a period of twenty-four (24) months and will include the creation of 70 additional berths for pleasure and commercial craft, new storage and office buildings, commercial unit shops, an open-air market and restaurants, support buildings, improved fuel dock facilities and swell-attenuating structures.

Refurbishment of the Speightstown Jetty was in addition significantly advanced. Its return to service will bring an enhanced social experience for residents and visitors, expanded opportunities for fishing and fisherfolk, for restaurants, bars, retail shops and other business, those in leisure and commercial sailing and marine recreation.

We are pleased to report that 82% of our mission critical deliverables were either completed or in progress at the end of the reporting period.

BPI, as part of its corporate social responsibility efforts, celebrated the completion and official handover of the Pile Bay Fishing Facility to the community in May 2021.

We are pleased to report that 82% of our mission critical deliverables were either completed or in progress at the end of the reporting period.

Our new corporate strategy was articulated in our Business Plan 2021-2026, completed in October 2021. New partnerships, new investments in commercial activity, infrastructural and capacity expansion and upgrades, investment in our employees through upskilling and retooling, transitioning to new digital platforms, global benchmarking of best practices, innovation and technological development, were laid as the planks on which the contemporary Port is being built.

In support of our transshipment thrust and development of the Port of Bridgetown as a Southern Logistics hub, we are enhancing our terminal infrastructure with the creation of a new cargo berth of approximately 1,200 ft, with an adjoining apron of 10 acres of container lay down area. We are boosting our cargo handling capacity with the installation of two post-Panamax cranes on the new berth. We are aiming to generate increased throughput from Africa to South America via Barbados by focusing on expanding relations with the Port of Mombassa, Kenya and the Port of Tema Ghana through Sister Port agreements.

We are seriously committed to becoming the most innovative green maritime hub in the world by 2030.

Barbados has set national targets for carbon neutrality as we navigate the impact of the climate crisis on small island developing states. Prime Minister Mia Amor Mottley made the national position clear on the global stage afforded Barbados at the COP Conference in Glasgow. At the Port, our commitment to reducing our carbon footprint means all new equipment must meet our energy standards for renewables. We are already producing 15% of our total electricity consumption and by 2025, we expect to produce close to 50% of total consumption. In addition, we expect to add another five new hybrid straddle carriers to our container handling fleet.

Complementary to the acquisition of clean energy equipment, we have invested in photovoltaics as an alternative power source, an effort which will be boosted with the installation of a new waste to energy facility, set to be operational at the end of 2023.

On January 1, 2022, the cruise terminal located at the Port of Bridgetown, transitioned from Bridgetown Cruise Terminals Inc. (BCTI) to BPI, ending a 28-year-old agreement. This followed a decision by BCTI not to renew its lease. To ensure a seamless transfer, given that this took place during the peak cruise season, management of BCTI and BPI worked closely in coordinating matters which needed to be addressed, including ongoing maintenance, staffing requirements, tenant and lease arrangements and management oversight.

The new financial year similarly will usher in some changes in our cargo terminal operations. A decision has been taken by the Board of Directors that BPI should take over responsibility for the provision of stevedoring services, currently provided by private stevedoring companies.

However, following this decision, the Shipping Association of Barbados requested an extension of the current arrangements, citing the impact of the COVID-19 pandemic on the stevedoring companies. This request is under consideration.

In the meantime, management is proceeding with plans to take over the services, engaging in general communications to the shipping lines which call at Barbados and developing operational plans.

In line with efforts to ensure the highest standards of ethics and professionalism, BPI initiated the process of formalising its corporate governance structure to improve investor confidence, reduce the cost of capital and increase transparency. A number of policies were developed and approved by the Board of Directors in support of this thrust: Whistleblower Policy, Customer Service Charter, Environmental, Social, Health and Safety (ESHS) Policy Statement and Environmental and Social Management System (ESMS). A Quality Management System Policy Statement was also

developed, outlining BPI's commitment to fostering a corporate culture of excellence in quality and customer service. Awareness sessions are planned for internal and external stakeholders.

Our achievements throughout the course of this most trying year, have been buoyed by support from many organizations and individuals who have partnered with us. We convey our sincerest appreciation to:

The Honourable Mia Amor Mottley, Q.C., M.P., Prime Minister of Barbados
 The Government and People of Barbados
 Senator The Honourable Lisa Cummins, Minister of Tourism and International Transport
 The Honourable Kirk Humphrey, M.P., Minister of People Empowerment and Elder Affairs
 Management and staff of Barbados Port Inc.
 Shipping Association of Barbados
 The Barbados Workers' Union
 Barbados Tourism Marketing Inc.
 Barbados Tourism Investment Inc.
 Barbados Customs Brokers and Clerks Association
 Bridgetown Cruise Terminal Inc.
 Town and Country Development Planning Office
 Coastal Zone Management Unit
 Customs and Excise Department
 Royal Barbados Police Force
 Immigration Department
 Ministry of Tourism and International Transport
 Ministry of Foreign Affairs and Foreign Trade
 Ministry of Small Business, Entrepreneurship and Commerce
 Ministry of Finance, Economic Affairs and Investment
 Ministry of Health and Wellness
 Ministry of Agriculture and Food Security
 Ministry of Transport, Works and Maintenance



The Most Honourable Peter Odle FB
 Chairman





Financial Performance Review

Barbados Port Inc.'s revenues for 2021/22 showed significant recovery in keeping with the emergence from lockdowns and restricted activity which spanned the entire year prior as a result of the ongoing COVID-19 pandemic.

Operating income totaled \$102.2 million, a 26% increase on prior year results of \$81.3 million. All major revenue areas showed improved performance during the period. Cargo revenues climbed to \$75.9 million, the highest in the last five years, with tonnages transiting the Port increasing by 19% over 2020/21 and vessel calls expanding 29%.

With the gradual restart of commercial cruising, passenger levy revenues came in at \$3.0 million, approximately one-third of those earned pre-COVID. BPI registered a net income of \$19.2 million at the end of the financial year, aligned with profitability realized pre-COVID.

TABLE 1: BREAK DOWN OF REVENUE (\$)

	2018	2019	2020	2021	2022
Cargo Handling	64,079,637	63,802,359	69,349,941	62,336,922	75,879,085
Excess Storage	3,152,318	1,774,217	2,931,683	1,656,194	2,203,777
Marine Revenue	9,960,948	9,856,829	10,279,581	7,582,424	8,815,987
Passenger Levy	8,575,897	8,910,000	9,543,318	-	2,965,775
Other	9,255,384	8,978,650	9,588,039	7,681,435	10,255,419
Sub-total	95,024,184	93,322,055	101,692,562	79,256,975	100,120,043
Other Operating Income	3,415,007	2,867,234	3,391,317	2,049,884	2,055,934
TOTAL	98,439,191	96,189,289	105,083,879	81,306,859	102,175,977

Operating Expenses increased by \$3.5 million or 5%. The most significant increases were noted in: Staff costs for overtime incurred as the Pandemic impacted manning levels; Other Expenses such as labour needs and other costs in relation to the Volcanic ash-fall clean-up; Professional Fees and other costs associated with the resumption of regular operations.

Total comprehensive income rose to \$18.5 million from \$2.5 million due to the increase in profit from operations offset by decreases from re-measurement of retirement obligations.

FIGURE 1: OPERATING EXPENSES 2017/18 TO 2021/22 (\$)

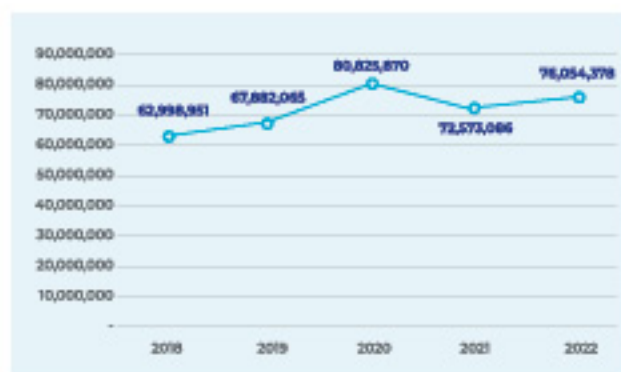
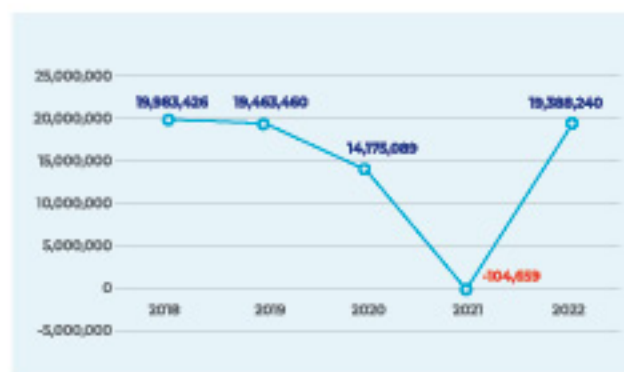


FIGURE 2: PROFIT/(LOSS) BEFORE TAXATION 2017/18 TO 2021/22 (\$)



Statement of Financial Position

Overview

The financial position of Barbados Port Inc. as at March 31, 2022 showed an increase in total assets and current liabilities, whilst long-term liabilities decreased.

The \$12.3 million increase in current assets is attributable most significantly to increases in cash and accounts receivable. These increases are directly related to the increase in operational activity compared to prior year levels.

Included in non-current assets are

- I. Pension Plan asset surplus of \$4.9 million in the current financial year; and
- II. Increases in both Capital Works in Progress and Property, Plant and Equipment.

Current liabilities have increased as the moratorium on principal repayment of the \$100 million NCB Capital Markets (Barbados) Limited Bond is ending; the first quarterly principal repayment is due June 2022.

The decrease in long-term liabilities is due to repayment of existing bonds and finance leases.

Liquidity

BPI realised a working capital surplus of \$13.9 million, holding steady on the prior year position of \$13.9 million. The quick ratio decreased to 1.6 from 2.3 in 2021, due to an increase in current liabilities.

Activity

With the return to regular operations, BPI met its target of the collection of outstanding receivables in under 35 days, but this year it took 30 days, significantly longer than the 24 days on average in 2020/21.

Leverage

The Company remains highly leveraged, characteristic of its highly capital-intensive nature. The debt to equity ratio was 0.61:1, an improvement over the previous year's 0.72:1. Finance costs were \$7.4 million for the current year compared to \$8.5 million for the previous year.

Key financial position balances and ratios are reported below:

Table 2: STATEMENT OF POSITION HIGHLIGHTS (\$ million)

	2018	2019	2020	2021	2022
Current Assets	33.13	29.17	47.74	24.83	37.18
Accounts Receivable	12.02	6.84	6.01	2.19	10.26
Non-current assets	335.35	299.49	300.31	310.72	315.11
Total Assets	368.48	328.66	348.05	335.55	352.29
Current Liabilities	29.88	30.03	37.07	10.84	23.27
Long-term Liabilities	147.88	119.91	121.54	124.75	110.51
Total Equity	190.72	178.72	189.44	199.94	218.51
Total Liabilities & Equity	368.48	328.66	348.05	335.54	352.29
Working Capital	3.25	-0.86	10.67	13.99	13.91
Average Receivables	10.47	9.43	6.43	4.10	6.23
Total Debt	177.76	149.94	158.61	135.59	133.78
Debt/Equity	0.93	0.84	0.84	0.68	0.61
Current Ratio	1.11	0.97	1.29	2.29	1.60
Days to Collect Receivables	59.64	53.95	36.76	24.01	29.94

Dividend to Shareholder

The approved BPI dividend policy includes consideration of Government-related corporate social responsibilities as part of dividend payment.

No cash dividend has been declared for the financial year ended March 31, 2022; however, Barbados Port

Inc. continued to contribute through fulfilment of its corporate social responsibilities.

During the financial year ended March 31, 2022, Barbados Port Inc. contributed to Governmental institutions as follows:

ENTITY	AMOUNT CONTRIBUTED
Pile Bay Fishing Facility	\$515,026.37
Ministry of Environment and National Beautification	\$252,870.00
Lewis Wickham Boardwalk	\$9,600.80
Millie Ifill Fish Market Facility	\$114,100.00
Queen Elizabeth Hospital	\$2,538.00
Ministry of Education, Technological and Vocational Training	\$2,417.50
Ministry of Maritime Affairs & the Blue Economy	\$18,590.28
The National Assistance Board	\$1,159.99
TOTAL	\$916,302.94

Remuneration Paid To Each Board Director Including The Value Of Benefits In Kind

POSITION	COUNT	REMUNERATION
Chairman	1	\$18,000.00
Other Board Members	10	\$72,000.00
TOTAL		\$90,000.00

Remuneration Paid To Senior Management Including All Benefits In Kind

POSITION	COUNT	REMUNERATION
Executive Management	5	\$ 1,116,058.56
Managers & Assistant Managers	19	\$ 2,336,465.46
TOTAL		\$ 3,452,524.02

Fiscal Risk Report

A review of the fiscal risks of Barbados Port Inc. (BPI) for the financial year ended March 31, 2022 and the actions taken to mitigate them is noted below.

Uncompensated Quasi-fiscal Activities

As agreed by its Board, BPI considers the cost of Government related payments which fall under corporate social responsibilities to be part of its dividend payment to its owners.

Hindrance to Self-regulation

The Board of Directors of Barbados Port Inc. has approved a proposal to institute the Tariff Review and Service Quality Committee. The next step will be to seek the permission of Cabinet with the support of the Ministry of Tourism and International Transport.

Labour Market Policies

Continuous dialogue was held with the Barbados Workers' Union throughout the year. However, no new agreements have been entered into.

Request for Government Guarantee by Financing Institutions

No new financing agreements requiring a Government Guarantee have been entered into during the year.

Capital Intensive Nature of Barbados Port Inc.

Barbados Port Inc. adhered to a robust maintenance program to prolong the life of its equipment.

Regional Competition

A Port Community System (PCS) project, initiated in March 2021 continues to advance and is expected to significantly boost the Port's competitiveness on completion. The objective of this project will be to improve operational efficiency and transparency in the goods clearances and trading processes at the Port of Bridgetown; while reducing turnaround time and costs within the supply chain.

Alternative Cargo Service Providers

BPI sought to enhance its customer service delivery with the offering of new online and automated services. Additions and improvement to such systems include extension of the ePayment Portal to allow customers with prepayment accounts to conduct transactions against these e-wallet accounts.

Decline in Vessel Calls due to increased Cargo Consolidation and the Deployment of Larger Cruise and Cargo Vessels

BPI was unable to aggressively market and promote the Port of Bridgetown at conferences and other alliances as the effects of COVID-19 prevented significant participation in those events.



Mission Critical Deliverables

		NOT YET STARTED	IN PROCESS	COMPLETED	ONGOING
ENHANCED PORT SECURITY 	Expand and improve the CCTV distribution		✓		
	Install Passive IR motion detectors and Geofencing		✓		
	Acquire an additional Container Scanner, and fix the existing scanners			✓	
	Develop a protocol for 100% scanning and pre-scanning of containers			✓	
	Work with Royal Barbados Police Force to support a K9 unit				✓
	Outfit a Command Centre			✓	
	Resource the Security Department as needed			✓	
	Install Pallet Scanner at Shed 2			✓	
	Truth Verification Test (TVT)		✓		TVT tests are mandatory for new hires.
STRATEGIC PLANNING 	Conduct a Strategic Planning Review to update the Strategic Plan for Barbados Port Inc.			✓	
	Update the Master Plan			✓	
	Complete the Business Plan			✓	
	Strengthen the Brand			✓	A new corporate brand was unveiled May 2021 and transition to new visual identity continues.
CRUISE SERVICE ENHANCEMENTS 	Meet with key customers in the service chain to understand concerns and solicit ideas for service improvements.				✓
	Produce branded directional signage to facilitate movement of passengers			✓	
	Deploy the tram system to facilitate movement of passengers between			✓	
	Introduce a new taxi dispatch system		✓		
	Enhance Tour dispatch systems		✓		

		NOT YET STARTED	IN PROCESS	COMPLETED	ONGOING
CARGO OPERATIONS ENHANCEMENT 	Meet all customers in the service chain to understand concerns and solicit ideas for service improvements				✓
	Establish a Customer Charter			✓	
	Based on the range of consultations, refine the service standards and KPIs for Barbados Port Inc.			✓	
	Extend the use of Octopi to Shed 4 operations, along with a queuing system			✓	
	Extend the use of Octopi for container vessel operations in the area of Ship Planning		✓		
	Install a new Gantry crane			✓	
	Order new Straddle Carriers (six needed – one per annum)			✓	
STABILISED FINANCES 	Renegotiate financing of Bds. \$70 million Republic Finance and Trust brokered Bond Issue			✓	
	Renegotiate Finance Lease with ANSA Merchant Bank which has a balance of Bds \$55.5 million as at June 2018			✓	
	Revise the current Procurement rules to bring them in line with the new mandate of Government pertaining to "carving off" and consistent with the regional approach to procurement as contained in the Draft Protocol on Public Procurement for Caribbean Community			✓	
	Revise Receivables Policy to encourage timely payment and to deter overly late or non-payment of receivables			✓	
STAFF EMPOWERMENT 	Settle wage/salaries increases with the BWU			✓	
	Resolve and negotiate long outstanding increments for Clerical Division with the BWU			✓	
	Complete Job Evaluation		✓		
	Implement the Performance Appraisal and Performance Management/Incentive Scheme, to complement the Customer Charter Programme		✓		
	Complete the culture reform programme to address deep seated cultural attitudes that affect performance and worker attitude		✓		
	Establish a Training Centre in conjunction with the CMU, TVET and SJPI	✓			

		NOT YET STARTED	IN PROCESS	COMPLETED	ONGOING
LEVERAGING TECHNOLOGY 	Develop IMO Maritime Single Window			✓	
LEGAL 	Work with the Attorneys to complete the process of determining the Global Ports and the Berth 6 contracts – including recognition of damages or other considerations			✓	
	Meet and address the arbitration issue that is currently in abeyance. Arrive at new terms in the management arrangement with Bridgetown Cruise Terminal Inc., addressing the following: Agreement on when the lease ends, The continuing head tax split, and review of the maintenance arrangements			✓	Management and operation of the Cruise Terminal transitioned to BPI effective January 1, 2022.
	Review the brief on the Fish of Barbados Case. The injunction against the Port with respect to retaking possession of waterfront space at the Flour Mill has continued to prevent the Port from arriving at a longer term use of at least 2 – 4 acres at the Flour Mill. Though the injunction relates to some 3,325sq m of land, the location prevents access to a large area of land behind it. This land has been earmarked for development into a much-needed expanded boat repair yard			✓	
	Meet the deadlines set by IMO to address findings of the IMO Audit. BPI shall sponsor legal resources to be based in the Chief Parliamentary Counsel's Office, to assist in drafting the requisite legislation that will ensure compliance with the Port-specific and other nineteen (19) IMO findings		✓		
	Complete the vesting process of lands in BPI as per the Barbados Port Inc. (Vesting of Assets and Transfer of Management Act)		✓		BPI is currently working with Ministry of Housing and Lands to complete this process of leasing the lands (100+ acres) in the Company.
PROJECTS	Establish a joint venture to develop the 4 acres at South Point lighthouse, as a sustainable commercial initiative		✓		

PROJECTS
CONT'D

	NOT YET STARTED	IN PROCESS	COMPLETED	ONGOING
Complete the development of Ragged Point Lighthouse and establish a commercial tourism based joint venture at this location		✓		
Assess viability of North Point Lighthouse for Development	✓			
Complete the planning process, engineering work and business negotiation, to kick-off the Sugar Point Cruise facility	✓			This project has been discontinued.
In consultation with the Coastal Zone Management Unit, complete engineering designs and complete the ships berthed offshore at Speightstown.		✓		Project has been paused in favour of investment in other priority projects.
Repair/refurbish the Existing Speightstown Jetty repairs and upgrade to the Speightstown Jetty to make it ready to accommodate tender vessels from cruise		✓		Project is nearing completion
Expand berthing capacity at the Shallow Draught (project design, permitting, financing, execution)		✓		Project started February 2022. Financing from IDB Invest.
Development of a new Bulk Handling Berth to handling 100% export /import of aggregate in support of the local construction industry.		✓		Project is in design stage. Potential financing from IDB Invest.
Install Photovoltaic Solar Panels at BCTI, Old Mechanical Workshop and the Mechanical Shed		✓		Partial financing through IDB Invest.
Installation of New Waste – Energy Incinerator		✓		Project design completed. Support through Crown Agents in sourcing the incinerator.
Construction of a new Cargo Freight Station and Central Container Examination Facility		✓		Designs are completed and submitted to Town Planning for approval. A business case is to be developed to include financing and operating options. Project is earmarked as a PPP.
Adopt fishing villages in Barbados, and assist in developing the associated infrastructure and facilities, commencing with Pile Bay and Weston		✓ Weston facility in process	✓ Pile Bay facility completed May 2021.	

CORPORATE
SOCIAL
RESPONSIBILITY

A comparison of the performance of the entity with the Statement of Corporate Intent and the Annual Plan is noted below:

1	STRATEGIC OBJECTIVE	To achieve desired return on equity			
	Measure	Return on equity measures the company's profitability by indicating how much profit is generated with the money the shareholder has invested.			
		2021-22 Target	2021-22 Projected	2021-22 Actual	Rationale
	Return on Equity	9%	5%	9%	Whilst the effects of COVID-19 are still impacting cruise activity; cargo activity almost returned to pre-COVID levels.

2	STRATEGIC OBJECTIVE	To achieve and maintain positive working capital			
	Measure	Two key components must be managed in order to maintain a positive working capital -Accounts Receivable and Accounts Payable. Accounts Receivable turnover measures how quickly invoice payments are received and Accounts Payable turnover measure how quickly current liabilities are paid. A good balance between the two measures will assist with realizing positive working capital.			
		2021-22 Target	2021-22 Projected	2021-22 Actual	Rationale
	Receivable Turnover	15 days	15 days	23 days	With the gradual return of cruise operations, cruise customers still have high outstanding balances at year end to be cleared.
	Payable Turnover	15 days	5 days	14 days	BPI sought to maximize its cashflow position during the year.

3	STRATEGIC OBJECTIVE	To develop strategic cruise partnerships			
	Measure	Cruise arrivals per year translate into cruise passenger arrivals. The measure looks at how many more vessels we can attract to come to Barbados annually.			
		2021-22 Target	2021-22 Projected	2021-22 Actual	Rationale
	% Growth in Cruise Arrivals	5%	5%	>100%	Limited cruise activity returned after a two year hiatus due to the effects of COVID-19.

4

STRATEGIC OBJECTIVE	To develop strategic transshipment alliances			
Measure	Transshipment cargo is cargo landing in Barbados but intended for other countries. With the expanding of the Panama Canal and other factors, opportunities exist for increased revenues in more of this cargo. This measure is analyzed by looking at the increased number of TEUs handled annually.			
	2021-22 Target	2021-22 Projected	2021-22 Actual	Rationale
% Growth in transshipment TEUS	5%	5%	91%	There was an increase in transshipment containers being handled by Tropical Shipping, CMA-CGM and Caribbean Feeder Services. The percentage refers to outbound containers only (7,036 TEUs in 2021/22 compared to 3,679 TEUs in 2020/21).

5

STRATEGIC OBJECTIVE	To increase productivity on Cranes			
Measure	Crane productivity is measured by the number of moves an operator can make an hour. Movements can measure how efficiently the Port is at handling cargo on a vessel and the time a ship spends in the Port.			
	2021-22 Target	2021-22 Projected	2021-22 Actual	Rationale
Crane Moves per Hour – Gantry 1	25	n/a	n/a	This Crane was removed from service during the period under review.
Crane Moves per Hour – Gantry 2	30	26	26	There were some less-seasoned operators who gave an average between 24 to 26 moves per hour.
Crane Moves per Hour – Gantry 3	30	26	26	However, the productivity rate was also hampered by the lack of straddle carriers available to move containers to and from the crane position.
Crane Moves per Hour – Mobile	20	n/a	13	Out of service August 2020 to March 31, 2021.

6

STRATEGIC OBJECTIVE	To reduce equipment downtime			
Measure	Equipment downtime is measured as percentage of the time equipment is unavailable for work due to mechanical and service issues over the total possible work time. Downtime has a significant impact on efficiency and vessel turnover.			
	2021-22 Target	2021-22 Projected	2021-22 Actual	Rationale
Equipment Downtime	Reduce by 5%	Reduce by 5%	Increased 4%	This information is related to three Ship to Shore cranes. This overall increase in downtime from the prior period, was heavily influenced by the LHM crane which remained out of service from April 2021 to September 2021 awaiting repairs. The two newer cranes IR1961 and CC2081 which accounted for the majority of the utilization for vessel activity during the period, had more satisfactory downtime statistics when considered on their own. Gantry Crane IR1404 was removed from service with structural repairs and inspections to be carried out. A proposal for refurbishment of this crane was provided, aimed at prolonging its useful life. This is to be considered against decommissioning during the 2022-2023 Financial year.



Operational Performance Review

Cargo Operations

With the gradual restart and opening of economies a year after COVID-19 surfaced, the Port of Bridgetown during the period April 2021 to March 2022, registered 1,112 vessel calls. This 29% increase in calls against the previous year, was buoyed by the restart of commercial cruising, which moved from 47 calls in the previous year to 324.

Vessel calls at the Bulk Handling Facility grew 33% while calls of tankers increased from 144 to 159.

TABLE 3: BREAKDOWN OF VESSEL CALLS BY MAJOR CATEGORY (2012/13 TO 2021/22)

Vessel Calls	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Cruise	357	374	382	412	453	498	420	414	47	324
General Cargo - Deep Water Harbour	403	422	454	499	549	486	470	482	482	461
General Cargo - Shallow Draught	105	99	105	125	123	121	111	103	94	92
Cargo - Bulk Handling Facility (Inc PF)	14	15	7	19	9	6	12	11	15	20
Bulk Sugar	2	1	2	2	1	0	1	2	2	0
Molasses	10	7	7	13	12	7	7	4	9	4
Cargo - Cement Plant	83	124	79	71	68	86	89	91	69	52
Tankers	148	139	138	135	156	167	155	173	144	159
Total Calls	1,122	1,181	1,174	1,276	1,371	1,371	1,265	1,280	862	1,112
% Change	-7.35%	5.26%	-0.59%	8.69%	7.45%	0.00%	-7.73%	1.19%	-32.7	29.0%

Tonnage Handled

Total cargo volumes handled was 1,335,657 tonnes. This activity represented an increase of 19% against tonnage handled for the period April 2020 to March 2021 (see Figure 3), restoring activity to just slightly under pre-COVID levels.

A breakdown of tonnage handled shows a 13% increase in imports against 2020/21. Import volumes at 1,010,915 tonnes represented 76% of the overall tonnage handled.

Barbados' exports totaling 148,917 tonnes was higher than the 135,310 tonnes exported in the previous year but still 4% down from pre-COVID exports of 155,796 tonnes in 2019/20. The export tonnage represented 11% of the tonnage handled for 2021/22 (see Table 4).

Transshipment cargo tonnage doubled from 82,401 tonnes to

FIGURE 3: TOTAL CARGO (TONNES)



165,008 tonnes this year, slightly above the 2019/20 levels. Total containerized tonnage handled across all categories of imports, exports, transshipment and shifted cargo was 1,193,309 tonnes in 2021/22 as compared to 1,010,105 tonnes in 2020/21. Containerized cargo represented

89% of all tonnage handled. Last year's containerized figure represented 90% of the overall tonnage handled.

BPI continues to work with importers to assist in resolving any issues affecting the delivery of cargo from the Port.

TABLE 4: BREAKDOWN OF CARGO HANDLED BY CATEGORY 2012/13-2021/22 (TONNES)

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Domestic										
Containerised Discharged	723,245	724,810	730,009	784,920	835,727	816,393	801,396	864,236	792,723	880,786
Breakbulk Discharged	70,934	70,543	76,548	80,359	99,774	92,436	83,645	101,659	64,967	81,124
Direct Delivery	0	0	0	23,000	46,011	29,017	12,690	40,957	37,652	49,005
Total Discharged (Imports)	794,179	795,353	806,557	888,279	981,512	937,846	897,731	1,006,852	895,342	1,010,915
% Increase / Decrease	-4.10%	0.15%	1.41%	10.13%	10.50%	-4.45%	-4.27%	12.16%	-11.08%	12.91%
Containerised Loaded	148,412	159,844	157,641	130,684	147,227	151,585	154,046	151,502	132,627	142,305
Breakbulk Loaded	11,235	5,229	7,810	4,549	4,600	4,000	4,898	4,294	2,683	6,612
Total Loaded (Exports)	159,647	165,073	165,451	135,233	151,827	155,585	158,944	155,796	135,310	148,917
% Increase / Decrease	6.18%	3.40%	0.23%	-18.26%	12.27%	2.48%	2.19%	-1.98%	-13.15%	10.06%
Transshipment Containerised	23,057	39,165	93,895	148,371	205,169	255,298	180,524	162,087	78,270	159,401
Transshipment Breakbulk	5,954	7,736	12,400	16,440	17,558	11,070	9,220	8,453	4,131	5,607
Total Transshipment	29,011	46,901	106,295	164,811	222,727	266,368	189,744	170,540	82,401	165,008
% Increase / Decrease	-33.87%	61.67%	126.64%	55.05%	35.14%	19.59%	-28.87%	-10.12%	-51.68%	100.25%
Shifted - Containerised	5,753	4,303	7,920	9,601	12,737	15,019	8,708	8,334	6,485	10,817
% Increase / Decrease	-21.02%	-25.20%	84.06%	21.22%	32.66%	17.92%	-42.02%	-4.29%	-22.19%	66.80%
Total Tonnage Handled	988,590	1,011,630	1,086,223	1,197,924	1,368,803	1,374,818	1,255,127	1,341,522	1,119,538	1,335,657
% Increase / Decrease	-3.99%	2.33%	7.37%	10.28%	14.26%	0.44%	-8.77%	6.88%	-16.55%	19.30%

Bulk Cargo Handled

Bulk Cargo handled this year was at about the same level as that handled in the previous year (see Table 5). Some 881,053 tonnes were handled in 2021/22 as compared to 880,318 tonnes last year. Petroleum products continued to dominate this segment,

registering at 596,089 tonnes, some 68% of all bulk cargo handled this year. The second largest volumes handled were cement, at 148,873 tonnes representing 17% of the cargo handled.

TABLE 5: BREAKDOWN OF BULK CARGO HANDLED BY TYPE 2012/13 – 2021/22 (TONNES)

Commodity	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Sugar	20,751	14,454	12,593	8,783	6,008	5,775	4,859	8,194	5,218	0
Molasses	45,254	37,620	41,741	38,151	47,400	54,398	55,828	38,067	74,057	45,944
Fish Oil/ Margarine/Fat	1,498	0	0	0	0	0	0	0	0	0
Grain/Agribulk	82,568	74,708	72,210	84,212	65,413	74,118	60,775	76,017	56,737	40,235
Fertilizer	700	1,900	500	701	0	0	0	0	0	0
Petroleum Products	602,866	613,695	582,246	653,502	599,729	635,011	623,673	676,462	496,284	596,089
Limestone	3,700	10,500	1,000	0	0	0	0	0	150	0
Cement	94,767	167,572	130,575	138,318	146,350	186,952	211,799	206,797	144,638	148,873
Gypsum/ Pozzolan Gravel	16,990	36,527	8,210	4,092	8,308	12,519	11,083	10,509	9,895	12,225
Cement Plant Other	11,819	9,344	0	3,130	15,146	3,043	11,511	1,893	26,314	0
Iron Ore	997	2,864	993	2,501	1,974	2,586	3,758	1,794	2,316	1,805
Dwh Other*	3,079	9,846	3,363	38,945	12,000	702	40,678	52,203	64,710	35,882
Total	884,989	979,030	853,431	972,335	902,328	975,104	1,023,964	1,071,936	880,319	881,053
% Change	-6.23%	10.63%	-12.83%	13.93%	-7.20%	8.07%	5.01%	4.68%	-17.88%	0.08%



Container Traffic

The Port of Bridgetown handled 101,936 TEUs during the year, a 21% increase over last year's volume of 84,110 TEUs (See Table 6). Of the total TEUs handled, 41% (41,796 TEUs) were imports while 6.4% were full exports comprising mainly manufactured and other cargo, including recycled product. Some 36,891 TEUs (36%) were outbound empty containers.

The Port's key performance indicators (KPIs) are tracked through OCTOPI, the Terminal Operating System (See Table 7). This year, Moves Per Hour/ Crane averaged 26 moves (see Figure 4) when

compared to 27 in the previous year, 2020/21. The Truck Turnaround Time increased from 37 minutes in 2020/21 to an average of 50 minutes. The Dwell Time for full reefer containers directly delivered moved from 3 days in 2020/21 to 2 days in 2021/22, while the Dwell Time for dry containers directly delivered was reduced from 8 days to 6 days this year. The Dwell Time for Less than Container Load (LCL) containers being stripped decreased slightly from 5 days to 3 days.

TABLE 6: BREAKDOWN OF CONTAINERS (TEUS) BY STATUS 2012/13 – 2021/22

TEUs Handled	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Inbound Laden	34,345	34,426	34,713	37,310	39,663	38,807	38,120	41,041	37,441	41,796
Inbound Empty	783	833	1,264	1,812	5,319	2,028	1,290	1,185	673	813
Outbound Laden	6,822	7,341	7,208	6,040	6,765	6,946	7,036	6,987	6,112	6,537
Outbound Empty	28,101	30,697	29,769	33,224	40,072	35,798	35,738	36,662	32,089	36,891
Transshipment	1,384	2,511	7,368	12,323	18,093	22,079	15,313	13,549	7,785	15,899
Total TEUs	71,435	75,808	80,322	90,709	109,912	105,658	97,497	99,424	84,110 ^a	101,936
% Change	-5.28%	6.12%	5.96%	12.93%	21.17%	-3.87%	-7.72%	1.98%	-15.40%	21.19%

^a Revised

TABLE 7: KEY PERFORMANCE INDICATORS

	2020/21	2021/22	2021/22												Yearly Average
	Average	Target	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	
Crane Productivity (Moves per Hour/crane)	27	26	24	27	26	26	26	26	25	24	25	25	26	26	26
Truck Turnaround Time (mins)	37	35	48	46	42	42	45	40	48	59	66	53	62	45	50
Dwell Time FCL- Dry (days)	8	5	9	7	6	5	6	5	7	7	7	7	6	5	6
Dwell Time FCL- reefer (days)	3	4	4	3	2	2	2	2	2	2	3	3	2	2	2
Dwell Time LCL (days)	5	3	5	2	3	3	3	3	3	3	4	3	3	3	3

FIGURE 4: GANTRY CRANE PRODUCTIVITY RATE

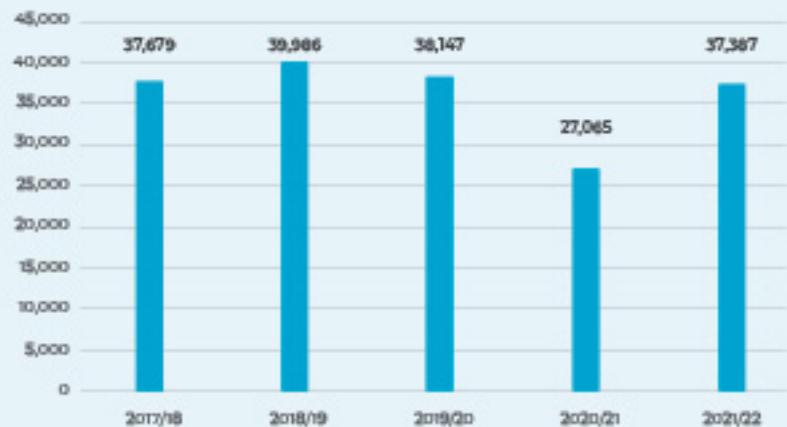


Personal Effects

Personal effects deliveries totaled 37,387 pieces and represented a 38% increase against the 27,065 pieces delivered in 2020/21 (see **Figure 5**).

Increased activity in this segment reflected the return to travel and shopping, increasing demand for imports and improved trade flows as countries emerged from pandemic lockdown.

FIGURE 5: PERSONAL EFFECTS DELIVERED



Cruise Operations

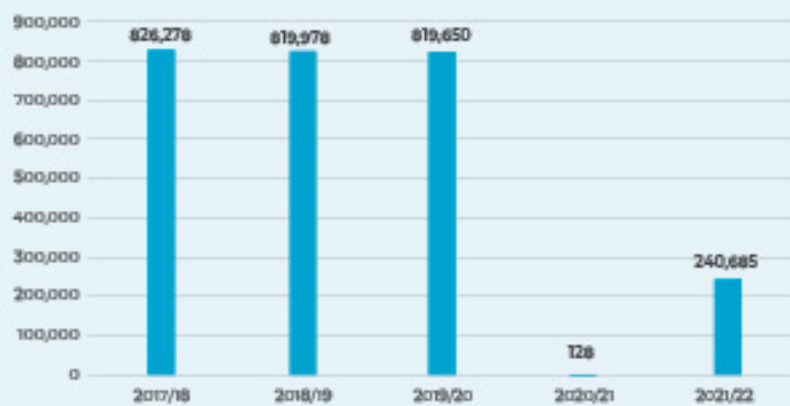
Passenger arrivals

Barbados registered 240,685 cruise passenger arrivals from 324 cruise vessel calls this year (see **Figure 6**). With ships sailing at 35% of total passenger capacity, growth was slower in the 2021/22 winter season than anticipated as the global fleet gradually restarted.

On the positive side, the first major homeport operation from a Royal Caribbean Cruise Line vessel, *Grandeur of the Seas*, began here in November 2021, while 16 vessels made inaugural calls to the Port of Bridgetown.

The outlook for Winter 2022/23 suggests a return to the levels prior to the 2019-2020 cruise

FIGURE 6: CRUISE PASSENGER ARRIVALS



season, with some 390 vessel calls scheduled and a projected passenger capacity totaling 693,017.

Cruise Facilities

Following discussions between Barbados Port Inc. (BPI) and Bridgetown Cruise Terminals Inc.

(BCTI), a decision was made by the Board of Directors of BCTI not to seek a further extension to the lease arrangement for the management and operation of the cruise terminal, beyond December 31, 2021. With this decision, the management and operation of

the cruise terminal located at the Port of Bridgetown, transitioned to BPI with effect from January 1, 2022. To ensure a seamless transfer, given that this took place during the peak cruise season, management of BCTI and BPI worked closely in coordinating matters which needed to be addressed, including ongoing maintenance, staffing requirements, review of existing contracts, tenant and lease arrangements, and management oversight.

Since 1994, BCTI operated the cruise terminal under a lease agreed with BPI— formerly Barbados Port Authority. The lease was renewed on a number of occasions between January 1994 and December 31, 2021.



Investing in a Sustainable Future

The BPI Master Plan 2020-2030 and the Business Plan 2021-2026 identify a number of infrastructural projects which are important in diversifying Port revenue, improving physical capacity, upgrading the plant and attaining the full green Port status.

The Master Plan defines the major elements of the Port's infrastructural build-out over the next 10 years with the following projects considered as pivotal:

Aggregate Berth

The work to develop an aggregate berth continues in collaboration with the C O Williams Construction engineering team to meet the following needs:

- Create land for the storage of imported aggregate and sand.
- Establish a plant on the site for the production of aggregate in different sizes for both the local and export market.
- Provide continual supply of sand to the local market.

Following consultation with the planning agencies, the engineering designs have been further refined. The next steps include:

- Submission of Planning Application
- Completion of the Environmental studies in according to the approved terms of references for assessing the environmental and social impacts
- Completion of project Bill of Quantities and Contract
- Completion of construction designs.

Boat Haul Out Facility

Also in keeping with its Master Plan, the Board of Directors agreed to allocate approximately 4.5 acres of land along the Mighty Grynner Highway, for the development of a boat repair facility through concession, which will meet the needs of the local boating sector and save vital revenue as boat owners will be able to service their craft in Barbados

rather than taking the craft off-island annually. Additionally, the facility will:

- Service local as well as transient commercial and recreational vessels for short and long-term maintenance, repair and overhaul needs, including emergency haul-out and repair;
- Provide physical resources and services to support resilient, independent and economically productive commercial, recreational, research and safety/security marine- dependent activities; and
- Provide an enabling environment for the development of training in critical maritime skills through partnerships with and attachments to, established training institutes and relevant private sector entities.

Four firms were short-listed during the tender process and these were invited to submit concession proposals by July 26th, 2021. Only three firms responded with detailed proposals and following the meeting of BPI's Tenders and Procurement Meeting, the firm Caribbean Construction Limited (CCL) in partnership with Clarke's Court Marina Group, was selected as the preferred bidder, which will include:

- Purchasing of a travel lift
- Construction of a slip-way and boat lift-out berth
- Construction of workshop bays
- Construction of a 34ft wide lift out
- Building an Administrative Office, Training Room and Changing Facilities
- Building a mini-mart, chandlery and restaurant
- Finger piers for handover floating dock berths
- Drainage work, fencing, security
- Development of training programmes in association with local educational institutions.

BPI has also requested a set of concessions to support the project as follows:

- I. Waiver on Duties and Value Added Tax (VAT) for the project during construction (2022 – 2024)
- II. Waiver on Duties and VAT on boating repair inputs (materials, equipment, supplies etc).

The Ministry of Finance, Economic Affairs and Investment has been requested to approve the concession regime to support the construction and operation of the Bds\$6 million investment in the facility. BPI also drew reference to the fact that such concessions are typical in competing regional boat yards such as in Grenada.

Speightstown Jetty Repairs

The repair of the existing Speightstown Jetty was significantly advanced with upgrades as follows:

- Concrete structures have been repaired
- The decking has been replaced with a composite grill system which will allow wave energy to dissipate during high swell events
- Handrails have been installed
- Solar lights were installed to replace the wired lights that were not functional.

The Jetty will be officially re-opened in April 2022.

Shallow Draught Marina

The Engineering Drawings for the project were completed in July 2021 and the Town Planning Application was submitted in August 2021. Formal approval was obtained in October 2021. Key components of the project include:

- Construction of additional berthing capacity (additional 70 berths)
- Construction of a commercial building
- Storage facilities for boat owners/operators
- Construction of a fish and farmer's market
- Construction of a minimart
- Construction of a fuel dock
- Construction of a new Roll On/Roll Off dock for ferry and inter-island schooner services
- Construction of wave attenuation structures.

An important condition of the approval is the completion of wave collection and analysis studies to develop the wave climate of the area, so that effective wave attenuation structures can be

designed and constructed. This would ensure that boats would not have to leave the Shallow Draught during heavy swells. The wave monitoring component of this work was initiated in December 2021. The numerical/computer modelling studies will be completed by June 2022.

The contractor, Preconco, began construction work in February 2022. This project, estimated at US\$16 million, is expected to continue for a period of 24 months.

Enhancements to lighthouses and surrounding properties

Barbados is home to three historical lighthouse properties managed by BPI. Over the next five years, the Port will develop a concession model for each facility to expand both local culture and historic social efforts and allow for the introduction of new tourism and park areas for residents and visitors alike. BPI also hopes to create commercial opportunities for entrepreneurs through the development of these national heritage assets.

The Tenders and Procurement Committee has selected a preferred bidder and the Board has ratified to lease and manage a concession at the East Point Lighthouse. The tender has been awarded to a community-based business group called X-treme Ventures. Project development is estimated at 12 months.

BPI is awaiting conclusion of the lease arrangements from Ministry of Housing, Lands and Rural Development for the lands at South Point Lighthouse. This will permit the following:

1. Subdivision of the lands into two parcels
2. Establishment of the basis for a concession agreement for the lighthouse portion
3. Offer for sale (at market value) the remaining lands, the proceeds of which will be used for major maintenance of all the Lighthouses.



Other Capital Projects

Refurbishment of BPI Old Building

The plans to refurbish the former administration building of BPI for occupation by the Customs and Excise Department (CED) are progressing. Ministry of Housing, Lands and Rural Development is working with CED to find a suitable location to adequately house its staff during the refurbishment. The spatial allocation has been provided by CED and the internal layout is nearing completion. Once the drawings have been completed and reviewed by the appropriate regulatory agencies, the works will be tendered.

Signal Station refurbishment

BPI has initiated a rebuild of the Signal Station located on the Breakwater in the Port. The station, which serves as the control tower for vessels, is an essential link between land and sea. Vessels arriving or departing the Port of Bridgetown are required to contact the Station. The old building, which had

fallen into a state of disrepair, has been demolished and a new structure is to be erected, outfitted with modern traffic tracking systems, improved communication technologies and recording systems. It will be integrated with the national vessel traffic systems, focused on security.

BPI has awarded the tender for this project to Empire Building and Construction Inc. Work started in November 2021 and the project is scheduled to be completed by September 2022.

Workers' Complex

Construction of a new recreation centre for workers is on the cards. The project is slated to begin this year, with a tentative opening in 2024. This new facility will replace the existing 60-year-old building and will feature a mezzanine floor dedicated to onsite training and development. The new facility will be located at the site of the existing buildings in the Workers' Complex, along the perimeter of the Port's main entry. It is expected to boost employee morale and develop the skills of the direct labour and clerical support workforce.

Green Port Initiatives

IDB Invest approved a US\$50 million corporate loan to BPI to fund upcoming capital expenditures for the modernization of Port operations. This transaction represents the first IDB Invest financing in Barbados and supports the purchase and installation of a Waste to Energy (WTE) system consisting of a wet-dry incinerator and a steam rankine cycle turbine; the purchase and installation of up to 1.5 Megawatts of additional rooftop photovoltaic solar capacity; and works associated with certain repairs and upgrades to the Port's Berth #4.

The loan financing also makes provision to access a second tranche of funds to support the construction of the proposed new Aggregate Berth.

Waste Management (with energy generation component)

As BPI repositions to accept increased homeport business, the Port must provide a broader range of acceptance for cruise waste in compliance with MARPOL regulations as reflected in the draft Barbados Waste Reception regulations, which form a subsidiary of the new Merchant Shipping Act.

BPI was motivated to implement an Environmental and Social Management System (ESMS) which identifies and manages BPI's exposure to environmental and social risks and ensure compliance with all legal and regulatory requirements. BPI developed several policies in line with the ESMS and plans to ensure the project fits within a sustainable future:

1. Water and Wastewater Management Plan
2. Waste Management Plan
3. Emergency Response Plan (revised)
4. Air Quality and Emissions Management Plan
5. Occupational Health and Safety Management Plan

6. Construction and Decommissioning Management Plan
7. Labour Management Plan
8. Community ESHS Risks and Impacts and Security Management Plan
9. Stakeholder Engagement Plan.

The cost for the acquisition and installation of the incinerator is estimated at US\$20 million. This facility will be erected with a capacity to accommodate Port waste as well as some inland municipal waste, providing some ease to the pressure on the local landfill. The Board of Directors of BPI has supported the option of outsourcing procurement to a third-party agent. Crown Agents has been awarded the contract for procurement and project management services. The project duration is two years including design, decommissioning (old incinerator), construction and commissioning of new incinerator stakeholder engagement and training for local project team.

Photo Voltaic Expansion

Plans are in train to install additional photo voltaic (PV) systems using the roofs in the Port to move toward the goal of generating 100% of energy consumed through renewable sources. BPI has already installed a 400kW PV system which should reduce electricity consumption from the national grid by at least 20%.

Hybrid Fleet

BPI is also adding five twin-lift hybrid straddle carriers to its cargo handling fleet. The equipment is required to replace an ageing fleet and will complement the Port's green initiatives aimed at energy efficiency and zero emissions.

Trade Facilitation Enhancement

Efforts are continuing to improve local logistics performance as well as the experience of doing business with the Port.

Sub-committee of the Social Partnership on Performance and Efficiency at the Port of Bridgetown

BPI since 2019 has been collaborating even closer with its stakeholders to improve the local logistics sector performance as well as the experience of doing business with the Port. A Sub-committee of the Social Partnership was established to examine Port Performance and Efficiency and has been functioning according to a prescribed workplan to effect change in key areas through operational interventions, policy interventions, information technology enhancements and private sector-led initiatives.

The sub-committee is chaired by the Minister of Tourism and International Transport, with representatives drawn from Barbados Port Inc., Customs & Excise Department, Regulatory and Law Enforcement Agencies based in the Port, the Congress of Trade Unions & Staff Associations of Barbados (CTUSAB), National Union of Public Workers (NUPW), Barbados Workers' Union (BWU), private sector agencies including Barbados Manufacturers Association (BMA), Barbados Chamber of Commerce & Industry (BCCI), the Barbados Private Sector Agency (BPSA), as well as service providers including the Barbados Customs Brokers & Clerks Association, Shipping Association of Barbados and Transport Intermediaries of Barbados. Following the identification of some twenty-six specific problems within the logistics service chain, the sub-committee developed the workplan in the context of local operational interventions, policy interventions, information technology enhancements and private sector-led initiatives. Most of the year in review was spent implementing aspects of the workplan. The main achievements this year include the following:

Trade Facilitation Committee

- A risk management session was convened in September 2021, with the support of the CARICOM Secretariat, Other Government Agencies (OGAs) were required to submit their respective risk management processes for analysis by the Secretariat's consultant.
- A workshop was conducted in December 2021 by the CARICOM Secretariat where regional participants heard presentations on trade facilitation initiatives in their respective jurisdictions.



Manning levels and productivity enhancement within BPI

- Meetings were held with the private sector group to discuss Port efficiency regarding labour relations; key persons were identified to gather all the necessary information to lend value to the negotiation process with the workers' unions.

Central Container Examination Facility (CCEF)

- The plans for the project were submitted to the Town and Country Development Planning Office (TCPDO) for approval.
- BPI contracted a consultant to review the business case for the project.

Off-port inspections and Container returns

- An appointment system for inspection of FCL cargo will be established where the following will be implemented:
 - o An assessment of technical times of containers being inspected offsite.
 - o A programme will be developed to facilitate better coordination of offsite inspections.

Service Level Agreements

To further advance the work of the Sub-Committee, BPI is seeking to develop and formalise Service Level Agreements (SLAs) with Government agencies operating within the Port of Bridgetown. The SLAs will go a long way in addressing exigent challenges and removing obstacles to the harmonisation of Port operations.

ISO 9001:2015

BPI this year obtained the International Organisation for Standardisation (ISO) 9001:2015 certification, making the Port of Bridgetown the first seaport in English-speaking Caribbean to be accredited this Quality Management System (QMS) designation.

BPI was certified on February 8, 2022 following a successful audit of the Company's management system by Lloyds Register of Quality Assurance (LRQA).

The scope of this approval is applicable to the provision of marine services and facilities management for cargo and cruise operations at the Port of Bridgetown and reflects BPI's commitment to meeting and exceeding the needs of customers and stakeholders while elevating its service excellence levels.

BPI's journey to ISO 9001:2015 certification began in August 2019, as part of efforts to implement a Quality Management System (QMS) framework to standardize business processes, enhance the quality of products and services, improve operational

effectiveness, boost productivity, enhance customer satisfaction and better manage risks in the organization.

Becoming ISO 9001:2015 certified enhances the Port's competitiveness as a full service, international trade seaport, and better positions it to meet the ever-changing demands and expectations within the maritime transport sector. The intention is to keep improving and updating the QMS so that it remains effective and adds value to the business.

The ISO 9001 QMS is a framework to standardize business processes, enhance the quality of products and services, improve operational effectiveness, boost productivity, enhance customer satisfaction, and better manage risks in the organization.

Organisations accredited to ISO 9001:2015 demonstrate the ability to consistently provide products and services that meet customer and regulatory requirements and enhance customer satisfaction.

Customer Complaints Management

Complementary to the QMS, BPI implemented a mechanism for customer complaints via **complaints@barbadosport.com** with the goal to acknowledge customer complaints within 48 hours of receipt. The complaints received were primarily focused on issues related to non-commercial cargo. Where applicable corrective actions were taken to address the issues with the aim to prevent reoccurrences.

Strategic Partnerships

In tandem with Government's efforts focusing on deepening and strengthening its existing bilateral relationships, BPI has been engaging potential strategic partners across the Caribbean, North America, and Europe. BPI has also been seeking to develop new non-traditional partners in Africa, Asia, Eastern Europe, the Gulf States and Latin America.

The Government of Barbados has signed a Sister Port Agreement with the Port of Tema, Ghana and is concluding another with Port of Mombasa, Kenya. It is hoped that these enhanced relations will lead to the development of new trade lanes, with the Port of Bridgetown positioned as a hub for transshipment through the Caribbean. Similarly, in leveraging new and existing bilateral relations, it is anticipated that this will enhance commercial opportunities through increased trade.

BPI as part of the effort, is also seeking to finalise a Memorandum of Understanding (MOU) with Abu

Dhabi Ports in the United Arab Emirates and has submitted a draft document for consideration by Government.

The agreement with the ports is intended to:

- Foster technological developments through information and expertise sharing.
- Share information on best practices and developments in the global maritime industry, including global transshipment and shipping logistics.
- Collaborate on matters relating to environmental protection and green port initiatives.
- Exchange information on business opportunities to raise awareness among the private sectors in both regions to increase the level of trade.
- Develop opportunities for personnel training and apprenticeships.
- Promote the services of the ports as the efficient and sustainable pathway for trade into their respective regions.
- Facilitate the achievement of the objective of the respective ports serving as sister ports to the Port of Bridgetown to support increased trade and transshipment.

BPI has also initiated discussions on the exploration of new transshipment business with Guyana and Suriname and is cooperating with the Special Envoy to Guyana and Suriname in the Prime Minister's Office to deepen and strengthen existing relationships between the countries.

In support of these initiatives, BPI continued to engage resources to explore business opportunities at several levels while continuing dialogue with partner agencies like Export Barbados (BIDC).





Digital Innovation

The Port is embracing energy transition, digitisation and innovation in a bid to be more efficient, reliable and competitive. Digitisation initiatives are concerned with either better control and management of the Port and Port infrastructure or improved efficiency of logistics processes.

Digitalisation

The digital strategy targets continued enhancement of BPI's competitive edge by capitalizing on new opportunities for greater value creation in doing business, increasing operational efficiencies and transparency, reducing cost, reducing greenhouse emissions and improving services for sustained growth. The new technologies will also provide insights into areas of optimization, streamline the Port and logistics supply chain and enhance productivity. It is anticipated that the utilisation of these innovative solutions will by extension improve the ease of doing business.

Port Community System

Development of a Port Community System (PCS) is the major digital project currently under development at BPI. This €540,258 project, partially financed by the European Union and supervised by the Caribbean Development Bank, was formally initiated on March 3, 2021. The project, which is scheduled to be completed in 2023, supports the creation of an online system accessible to Customs and Excise and other Government Agencies, agents and shipping lines, those involved in logistics and freight forwarding, terminal and warehouse operations and the processing and clearance of cargo. It will enable greater efficiency, a reduction in operating costs and a more sustainable approach to management of Port operations. It will also support improved documentary conformity through simplification, standardisation, rationalisation (reducing paperwork) and harmonisation of clearance processes and procedures, as well as information sharing between trade actors through a single platform. The PCS will aid Barbados in fulfilling international obligations under the World Trade Organisation Trade Facilitation Agreement (TFA) and the International Maritime Organisation (IMO) Convention on Facilitation of International Maritime Traffic (FAL) (1967).



The following project activities were completed during the period under review:

- Recruitment of two additional software programmers in accordance with the PCS grant agreement.
- Submission of a Software Development Plan to Caribbean Development Bank (CDB).
- Cybersecurity Assessment workshops were facilitated by the cybersecurity specialist on the Organization of American States consultancy team as part of the Situational Analysis Assessment conducted.

Two deliverables were received to date from the OAS Expert Team and were reviewed by the PCS Steering Committee: The Inception Report and the draft Situational Analysis Report.

BPI is working with the OAS team to finalise the roadmap for the development of the software modules and coordinating the continuation of stakeholder sensitization webinars. Plans are also being finalized for a study tour to European Ports

aimed at sensitising private and public sectors in Barbados to international best practices in PCS deployment.

IMO Maritime Single Window

Phase II of the Maritime Single Window was completed and deployed. By using this platform, the format for the scheduling, cancellation and reporting of incoming voyages was standardized. Efficiency was greatly improved as voyage information is automatically and instantaneously disseminated to all regulatory agencies. This relieves vessel agents of the task of sending copies of the same email or paper-based message to each agency.

Discussions were held with executive personnel from CARICOM Implementation Agency for Crime and Security (IMPACS) to commence the final phase. Phase III aims to streamline and standardize reporting obligations by linking all information flows required by each regulatory agency involved in the clearance process. Legislation is under revision regarding the aspect of vessels' clearance.

Enhanced Border Security

BPI is compliant with the provisions of the International Ship and Port Facility Security (ISPS) Code. During the period under review, considerable progress was achieved through the implementation of processes and projects aimed at strengthening ISPS compliance, whilst reducing business risks.

National Maritime Security Strategy

The National Maritime Security Strategy Working Group (NMSSWG) project in which BPI served as a committee member, was completed in September 2021. During the project, a Port risk assessment was conducted utilizing methodologies proposed by the OAS Consultant Team. The United Kingdom's Department for Transport (DFT) Risk Audit Matrix model was used as well as several other enterprise-based risk assessments. The assessment sought to provide a clear roadmap towards modification and upgrade of BPI's Port Facility Security Plan and by extension, its Emergency Response Planning capacity.

Access Control

Upgraded online access control management systems were implemented Port-wide to drive and coordinate uninterrupted flows of cargo, passengers and visitors. The access appointment system matured in its evolution and remained optimal during the period under review.

An android app was developed specifically for cruise and tour operators and is awaiting deployment. The app consists of a parking module that will allow the tour operators to book their request for entry to the Port and select a parking location.

It can be used to upload the list of passengers booked for the tour, capturing the places the tour will be visiting along with the vessel information and stateroom for each passenger. This information is used for contact tracing if required.

The app provides tour operators with a profile through which they can update their status as well as make changes to any pending requests. Eliminating the need for tour operators to enter static information repeatedly, the operator need only input the dates and times for their tours. The facility gives the operators the status of past and current applications.

Similarly, an app was developed for taxi operators to manage their requests. The app will issue the operators with a QR code which is to be scanned at the Taxi's Entrance at the Port's Main Gate. BPI's Security Officers can use the application to verify that the Taxi operator is a valid operator. This too is awaiting deployment.



Developing an Engaged & Empowered Workforce

Renegotiation of Written Collective Agreement

Barbados Port Inc., the Shipping Association of Barbados (Employers) and the Barbados Workers' Union (Employees' Representative) are the signatories to a written Collective Agreement which governs the working arrangements at the Port of Bridgetown. The agreement was signed on September 12, 2014.

BPI and the Barbados Workers' Union (BWU) have been maintaining good and healthy industrial relations which facilitated a harmonious labour-management climate. It was also conducive to management convening regular meetings with the union delegates in the various areas of operation to discuss the working conditions and other work-related matters and to implement processes to enhance the working environment.

Since signature of the Agreement, the nature of operations at BPI has changed significantly and the way that similar port facilities regionally and internationally function have also changed in a manner that directly and indirectly impacts our local operations. BPI has therefore submitted proposals for changes to the collective agreement.

Renegotiation of the Collective Agreement to update labor practices should significantly assist in improving operational efficiencies. Recognising this, BPI has sought to establish a tripartite approach to inform the bargaining process, inviting input from the private sector.

Training

BPI is committed to investing in the Port's employees and equipping them with the tools needed to meet evolving demands.

In spite of the challenges of COVID-19, a number of training programmes were rolled out aimed at strengthening core competencies within the Company. This included training in ISO 9001:2015 Root Cause Analysis; Customer Service; CCTV Operation; Dangerous Goods, Hazardous Substances & Emergency Response Management and Building Port Resilience Against Pandemics.



Safety, Health & Environment

INCIDENT REPORTING		
Indicator	Definition	2021/2022
Recordable Incidents	Any workplace-caused injury or illness that comes under one or more of the following categories: Death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness.	21
Lost time Cases	Total number of employees with a work-related injury or illness that results in one or more calendar days away from work based upon a medical determination.	19
Lost Work Days	Total days lost due to a work-related injury or illness.	236
Dangerous Occurrences	Circumstances where the incident had the potential to cause injury or death.	2

Facing the COVID-19 Challenge

The wellness programme continued, sensitising employees on the prevention and management of non-communicable diseases particularly against the background of communicable diseases like COVID-19. The Medical facility promoted Employee COVID-19 vaccination messaging in an effort to boost the organisation's fight against COVID-19. BPI hosted information sessions on the Oxford AstraZeneca vaccine and

coordinated vaccination sessions for its employees.

Adapted work arrangements were maintained to ensure the continued delivery of essential cargo. Some of the measures implemented included:

- Work-from-home arrangements where feasible
- Rotational shift arrangements for administrative staff
- Operational staff release on completion of tasks
- Identification, release and paid leave for high-risk employees
- Limitations on the number of customers in Port areas.

Employee Engagement and Enfranchisement

The Company's first Employee Appreciation Day was held on May 28th, 2022 while long service awards were presented to those employees who reached the anniversary milestones of ten, fifteen, twenty, twenty-five, thirty, thirty-five and forty years of service.

BPI prepared for issue a prospectus which allowed for investment in the \$100 million Port Bond by all interested Barbados Port Inc. employees and Barbadians in denominations of \$1,000 or more, by purchasing on the open market.



Our Corporate Social Responsibility

As part of its corporate social responsibility, BPI has committed to two major construction projects.

Port Fire station

A building within the Port, which formerly housed the mechanical workshop, and located close to the main entrance, will be redesigned and configured to create the new fire station. The station will be outfitted with two fire tenders and will provide emergency service to the capital city, Bridgetown.

BPI has awarded the tender for this project to XM Services. The project, which was started in October 2021 is scheduled to be completed by July 2022.

Millie Ifill Fish Market

BPI is working to refurbish and expand its well-known fishing complexes including upgrades to establish a designated area for boats, parking facilities, proper bathroom facilities, and public spaces. The design work for this project is ongoing.

The Port completed the refurbishment of the Pile Bay Fishing Facility in 2021 with the official opening by Prime Minister Mia Mottley on May 21.

Looking To The Future

We have been fundamentally improving and reinvigorating our business to respond to shifting customer expectations and a continuously changing environment.

This year's results are an encouraging sign that we are making significant progress but a reminder also, that we have only just begun our journey to tomorrow.

We are on course to becoming a knowledge-based, skill-intensive Port, powered by ideas, innovation and technology. Our aim is to become one of the world's highest rated green maritime ports.

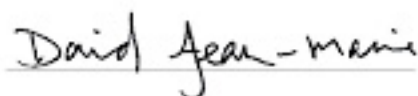
Much of our focus in the coming year will therefore be on the long-term development of the Port. Plans have been well laid out to realise the ambitious goals set for 2030. We remain focused on our Masterplan and guided by our Business Plan. It is recognized however that if the infrastructure BPI is investing in is to provide the full capacity it is designed to deliver, we will have to eliminate

supply chain inefficiencies. That means investing more in digitalization, new business models, new approaches to work and the delivery of our services.

At the same time, we are keeping a keen eye on international developments such as the war in Ukraine, which have the potential to result in significant disruption to worldwide supply chains.

Efforts must therefore be made to ensure that we retain some flexibility within the delivery of the capital investment programme envisaged under Masterplan 2030 to advance or delay implementation of projects in response to wider economic developments.

Barbados Port Inc. is committed to successfully managing its exposure to risk and to minimising the impact of such on the achievement of the Company's business objectives.



David Jean-Marie
Managing Director and Chief Executive Officer



Major Milestones

1961-2021

For more than 300 years, Bridgetown was a port of call for ships sailing the Eastern Caribbean. Until the deep water Harbour was built, the larger ships anchored in Carlisle Bay. The cargo and passengers were then transported in smaller boats called lighters, to the Wharf at the Careenage.

Work on the construction of the Deep Water Harbour commenced in June 1957 and ended with the official opening on May 6 1961. This is our journey through the 60 years since then.

1961

Construction of the Deep Water Harbour commenced in June 1957.



Pelican Island was joined to the mainland of Barbados.



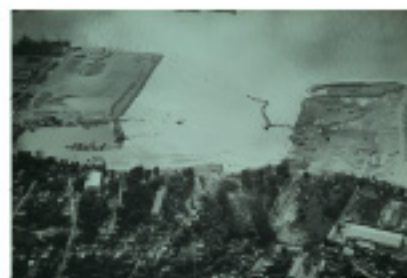
MV Diplomat was the first ship to enter the new Bridgetown Harbour.



M. V. Diplomat receiving first cargo of bulk sugar from new Deep Water Harbour
Bridgetown, Barbados, 12th March, 1961



Port Contractors Limited was established to administer the Port.



Major upgrades undertaken
b. Added 9.3 hectares for bulk handling facility.

1978

May 6, 1961 the Bridgetown Port was officially opened by Sir Grantley Adams



Major upgrades undertaken
a. Enhanced cross berth



The Barbados Port Authority was established.

1979



Inter-island cargo and passenger operations were transferred to the Shallow Draught Facility from the Careenage.

1983

The Administration Building was officially opened by Prime Minister J M G M Adams.



1984



Completion of Engineering Workshop and enclosed garage for port equipment.

The first Gantry Crane went into operation.



Development of Boat Facility.

1990



1992

Winner, Port Of The Year Award



1993



Cruise and cargo infrastructure upgrades

Winner,
Port Of The
Year Award



Port Of The Year Award 1996



Winner, Port Of The
Year Award



1994

Shed 1 was transformed into a modern duty free shopping and cruise passenger terminal

Port mall opens in style

THE OLD SHEDS of the Barbados Port have been transformed into an ultra-modern, state-of-the-art shopping mall equal to any similar facility in the world.



And there is no the new cruise terminal officially opened on Friday evening was Prime Minister Errol Barrow, as well as a number of Cabinet ministers, all members of the tourism trade and officials of the Florida Caribbean Cruise Association (FCCA).

Barbadians and visitors alike were impressed as they walked through the well-planned streets against the backdrop of the ruins of the Barbados Palace Road, marching through the history while playing.

The cruise terminal of a wide selection of attractively crafted shops, excellent shaded lanes and terraces, plus extensive service facilities for a business centre, post office, photo and fax office, immigration and customs that would surely the wish of even the most discriminating cruise visitor.

The cruise terminal of a wide selection of attractively crafted shops, excellent shaded lanes and terraces, plus extensive service facilities for a business centre, post office, photo and fax office, immigration and customs that would surely the wish of even the most discriminating cruise visitor.

1996

1997



Winner,
Award for
Dependability &
Port of the Year
Award



The Port welcomed the Adventure of the Seas, then the world's largest cruise ship.



Deployment, Barbados II Tug - enables port to maneuver larger vessels.

1999



Completed the Careenage Rehabilitation Project.

2002

Reclamation of 9 acres of land for newer mega cruise ships.



Winner, Port Of The Year Award.

Opened new medical facility onsite.



The Queen Mary II, then the largest cruise liner visited Bridgetown on its maiden voyage

2003



Third administrative change, establishment of Barbados Port Inc.

2004

Winner, Port Of The Year Award.





Chamberlain bridge was rebuilt as a modern lift bridge.



2005

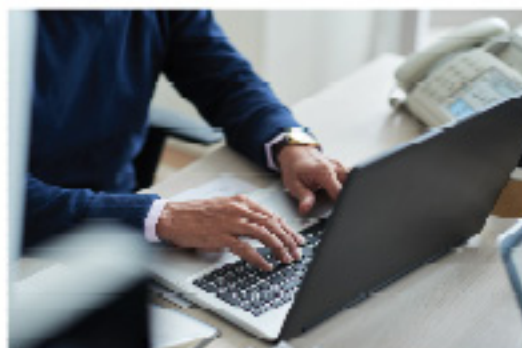
2006

2007



Winner, Port Of The Year Award.

First integration of Port and Customs electronic systems



Winner, Novaport Cup for "Most Improved Port Performance, & Port Safety & Security Award.



Barbados Port Inc. celebrated its 50th anniversary.



Winner, Safety and Security Award



2009



Winner, Novaport Cup for "Most Improved Port Performance.

2010



2011



Winner, Novaport Cup for "Most Improved Port Performance



Winner, Port Growth and Development Award

Completion of yacht jetty.



Completed and reopened Wickham Lewis Boardwalk.

2014

2015

2017

Winner, Top International Training Award



New cargo handling equipment deployed, including the second gantry crane.



56-year old Main Gate was demolished and a new multi-lane entrance facility was constructed.

Major Milestones 1961-2021 Cont'd



Winner,
Multi-
Purpose
Port of the
Year Award



Migration to the new cloud-based, OCTOPI.

Completed the restoration of the South Point Lighthouse



Launch of BPI Mentorship Programme.



2018



Implemented new, electronic Human Resource Information System.



New mission and vision to be the most innovative, green maritime hub.

2019

Deployment of 3rd Gantry Crane.



A new electric tram service moves cruise passengers from quay to terminal.





BPI joined the electric vehicle (EV) revolution, using one of its on-the-road messenger services.



Provided safe harbour for cruise vessels during the COVID-19 global pandemic.



Official opening of the new Administration Building, Cube Blue.



BPI invests in new, diesel-electric hybrid Straddle Carriers, the first ever in the Caribbean.

Barbados set a new record for cruise passenger arrivals in a single year. 853,200 passengers.

2020



BPI installed new photovoltaic (PV) systems, reducing electricity consumption from the national grid.



Arrival of the Symphony of the Seas, the world's largest cruise ship.



Winner, Novaport Cup for Most Improved Port Performance.

2021

The Port of Bridgetown celebrates its 60th Anniversary.



Launched Port Community System project



Milestones in 2021/22





ISO 9001:2015 certification

BPI on February 8, 2022 obtained the International Organisation for Standardisation (ISO) 9001:2015 certification, making the Port of Bridgetown the first seaport in English-speaking Caribbean to be accredited this Quality Management System (QMS) designation.



60th Anniversary Celebrations

BPI marked the 60th anniversary of the official opening of the Port of Bridgetown on May 6, 2021.



Unveiling The New Corporate Identity

Barbados Port Inc. completed a corporate rebrand, unveiling the new corporate identity on May 6, 2021.



Employee Appreciation Day

BPI hosted its first Employee Appreciation Day on May 28, 2021.



Celebrating Long-serving Employees

BPI celebrated 270 of its long-serving employees in a presentation of commemorative plaques. The Port discerns itself among those organizations retaining a significantly high number of long-serving staff, with two serving 40 years; eleven having served 35-39 years; seventeen who served

30-34 years and one hundred and twenty-four having served 25-29 years. Eighty-eight more have served between 20 and 24 years; while twenty marked 15 years of service and seven reached 10 years of service in 2021.

CORPORATE GOVERNANCE POLICY

Corporate Governance

BPI formalised its corporate governance structure to improve investor confidence, reduce the cost of capital and increase transparency. A number of policies were developed and approved by the Board of Directors in support of this thrust: Whistleblower Policy, Customer Service Charter, Environmental, Social,

Health and Safety (ESHS) Policy Statement and Environmental and Social Management System (ESMS) and Quality Management System Policy Statement. Draft copies of the Code of Business Conduct and Ethics, Corporate Governance Policy and Internal Audit Charter were developed and submitted to the Board for approval.



The Pile Bay Fishing Facility Refurbishment

Refurbishment of the Pile Bay Fishing Facility was completed, with the official opening by Prime Minister Mia Amor Mottley on May 21, 2021.



Transitioning to BPI

Following a decision by the Board of Directors of Bridgetown Cruise Terminals Inc. (BCTI), not to seek a further extension to the lease arrangement beyond December 31, 2021, the management and operation of the cruise terminal, located at the Port of Bridgetown, transitioned to BPI with effect from January 1, 2022.

APPENDIX 1 CRUISE PASSENGER ARRIVALS

CALLS					ARRIVING PASSENGERS					DISSEMBARKING PASSENGERS					EMBARKING PASSENGERS					
Month	2019/20	2020/21	% +/-	2021/22	% +/-	2019/20	2020/21	% +/-	2021/22	% +/-	2019/20	2020/21	% +/-	2021/22	% +/-	2019/20	2020/21	% +/-	2021/22	% +/-
April	39	4	-90%	7	75%	75,093	1	-100%	10	900%	13,979	0	-100%	3	0	13,224	0	-100%	5	0
May	7	20	186%	3	-85%	21,340	51	-100%	0	-100%	892	14	-98%	0	-100%	891	7	-99%	0	-100%
June	6	8	33%	4	-50%	19,642	0	-100%	2,002	0	725	0	-100%	11	0	704	0	-100%	14	0
July	7	8	14%	9	13%	19,688	0	-100%	2,113	0	814	0	-100%	63	0	826	0	-100%	215	0
August	8	6	-25%	12	100%	25,832	0	-100%	1,894	0	942	0	-100%	345	0	939	0	-100%	335	0
September	7	0	-100%	4	0	21,129	0	-100%	403	0	756	0	-100%	289	0	697	0	-100%	318	0
October	12	3	-75%	8	167%	29,169	0	-100%	1,974	0	679	0	-100%	468	0	673	0	-100%	524	0
November	54	2	-96%	27	1250%	114,081	76	-100%	24,816	32533%	27,959	66	-100%	8,158	12261%	28,472	40	-100%	8,816	100%
December	78	1	-99%	70	6900%	155,779	0	-100%	65,892	0	29,435	0	-100%	16,452	0	30,551	12	-100%	17,973	100%
January	79	1	-99%	60	9900%	147,525	0	-100%	46,054	0	37,491	0	-100%	15,108	0	36,866	0	-100%	13,549	0
February	66	1	-98%	57	5600%	115,862	0	-100%	38,918	0	30,148	0	-100%	13,753	0	30,254	2	-100%	15,734	100%
March	51	1	-98%	61	6000%	74,871 ^a	0	-100%	56,609	0	27,530 ^a	0	-100%	19,104	0	9,747 ^a	0	-100%	19,418	0
TOTAL	414	55	-87%	322	485%	820,011 ^a	128	-100%	240,685	187935%	171,350 ^a	80	-100%	73,754	92093%	153,778 ^a	61	-100%	76,901	100%
Revised																				

R-revised



An aerial photograph of a large white ship, possibly a ferry or cargo ship, docked at a port. Several large gantry cranes are visible along the pier. The water is dark, and the sky is overcast. The image is partially obscured by a blue and yellow vertical bar on the right side of the page.

Consolidated Financial Statements

March 31, 2022
(expressed in Barbados dollars)

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Board of Directors, Officers and Advisors

March 31, 2022

Board of Directors

Peter Odle	- Chairman
Denis Cadogan	- Deputy Chairman
David Jean-Marie	- Managing Director
Lisa Gale	
Ricardo McConney	
Janice Brown	
Iain Thomson	- (demitted May 25, 2022)
Reynold Grant	
Captain George Fergusson	
Sir Roy Trotman	- Barbados Workers' Union Representative
Sonia Foster	- Permanent Secretary - Ministry of Maritime Affairs and the Blue Economy (demitted May 24, 2022)
Donna Cadogan	- Permanent Secretary - Ministry of Tourism and International Transport (demitted May 24, 2022)
Francine Blackman	- Permanent Secretary - Ministry of Tourism and International Transport (appointed May 24, 2022)

Corporate Secretary

Karen Forde

Attorneys-at-law

George Walton Payne & Co.
Ralph Thorne, Q.C.

Bankers

Republic Bank (Barbados) Limited
First Citizens Bank (Barbados) Limited

Auditor

PricewaterhouseCoopers SRL



Independent auditor's report

To the Shareholder of Barbados Port Inc.

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Barbados Port Inc. (the Company) and its subsidiary (together "the Group") as at March 31, 2022, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at March 31, 2022;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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

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

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other information

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the consolidated financial statements and our auditor's report thereon), which is expected to be made available to us after this auditor's report date.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.



In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Other matter

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

PricewaterhouseCoopers SRL

Bridgetown, Barbados
July 20, 2022

Consolidated Statement of Financial Position

As at March 31, 2022

(expressed in Barbados dollars)

	2022 \$	2021 \$
Assets		
Current assets		
Cash at bank (note 4)	17,671,942	14,003,502
Accounts receivable (note 5)	10,260,364	2,187,487
Other receivables and prepaid expenses (note 6)	2,624,825	2,263,982
Inventories (note 7)	6,624,666	6,371,656
	37,181,797	24,826,627
Non-current assets		
Financial investments (note 8)	3,859,920	3,834,417
Investment in associated company (note 10)	1,121,297	437,631
Property, plant and equipment (note 11)	274,604,020	273,344,133
Right of use assets (note 12)	3,464,065	3,866,924
Capital works in progress (note 13)	26,043,799	21,969,119
Pension plan asset (note 14)	4,902,248	6,022,544
Deferred tax asset (note 15)	1,116,148	1,242,047
	315,111,497	310,716,815
Total assets	352,293,294	335,543,442

Consolidated Statement of Financial Position ...CONT'D

As at March 31, 2022

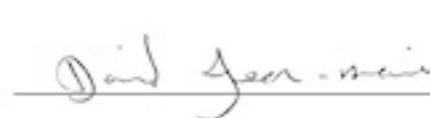
(expressed in Barbados dollars)

	2022 \$	2021 \$
Liabilities and equity		
Current liabilities		
Accounts payable and accrued liabilities (note 16)	9,249,910	4,783,586
Corporation tax payable	55,327	1,833
Current portion of loans (note 17)	8,429,091	–
Current portion of lease liabilities (note 12)	5,538,898	6,059,414
	23,273,226	10,844,833
Non-current liabilities		
Long-term loans (note 17)	91,570,909	100,000,000
Lease liabilities (note 12)	13,805,824	19,344,722
Post-retirement medical benefits obligation (note 14)	5,133,045	5,409,746
	110,509,778	124,754,468
Total liabilities	133,783,004	135,599,301
Equity		
Share capital (note 18)	100	100
Capital contributions (note 19)	78,683,280	78,683,280
Port fund	100,000	100,000
Fair value reserve	27,361	27,361
Capital replacement fund	–	21,250
Retained earnings	131,379,799	113,226,740
	210,190,540	192,058,731
Capital and reserves attributable to the owner of Barbados Port Inc.	210,190,540	192,058,731
Non-controlling interest	8,319,750	7,885,410
	218,510,290	199,944,141
Total equity	218,510,290	199,944,141
Total liabilities and equity	352,293,294	335,543,442

Approved by the Board of Directors on July 14, 2022



Chairman



Director

Consolidated Statement of Changes in Equity

For the year ended March 31, 2022
(expressed in Barbados dollars)

	Attributable to the owner of Barbados Port Inc.						Non-controlling interest	Total
	Share capital contributions	Capital fund	Port fund	Fair value reserve	Replacement fund	Retained earnings		
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at March 31, 2020	100	78,683,280	100,000	27,361	-	110,625,456	189,436,197	189,436,197
Net loss for the year	-	-	-	-	-	(1,711,146)	(1,711,146)	(1,809,811)
Other comprehensive income	-	-	-	-	-	4,312,430	4,312,430	4,312,430
Total comprehensive income for the year	-	-	-	-	-	2,601,284	2,601,284	2,502,619
Transactions with owners in their capacity as owners:								
Non-controlling interest on acquisition of subsidiary (note 9)	-	-	-	-	-	-	-	7,962,825
Increase in capital replacement fund	-	-	-	-	21,250	-	21,250	42,500
Balance at March 31, 2021	100	78,683,280	100,000	27,361	21,250	113,226,740	192,058,731	199,944,141

Consolidated Statement of Changes in Equity ..CONT'D

For the year ended March 31, 2022
(expressed in Barbados dollars)

	Attributable to the owner of Barbados Port Inc.						
	Share capital contributions	Port fund	Fair value reserve	Capital replacement fund	Retained earnings	Total	Non-controlling interest
	\$	\$	\$	\$	\$	\$	\$
Balance at March 31, 2021	100	78,683,280	100,000	27,361	21,250	113,226,740	192,058,731
Net income for the year	-	-	-	-	-	18,855,420	18,855,420
Other comprehensive loss	-	-	-	-	-	(702,361)	(702,361)
Total comprehensive income for the year	-	-	-	-	-	18,153,059	18,153,059
Changes in capital replacement fund	-	-	-	-	(21,250)	-	(21,250)
Balance at March 31, 2022	100	78,683,280	100,000	27,361	-	131,379,799	210,190,540
						8,319,750	218,510,290

Consolidated Statement of Comprehensive Income

For the year ended March 31, 2022
(expressed in Barbados dollars)

	2022 \$	2021 \$
Revenue		
Cargo handling	75,879,085	62,336,922
Excess storage	2,203,777	1,656,194
Marine revenue	8,815,987	7,582,424
Passenger levy	2,965,775	–
Rent	1,950,101	1,413,001
Other (note 20)	10,255,419	7,681,435
	102,070,144	80,669,976
Other operating income		
Gain on disposal of plant and equipment	–	8,511
Miscellaneous	70,596	598,429
Interest income	35,237	29,943
	105,833	636,883
Total operating income	102,175,977	81,306,859
Expenses		
Administration	14,103,523	13,749,497
Staff costs (note 22)	37,283,818	35,737,009
Other expenses	24,667,037	23,086,580
	76,054,378	72,573,086
Profit from operations	26,121,599	8,733,773

Consolidated Statement of Comprehensive Income ...CONT'D

For the year ended March 31, 2022
(expressed in Barbados dollars)

	2022 \$	2021 \$
Profit from operations	26,121,599	8,733,773
Finance costs	(7,417,025)	(8,530,846)
Income before taxation and share of net income/(loss) of associated company	18,704,574	202,927
Share of net income/(loss) of associated company (note 10)	683,666	(307,586)
Income/(loss) before taxation	19,388,240	(104,659)
Taxation (note 23)	(169,730)	(1,705,152)
Net income/(loss) for the year	19,218,510	(1,809,811)
Net income/(loss) is attributable to:		
Owner of Barbados Port Inc.	18,855,420	(1,711,146)
Non-controlling interest	363,090	(98,665)
	19,218,510	(1,809,811)
Other comprehensive (loss)/income:		
Items that will not be reclassified to income:		
Remeasurement of retirement benefit obligations (note 14)	(690,865)	4,169,899
Deferred tax charge/(credit) on remeasurement of retirement benefit obligations (note 15)	(11,496)	142,531
Other comprehensive (loss)/income for the year	(702,361)	4,312,430
Total comprehensive income for the year	18,516,149	2,502,619
Total comprehensive income for the year is attributable to:		
Owner of Barbados Port Inc.	18,153,059	2,601,284
Non-controlling interest	363,090	(98,665)
	18,516,149	2,502,619

Consolidated Statement of Cash Flows

For the year ended March 31, 2022
(expressed in Barbados dollars)

	2022 \$	2021 \$
Cash flows from operating activities		
Income/(loss) before taxation	19,388,240	(104,659)
Adjustments for:		
Depreciation	17,279,624	17,013,056
Gain on disposal of property, plant and equipment	–	(8,511)
Interest and dividend income	(35,237)	(29,943)
Finance costs	6,593,117	8,530,846
Share of net (income)/loss of associated company	(683,666)	307,586
Pension and other post-retirement benefits	1,264,905	2,227,110
Write back of capital replacement fund	(21,250)	–
Write off of acquisition-related costs	–	480,000
Capital work in progress expensed	201,781	–
Amortisation of right of use assets	402,859	402,860
Operating profit before working capital changes	44,390,373	28,818,345
Decrease in restricted cash (current)	–	5,400,002
(Increase)/decrease in accounts receivable	(8,072,877)	3,825,891
(Increase)/decrease in other receivables and prepaid expenses	(360,843)	26,352,973
Increase in inventories	(253,010)	(147,677)
Increase/(decrease) in accounts payable and accrued liabilities	4,466,324	(9,049,536)
Cash generated by operations	40,169,967	55,199,998
Finance costs paid	(6,593,117)	(8,530,846)
Taxes paid	(1,833)	–
Pension and other post-retirement benefits' contributions	(1,112,175)	(13,732,880)
Net cash generated from operating activities	32,462,842	32,936,272
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,338,175)	(5,443,192)
Expenditure on capital works in progress	(17,477,797)	(17,993,085)
Proceeds from disposal of property, plant and equipment	–	8,511
Interest and dividend income received	9,734	29,930
Payment for acquisition of subsidiary, net of cash acquired	–	(7,499,565)
Net cash used in investing activities	(22,806,238)	(30,897,401)
Carried forward	9,656,604	2,038,871

Consolidated Statement of Cash Flows...CONT'D

For the year ended March 31, 2022
(expressed in Barbados dollars)

	2022 \$	2021 \$
Carried forward	9,656,604	2,038,871
Cash flows from financing activities		
Loan received	–	18,923,000
Net increase in capital replacement fund	71,250	–
Repayment of finance leases	(6,059,414)	(15,701,624)
Net cash (used in)/generated from financing activities	(5,988,164)	3,221,376
Net increase in cash and cash equivalents	3,668,440	5,260,247
Cash and cash equivalents - beginning of year	14,003,502	8,743,255
Cash and cash equivalents - end of year (note 4)	17,671,942	14,003,502

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

1. Establishment of Barbados Port Inc.

The Barbados Port Authority was established by the Barbados Port Authority Act, Cap 285B, as amended by the Barbados Port Authority (Amendment) Acts 1978-33 and 1987-37. The Act as initially amended was proclaimed on January 1, 1979.

Upon the commencement of the Act on January 1, 1979 all property (other than land and buildings) belonging to the State and used exclusively for the purpose of the Port Department and Port Contractors (Barbados) Limited was transferred to and vested in the Authority, and all liabilities of the Port Department and Port Contractors (Barbados) Limited existing at the commencement of the Act were assumed and assured by the Authority.

The Act was repealed on December 19, 2003 and a new Act, the Barbados Port Inc. (Transfer of Management and Vesting of Assets) Act 2003, was proclaimed.

The Act was passed:

- a) To provide for the Port of Bridgetown to be managed by Barbados Port Inc., a Company incorporated under the Companies Act, for the purpose of enabling the Port to operate as a commercial entity.
- b) To transfer the assets and liabilities of the Government of Barbados in relation to the operation of the Port of Bridgetown to Barbados Port Inc.
- c) To repeal the Barbados Port Authority Act.

The main provisions of the Act are disclosed below.

Commencement of Operations

The Port shall be operated by the Company from the date of the commencement of this Act.

Transfer of Assets, Liabilities, Rights, etc.

For the purposes of the Act:

1. The lands of the Port shall be leased to the Company by the Crown for such period as the Crown determines.
2. All:
 - a) Assets in relation to the operation of the Port that were vested in the Authority immediately before the commencement of this Act;
 - b) Liabilities that were incurred by or on behalf of the Authority in relation to the operation of the Port and subsisting immediately before the commencement of this Act; and
 - c) Rights to set, collect and retain port dues and charges for the provision and use of port facilities and services are transferred and vested in the Company, and by virtue of this Act and without further assurance, transfer or other formality are to be held with effect from the date of the commencement of this Act, by the Company to the same extent and interest and in the same manner as they were vested in or held by the Authority.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

1. Establishment of the Barbados Port Inc. ...continued

Transfer of Assets, Liabilities, Rights, etc. ...continued

All contracts entered into by or on behalf of the Authority in relation to the operation of the Port before the commencement of this Act, shall be deemed to have been entered into by or on behalf of the Company from the date of the commencement of this Act.

In respect of the operation of the Port:

- a) All rights, privileges, duties or obligations conferred or imposed upon the Authority; and
- b) All powers and remedies as to the taking and resisting of legal proceedings for the ascertaining, perfecting or enforcing of all rights or liabilities vested in the Authority immediately before the commencement of this Act, shall be deemed to be conferred or imposed on the Company.

Financial statement presentation

Consistent with the provisions of Section 355.7 of the Companies Act Cap 308, which addressed the preservation of a Statutory Company incorporated under the Companies Act, and in accordance with the substance of the corporatisation plan of the Port, these financial statements were presented from the year to December 31, 2003 as if the Barbados Port Authority had been "continued" as Barbados Port Inc.

Group structure

Barbados Port Inc. acquired a controlling interest in One Port Investments Inc. during 2021. The Company and its subsidiary are referred to as the Group.

The Group's principal place of business is at "Cube Blue", Prescod Boulevard, Bridgetown, St. Michael, Barbados.

2. 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 periods presented, unless otherwise stated.

a) Basis of preparation

The financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) under the historical cost convention, as modified by the revaluation of financial investments at fair value through other comprehensive income (FVOCI) as disclosed in note 2(h).

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 Group's accounting policies. 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 3.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

2. Significant accounting policies _continued

a) Basis of preparation _continued

i) *New standards, amendments and interpretations to existing standards effective in the 2022 financial year*

Amendment to IFRS 16, 'Leases' - COVID-19 related rent concessions. Extension of the practical expedient (effective April 1, 2021)

As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to lessees. In May 2020, the IASB published an amendment to IFRS 16 that provided an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. On March 31, 2021, the IASB published an additional amendment to extend the date of the practical expedient from June 30, 2021 to June 30, 2022. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as variable lease payments in the period(s) in which the event or condition that triggers the reduced payment occurs.

ii) *New standards, amendments and interpretations mandatory for the first time for the financial year beginning April 1, 2021 but not currently relevant to the Group*

Amendments to IFRS 7, IFRS 4 and IFRS 16 - Interest rate benchmark reform - Phase 2 (effective January 1, 2021).

The Phase 2 amendments address issues that arise from the implementation of the reforms, including the replacement of one benchmark with an alternative one. The Phase 2 amendments provide additional temporary reliefs from applying specific IAS 39 and IFRS 9 hedge accounting requirements to hedging relationships directly affected by IBOR reform.

Amendments to IFRS 4 Insurance Contracts - deferral of IFRS 9 (effective January 1, 2021)

These amendments defer the date of application of IFRS 17 by two years to January 1, 2023 and change the fixed date of the temporary exemption in IFRS 4 from applying IFRS 9, Financial instrument until January 1, 2023.

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

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

A number of narrow-scope amendments to IFRS 3, IAS 16, IAS 37 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16 (effective January 1, 2022).

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

2. Significant accounting policies ...continued

a) Basis of preparation ...continued

iii) New standards, amendments and interpretations to existing standards that are not yet effective but will be relevant to the Group ...continued

Amendments to IFRS 3, 'Business combinations' update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.

Amendments to IAS 16, 'Property, plant and equipment' prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.

Amendments to IAS 37, 'Provisions, contingent liabilities and contingent assets' specify which costs a company includes when assessing whether a contract will be loss-making.

Annual improvements make minor amendments to IFRS 1, 'First-time Adoption of IFRS', IFRS 9, 'Financial instruments', IAS 41, 'Agriculture' and the Illustrative Examples accompanying IFRS 16, 'Leases'.

Amendments to IAS 1, 'Presentation of financial statements', on classification of liabilities (effective January 1, 2024).

These narrow-scope amendments to IAS 1, 'Presentation of financial statements', clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. For further details see IFRS Manual of accounting para 4.80 Note that the IASB has issued a new exposure draft proposing changes to this amendment.

Narrow scope amendments to IAS 1, Practice statement 2 and IAS 8 (effective January 1, 2023).

The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.

Amendment to IAS 12 - deferred tax related to assets and liabilities arising from a single transaction (effective January 1, 2023).

These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

2. Significant accounting policies –continued.

b) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on the weighted average cost method. Provision is made for obsolete, slow-moving and defective items.

c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the item. Assets acquired under lease arrangements are stated at an amount equal to the lower of fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Land is not depreciated.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation of property, plant and equipment is provided on a straight-line basis at rates which are expected to write off the assets over their estimated useful lives. The annual rates used for this purpose are as follows:

Leased assets

Wharves, breakwater and crossberths	-	2%
Administration building	-	2%
Transit sheds and workshops	-	4%
Other buildings	-	5%

Other assets

Watercraft	-	3% and 5%
Cargo handling equipment	-	10% and 6½%
Marine equipment and navigational aids	-	10%
Motor vehicles	-	20%
Pallets	-	33⅓%
Other equipment and furniture	-	10%
Port expansion asset	-	2%
Computer equipment	-	25%

The assets' useful lives are reviewed, and adjusted if appropriate, at the date of each statement of financial position.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

2. Significant accounting policies ...continued

d) 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 Group operates ('the functional currency'). The financial statements are presented in Barbados dollars, which is the Group's functional and presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

e) Taxation

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of the statement of financial position. Management periodically evaluates positions taken in tax returns with respect to situations where applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Group follows the liability method of accounting for deferred tax whereby all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes are provided for at the corporation tax rates expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised when it is probable that taxable income will be available against which the assets may be utilised.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

2. Significant accounting policies –continued

f) Principles of consolidation

i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to note 9).

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the statement of financial position, statement of changes in equity and statement of comprehensive income.

The Group recognises non-controlling interests in an acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis. For the non-controlling interest in One Port Investments Inc. the Group elected to recognise the non-controlling interest at its proportionate share of the acquired net identifiable assets.

ii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and the consideration paid or received is recognised in a separate reserve within equity attributable to the owner.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in income. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to income.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

2. Significant accounting policies ...continued

f) Principles of consolidation ...continued

ii) Changes in ownership interests ...continued

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to income where appropriate.

g) Investment in associated company

Associates are entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in income or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 2 (k).

h) Financial investments

The Group classifies its financial assets in the following measurement categories:

- those to be measured at amortised cost, and
- those to be measured subsequently at fair value through OCI.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded in OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

2. Significant accounting policies _continued

h) Financial investments _continued

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

i) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the statement of comprehensive income and presented in other gains/(losses). Impairment losses are presented as a separate line item in the statement of comprehensive income.
- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in the fair value reserve is reclassified from reserves to retained earnings. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses), and impairment expenses are presented as separate line item in the statement of comprehensive income.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

2. Significant accounting policies ...continued

h) Financial investments ...continued

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to income or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in income or loss as other income when the Group's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

i) Employee benefits

The Group operates both a defined benefit and a defined contribution pension plan.

i) Defined contribution plan

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. For defined contribution plans, the Group pays contributions to administered pension insurance plans. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

ii) Defined benefit plan

A defined benefit plan is any plan other than a defined contribution plan. The Group operates a defined benefit pension plan for its employees, the assets of which are held in a separate fund administered by a Trustee. The scheme is generally funded through payments from the Group, and contributions are determined by full independent actuarial calculations every three years.

Employee benefits

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

2. Significant accounting policies ...continued

i) Employee benefits ...continued

defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in the statement of comprehensive income.

iii) Other post-retirement benefit obligations

The Group also provides post-retirement medical benefits to their retirees. Fifty percent to sixty percent of the premium is funded by the Group, dependent on the category of employee. The entitlement to these benefits is conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for the Group's defined benefit pension plan.

j) Revenue recognition

i) Cargo handling

Revenue generated from inbound cargo handling is recognised on the delivery of cargo to the consignees or on delivery of auctioned cargo to the buyer.

Revenue generated from outbound cargo and other revenue is recognised on the basis of the usage of the facilities and services provided by the Group.

ii) Excess storage

Revenue generated from excess storage is recognised on the basis of the usage of the storage facilities, which ordinarily exceeds the free storage period at the Port.

iii) Marine revenue

Marine revenue is generated on vessels making a Port call in Barbados on the basis of the length or net registered tonnage of the vessel and is recognised as earned.

iv) Passenger levy

Passenger levy is applied to the greater of embarking and disembarking passengers per cruise vessel at the Bridgetown Port and is recognised as earned.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

2. Significant accounting policies ...continued

j) Revenue recognition ...continued

v) Interest income

Interest income is recognised in the statement of comprehensive income on the accrual basis, using the effective interest method.

vi) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

vii) Rental income

Rental income is recognised on an accrual basis.

viii) Other revenue

Other revenue is recognised on an accrual basis.

k) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Assets that are subject to amortisation 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 asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

l) Accounts receivable

Accounts receivable are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Accounts receivable are recognised initially at the amount of consideration that is unconditional, when they are recognised at fair value. The Group holds the accounts receivable with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

To measure the expected credit losses, accounts receivable have been grouped based on shared credit risk characteristics and the days past due.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

2. Significant accounting policies ...continued

l) Accounts receivable ...continued

The expected loss rates are based on the payment profiles of sales over a period of 12 months before March 31, 2021 and the corresponding historical credit losses experienced within this period.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified its 100% deposit policy and its monopolistic position to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

m) Cash resources and cash and cash equivalents

Cash resources comprise cash and bank balances and short-term deposits. Cash equivalents comprise cash resources with original maturities of three months or less.

n) Accounts payable

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less, if not, they are presented as non-current liabilities. Accounts payable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

o) Long-term loans

Long-term loans are recognised initially at fair value, net of transaction costs incurred. Long-term loans are subsequently stated at amortised cost and any difference between the net proceeds and the redemption value is recognised in the statement of comprehensive income over the period of the long-term loans using the effective interest method. Associated costs are classified as finance costs in the statement of comprehensive income. Long-term loans due within twelve months of the date of the statement of financial position are classified as current liabilities.

General and specific finance costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other finance costs are recognised in the statement of comprehensive income in the period in which they are incurred.

p) Leases

The Group leases equipment, watercraft and land.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

2. Significant accounting policies ...continued

p) Leases ...continued

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements, except for the equipment lease, do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of fixed payments.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Group's leases, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

When there has not been recent third-party financing, to determine the incremental borrowing rate, the Group:

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, and
- makes adjustments specific to the lease, e.g. term and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

2. Significant accounting policies ...continued

p) Leases ...continued

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Extension options are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The extension option held is exercisable only by the Group and not by the lessor. An extension option is included in the Group's land lease.

q) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation, as a result of past events, if 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.

r) Capital grants

Grants related to assets, including non-monetary grants at fair value, are capitalised and presented in the statement of financial position as deferred grants. These grants are amortised over the expected useful lives of the related assets.

Grants relating to costs are deferred and recognised in the statement of comprehensive income over the period necessary to match them with the costs that they are intended to compensate.

3. Critical accounting estimates and judgements

The development of estimates and the exercise of judgement in applying accounting policies may have a material impact on reported assets, liabilities, revenues and expenses. The items which may have a significant effect on the Group's financial statements are set out below:

Pension benefits

The cost of the defined benefit pension plan and other post-employment medical benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future promotional and inflationary salary increases, proportion of employees opting for early retirement, future changes in the NIS ceiling and mortality. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. Assumptions used are disclosed in note 14.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

4. Cash resources

	2022 \$	2021 \$
Cash at bank	17,671,942	14,003,502

Significant concentrations of cash at bank are as follows:

	2022 \$	2021 \$
First Citizens Bank (Barbados) Limited (long term issue credit rating BBB- by Standard & Poors)	7,599,635	3,346,923
Republic Bank (Barbados) Limited (unrated)	10,072,307	10,656,579

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

5. Accounts receivable

	2022 \$	2021 \$
Trade receivables	10,503,107	2,922,374
Less: loss allowance	(242,743)	(734,887)
	10,260,364	2,187,487

The expected credit losses on trade receivables have been measured as follows:

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
March 31, 2022					
Expected loss rate	2.6%	2.0%	2.1%	2.1%	
Trade receivables	\$4,678,768	\$2,441,671	\$1,517,480	1,865,188	\$10,503,107
Loss allowance	\$123,547	\$49,263	\$31,223	38,710	\$242,743

March 31, 2021

Expected loss rate	3.1%	11.5%	26.9%	36.9%	
Trade receivables	\$471,589	\$629,399	\$116,562	\$1,704,824	\$2,922,374
Loss allowance	\$1,917	\$72,393	\$31,390	\$629,187	\$734,887

The closing loss allowance for trade receivables as at March 31 reconciles to the opening loss allowance as follows:

	2022 \$	2021 \$
Opening loss allowance	734,887	206,163
(Decrease)/increase in loss allowance recognised in income during the year	(492,144)	535,774
	242,743	741,937
Receivables written off during the year as uncollectible	–	(7,050)
Closing loss allowance	242,743	734,887

The carrying value of accounts receivable is considered to approximate fair value because of their short-term maturity.

The Group does not hold any collateral on its accounts receivable.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

6. Other receivables and prepaid expenses

	2022 \$	2021 \$
Staff receivables	279,635	224,658
VAT receivable	1,888,893	1,089,115
Other	50,778	37,175
Other receivables	2,219,306	1,350,948
Prepaid expenses	405,519	913,034
	2,624,825	2,263,982

No loss allowance in respect of other receivables was required in 2022 or 2021.

7. Inventories

	2022 \$	2021 \$
Fuel	18,041	26,215
Equipment spares	7,000,690	6,749,323
Stationery	27,163	17,346
	7,045,894	6,792,884
Less: provision for obsolescence	(421,228)	(421,228)
	6,624,666	6,371,656

The Group did not write off inventory in 2022 or 2021.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

8. Financial investments

	2022 \$	2021 \$
Financial assets at fair value through OCI		
Barbados Ice Cream Company Limited (Equities)		
At beginning and end of the year	120,135	120,134
Financial assets at amortised cost		
NCB Capital Markets (Barbados) Limited		
Debt Service Reserve Account (note 17)	2,422,452	2,396,953
Ansa Finance Lease Reserve Account at First Citizens Bank	995,000	995,000
Term deposits at Republic Bank (Barbados) Limited	23,240	23,237
Government of Barbados Series B Bond 2033	299,093	299,093
	3,739,785	3,714,283
	3,859,920	3,834,417

The Debt Service Reserve Account at NCB Capital Markets (Barbados) Limited is held to facilitate settlement of the non-current portion of the principal outstanding and future interest payments on the \$100 million bond.

The Ansa Finance Lease Reserve Account is being held in connection with a financing lease from Ansa Merchant Bank. Term deposits at Republic Bank (Barbados) Limited have been pledged as security.

The Government of Barbados Series B Bond comprises of eleven (11) amortising strips. The bond matures on September 30, 2033 and has the following interest profile: 1.0% per annum for the first 3 years, 2.5% per annum for year 4 and 3.75% to maturity.

No loss allowance on financial investments was required in 2022 and 2021.

The fair value of financial assets at year end was \$3,799,353 (2021 - \$3,761,259).

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

9. Acquisition of subsidiary

On April 30, 2020 the Company acquired 50% of the issued share capital of One Port Investments Inc., a real estate investments and development company.

Details of the purchase consideration, the net assets acquired and goodwill were as follows:

The total purchase consideration of \$8,000,000 was paid as follows:

	2021 \$
Cash paid	7,500,000

The assets and liabilities recognised as a result of the acquisition were as follows:

	Fair value \$
Cash	435
Other receivables	7,217,569
Capital works in progress	8,741,146
Accrued liabilities	(33,500)
Net identifiable assets acquired	15,925,650
Less: non-controlling interest	(7,962,825)
Add: goodwill	37,175
Net assets acquired	8,000,000

Revenue and profit contribution

The acquired business contributed nil revenue and a net loss of \$98,665 to the Group for the period from April 30, 2020 to March 31, 2021.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

9. Acquisition of subsidiary...continued

The cash outflow was as follows:

	2021 \$
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	7,500,000
Less: Balances acquired	
Cash consideration	435
Net outflow of cash - investing activities	7,499,565

Acquisition-related costs

Acquisition-related costs of \$480,000 that were not directly attributable to the issue of shares were included in administrative expenses in the statement of comprehensive income and in operating cash flows in the statement of cash flows.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

10. Investment in associated company

Bridgetown Cruise Terminals, Inc.

750,000 Class 'A' common shares (30%)

	2022 \$	2021 \$
Summarised statement of financial position		
Total current assets	4,581,772	1,901,471
Total non-current assets	1,715	94,559
Total current liabilities	845,830	458,139
Total non-current liabilities	–	79,121
Net assets	3,737,657	1,458,770
Reconciliation to carrying amounts		
Opening net assets April 1	1,458,770	2,484,058
Net income/(loss) and total comprehensive income/(loss) for the year	2,278,887	(1,025,288)
Closing net assets	3,737,657	1,458,770
Group's share in %	30%	30%
Group's share in \$	1,121,297	437,631

	2022 \$	2021 \$
Summarised statement of comprehensive income		
Revenue	373,119	21,286
Net income/(loss) and total comprehensive income/(loss) for the year	2,278,887	(1,025,288)
Group's share in \$	683,666	(307,586)

Notes to the Consolidated Financial Statements

March 31, 2022
(expressed in Barbados dollars)

11. Property, plant and equipment

	Land	Buildings, sheds, workshop and incinerator	Wharfs and breakwater	Watercraft, tugs, etc.	Cargo handling equipment, vehicles, other equipment and navigational aids	Port expansion asset	Total
	\$	\$	\$	\$	\$	\$	\$
At March 31, 2020							
Cost	61,977,826	35,455,724	85,742,998	5,190,137	193,871,486	78,068,622	460,306,793
Accumulated depreciation	-	(25,131,120)	(23,349,922)	(4,250,057)	(124,228,916)	(19,124,030)	(196,084,045)
Net book amount	61,977,826	10,324,604	62,393,076	940,080	69,642,570	58,944,592	264,222,748
Year ended March 31, 2021							
Opening net book amount	61,977,826	10,324,604	62,393,076	940,080	69,642,570	58,944,592	264,222,748
Transferred from capital works in progress	-	519,335	-	-	11,430,768	-	11,950,103
Additions	-	4,580,526	-	-	862,666	-	5,443,192
Acquisition of subsidiary	-	8,741,146	-	-	-	-	8,741,146
Disposals at cost	-	-	-	-	(236,660)	-	(236,660)
Accumulated depreciation on disposals	-	-	-	-	236,660	-	236,660
Depreciation for year	-	(1,176,198)	(1,714,860)	(255,057)	(12,305,569)	(1,561,372)	(17,013,056)
Closing net book amount	61,977,826	22,989,413	60,678,216	685,023	69,630,435	57,383,220	273,344,133
At March 31, 2021							
Cost	61,977,826	49,296,731	85,742,998	5,190,137	205,928,260	78,068,622	486,204,574
Accumulated depreciation	-	(26,307,318)	(25,064,782)	(4,505,114)	(136,297,825)	(20,685,402)	(212,860,441)
Net book amount	61,977,826	22,989,413	60,678,216	685,023	69,630,435	57,383,220	273,344,133

Notes to the Consolidated Financial Statements

March 31, 2022
(expressed in Barbados dollars)

11. Property, plant and equipment ...continued

	Land	Buildings, sheds, workshop and incinerator	Wharfs and breakwater	Watercraft, etc.	Cargo handling equipment, vehicles, other equipment and navigational aids	Port expansion asset	Total
	\$	\$	\$	\$	\$	\$	\$
Year ended March 31, 2022							
Opening net book amount	61,977,826	22,989,413	60,678,216	685,023	69,630,435	57,383,220	273,344,133
Transferred from capital works in progress	3,075,96	25,202	7,613,458	-	5,255,080	-	13,201,336
Additions	-	3,911,284	-	-	1,426,891	-	5,338,175
Depreciation for year	-	(1,100,845)	(1,848,685)	(204,532)	(12,564,190)	(1,561,372)	(17,279,624)
Closing net book amount	62,285,422	25,825,054	66,442,989	480,491	63,748,216	55,821,848	274,604,020
At March 31, 2022							
Cost	62,285,422	53,233,217	93,356,456	519,137	212,373,571	78,068,622	504,507,425
Accumulated depreciation	-	(27,408,163)	(26,913,467)	(4,709,646)	(148,625,355)	(22,246,774)	(229,903,405)
Net book amount	62,285,422	25,825,054	66,442,989	480,491	63,748,216	55,821,848	274,604,020

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

12. Leases

Amounts recognised at year end

i) Amounts recognised in the statement of financial position

The statement of financial position discloses the following amounts relating to leases:

	2022 \$	2021 \$
Right-of-use assets		
Land	833,333	873,333
Watercraft (tugs)	2,630,732	2,993,591
	3,464,065	3,866,924
Lease liabilities		
Current	5,538,898	6,059,414
Non-current	13,805,824	19,344,722
	19,344,722	25,404,136

Included in property, plant and equipment are assets held under finance leases with a net book value of \$16,954,871 (2021 - \$23,857,116).

ii) Amounts recognised in the statement of comprehensive income

The statement of comprehensive income discloses the following amounts relating to leases:

	2022 \$	2021 \$
Depreciation and amortisation charge of right-of-use assets		
Land	40,000	40,000
Watercraft (tugs)	362,859	362,860
	402,859	402,860
Interest expense (included in finance costs)	1,858,243	2,761,872

Land recognised as a right of use asset is in respect of the Group's twenty-five-year lease agreement with the Barbados Investment and Development Corporation to rent a parcel of land. As payment was made in advance, there is no related lease liability for this asset.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

12. Leases ...continued

Amounts recognised at year end ...continued

ii) Amounts recognised in the statement of comprehensive income ...continued

Watercraft recognised as a right-of-use asset is in respect of the Group's lease with Svitzer (Barbados) Ltd. (Svitzer). In 2014, the Group entered into a fifteen-year operating lease with Svitzer for the provision of marine services including the charter of tugs. The related lease liability is disclosed in this note.

On March 14, 2014 the Group entered into a finance lease, which had been arranged and financed through ANSA Merchant Bank Limited for the purchase of operational equipment. The face value of the lease in respect of Tranche 1 and 2 was US\$23,396,494 which represented 100% of the cost of the equipment being leased. The lease bears interest at the rate of 7.25%, with a moratorium on principal and interest payments for the first 18 months, during which interest is capitalised.

Existing monthly lease payments of \$958,189 commenced on November 11, 2015. The lease is secured by a letter of comfort from the Government of Barbados, a charge over the Ansa Finance Lease Reserve Account, a one time assignment of US\$9.12 million in revenues and a sale option agreement which will entitle the lessor to require the Government of Barbados to purchase the equipment at a fixed price in the event of default by the Group. Deeds of security of US\$13.48 million are in place in favour of First Citizens Trustee Services Limited.

On October 4, 2017 the Group entered into an agreement for Tranche 3 of the existing lease agreement. The face value of the new tranche is US\$11,998,750, which represents 100% of the cost of the equipment being leased. The lease bears interest at the rate of 8.00%, with a moratorium on principal and interest payments for the first 18 months, during which interest is capitalised. The related lease liability is disclosed in Note 18.

The total cash outflow for leases in 2022 was \$6,059,414 (2021 - \$15,701,623)

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

13. Capital works in progress

	Berth 6 project \$	Other \$	Total \$
At March 31, 2020			
Cost	14,308,150	1,668,678	15,976,828
Year ended March 31, 2021			
Opening net book amount	14,308,150	1,668,678	15,976,828
Additions	–	17,993,085	17,993,085
Transfers to property, plant and equipment	–	(11,950,103)	(11,950,103)
Expensed	–	(50,691)	(50,691)
Closing net book amount	14,308,150	7,660,969	21,969,119
At March 31, 2021			
Cost	14,308,150	7,660,969	21,969,119
Year ended March 31, 2022			
Opening net book amount	14,308,150	7,660,969	21,969,119
Additions	–	17,477,797	17,477,797
Transfers to property, plant and equipment	–	(13,201,336)	(13,201,336)
Expensed	–	(201,781)	(201,781)
Closing net book amount	14,308,150	11,735,649	26,043,799
At March 31, 2022			
Cost	14,308,150	11,735,649	26,043,799

On May 23, 2017, the Group entered into a contractual agreement for the construction of Berth 6 and related projects at a cost of \$189,001,293. By letter dated June 22, 2018, the Group was instructed by its shareholder to put matters related to this project on hold. Following a valuation of the works performed under the agreement, \$5,691,850 was written off of the total costs incurred of \$20,000,000.

Notes to the Consolidated Financial Statements

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(expressed in Barbados dollars)

14. Retirement benefit obligations

The Group maintained a non-contributory defined benefit plan with the Insurance Corporation of Barbados Limited until November 30, 2005. Employees were eligible to join that plan on January 1 following one year's continuous service. The Group withdrew from this Statutory Corporation Pension Fund (SCPF) in order to establish a new plan in keeping with the requirements of the Barbados Port Inc. (Transfer of Management and Vesting of Assets) Act 2003. The Group created a new Defined Benefit (DB) Plan for employees who were previously part of the SCPF, as well as a Defined Contribution (DC) Plan for new employees.

The Group also offers post-retirement medical benefits to its employees, pensioners and their dependents. These medical benefits are offered under a scheme which is insured with an insurance provider. Period-end surplus and obligations are as follows:

	2022 \$	2021 \$
Pension plan	4,902,248	6,022,544
Post-retirement medical benefits	(5,133,045)	(5,409,746)
	(230,797)	612,798

Pension plan

The amounts recognised in the statement of financial position for the pension plan asset are as follows:

	2022 \$	2021 \$
Present value of funded obligations	(60,216,048)	(62,238,313)
Fair value of plan assets	80,719,795	76,460,442
Effect of asset ceiling	(15,601,499)	(8,199,585)
Pension plan asset	4,902,248	6,022,544

Changes in the present value of funded obligations are as follows:

	2022 \$	2021 \$
Present value of funded obligations - beginning of year	62,238,313	61,494,922
Current service cost	1,078,647	1,152,668
Interest cost	4,739,206	4,691,561
Benefits paid	(4,331,813)	(4,222,627)
Actuarial gains on retirement benefit obligations	(3,508,305)	(878,211)
Present value of funded obligations - end of year	60,216,048	62,238,313

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

14. Retirement benefit obligations ...continued

Pension plan ...continued

Changes in the fair value of plan assets are as follows:

	2022 \$	2021 \$
Plan assets - beginning of year	76,460,442	60,067,594
Actual return on plan assets	7,614,296	5,013,760
Contributions - total	976,870	15,601,715
Benefits paid	(4,331,813)	(4,222,627)
Plan assets - end of year	80,719,795	76,460,442

Movements in the net asset recognised in the statement of financial position:

	2022 \$	2021 \$
Net asset /(liability) - beginning of year	6,022,544	(11,815,338)
Contributions paid	976,870	15,601,715
Expense recognised in the statement of comprehensive income	(657,641)	(1,553,121)
Actuarial (loss)/ gains recognised in the statement of other comprehensive income	(1,439,525)	3,789,288
Net asset - end of year	4,902,248	6,022,544

Expense recognised in the statement of comprehensive income:

	2022 \$	2021 \$
Current service cost	1,078,647	1,152,668
Interest cost	4,739,206	4,691,561
Expected return on plan assets	(5,795,680)	(5,096,178)
Interest on effect of asset ceiling	635,468	805,070
	657,641	1,553,121
Actual return on plan assets	7,614,296	5,013,760

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

14. Retirement benefit obligations ...continued

Pension plan ...continued

Expense/(income) recognised in other comprehensive income:

	2022 \$	2021 \$
Gain from change in assumptions	1,112,541	–
Actuarial gains on retirement benefit obligations	2,395,764	878,211
Return on plan assets excluding amounts included in interest expense	1,818,615	(82,419)
Effect of IFRIC 14	–	11,193,081
Effect of asset ceiling	(6,766,445)	(8,199,585)
	(1,439,525)	3,789,288

	2022 %	2021 %
Plan assets are comprised as follows:		
Bonds	34.7	34.8
Equities	46.3	41.4
Deposits	8.8	13.3
Other assets	10.2	10.5
Net assets	100.0	100.0

Through its defined benefit pension plan, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to Government of Barbados bond yields; if plan assets underperform this yield, this will create a deficit. The plan holds a significant proportion of equities, which are expected to outperform government bonds in the long-term while providing volatility and risk in the short-term.

The pension investment committee invests the funds for the defined benefits section of the plan and amends the asset allocation as necessary to meet the objectives. The bonds held by the plan represent primarily investments in Government of Barbados securities. There are limited 5% (2021 - 6%) investments in corporate bonds.

The Group believes that due to the long-term nature of the plan liabilities, a level of continuing equity investment is an appropriate element of the Group's long-term strategy to manage the plan efficiently.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

14. Retirement benefit obligations ...continued

Pension plan ...continued

Changes in bond yields

A decrease in Government of Barbados bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's bond holdings.

Life expectancy

The primary obligation of the plan is to provide benefits for the life of the member. As such, increases in life expectancy will result in an increase in the plan's liabilities. A sensitivity analysis of changes in life expectancy indicates this risk is not very material.

Expected contributions for the year ending March 31, 2023 are \$1,137,295.

The weighted average duration of the defined benefit plan is 11.95 (2022 - 12.36) years.

Expected maturity analysis of undiscounted pension benefits:

	Less than a year \$m	Between 1-2 years \$m	Between 2-5 years \$m	Over 5 years \$m	Total \$m
Pension benefits	5.17	5.49	14.22	27.10	51.98

Principal actuarial assumptions used for accounting purposes were:

	2022 %	2021 %
Discount rate	8.25	7.75
Future promotional salary increases	2.00	2.00
Future inflationary salary increases	3.00	3.00
Proportion of employees opting for early retirement	10.00	10.00
Future changes in NIS ceiling	3.50	3.50
Mortality	AA	AA

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

14. Retirement benefit obligations ...continued

Pension plan ...continued

Life expectancy ...continued

The sensitivity of the present value of funded obligations to changes in the weighted principal assumptions is as follows:

	Impact on present value of funded obligations		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	(5,335,360)	6,357,462
Salary growth rate	0.5%	1,834,195	(1,662,436)
Life expectancy	1 year	3,398,905	n/a

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the obligations to significant actuarial assumptions, the same method (present value of the funded obligations calculated with the projected unit credit method at the end of the year) has been applied as when calculating the pension plan liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

The amounts recognised in the statement of financial position for the post-retirement medical benefits are as follows:

	2022 \$	2021 \$
Present value of funded obligations	5,133,045	5,409,746

The Group fully funds the post-retirement medical benefits as there are no plan assets.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

14. Retirement benefit obligations ...continued

Post-retirement medical benefits

Changes in the present value of funded obligations are as follows:

	2022 \$	2021 \$
Present value of funded obligations - beginning of year	5,409,746	5,247,533
Current service cost	179,353	175,076
Interest cost	427,911	415,170
Past service cost - vested benefits	–	83,743
Benefits paid	(135,305)	(131,165)
Actuarial gains on obligations	(748,660)	(380,611)
Present value of funded obligations - end of year	5,133,045	5,409,746

Movements in the net liability recognised in the statement of financial position:

	2022 \$	2021 \$
Net liability - beginning of year	5,409,746	5,247,533
Contributions paid	(135,305)	(131,165)
Expense recognised in the statement of comprehensive income	607,264	673,989
Actuarial gains recognised in the statement of other comprehensive income	(748,660)	(380,611)
Net liability - end of year	5,133,045	5,409,746

Expense recognised in the statement of comprehensive income:

	2022 \$	2021 \$
Current service cost	179,353	175,076
Interest cost	427,911	415,170
Past service cost - vested benefits	–	83,743
	607,264	673,989

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

14. Retirement benefit obligations ...continued

Post-retirement medical benefits ...continued

The effect of a 1% movement in the assumed medical cost trend is as follows:

	Increase \$	Decrease \$
Effect on funded obligations	743,108	612,032

Principal actuarial assumptions used for accounting purposes were:

	2022 %	2021 %
Discount rate	8.25	7.75
Medical cost inflation	4.00	4.00
Proportion of employees opting for early retirement	10.00	10.00

The amounts recognised in the statement of financial position and the statement of comprehensive income for pension and other post-retirement benefits are determined actuarially using several assumptions. The primary assumptions used in determining the amounts recognised are disclosed above along with an analysis of the sensitivity of these assumptions.

The discount rate is determined based on the estimate of yield on long-term Government Bonds that have maturity dates approximating the terms of the Group's obligation. The estimate of expected rate of change in the National Insurance Scheme ceiling is determined based on inflationary factors. Any changes in these assumptions will impact the amounts recorded in the financial statements for these obligations.

It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from these assumptions could require a material adjustment to the carrying amount reflected in the financial statements.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

15. Deferred tax asset

	2022 \$	2021 \$
Deferred tax asset (DTA) - beginning of year	1,242,047	2,802,835
Effect of remeasurement of DTA brought forward through income (note 23)	160,760	(1,370,115)
Effect of remeasurement of DTA brought forward through OCI	(25,745)	220,297
	1,377,062	1,653,017
Deferred tax charge (note 23)	(275,163)	(333,204)
Deferred tax credit/(charge) relating to components of other comprehensive income	14,249	(77,766)
Deferred tax asset - end of year	1,116,148	1,242,047

The deferred tax asset consists of the following components:

	2022 \$	2021 \$
Delayed tax depreciation	41,647,367	47,783,358
Unutilised tax loss (note 24)	10,465,646	10,506,665
Retirement benefit liability/(asset) (note 14)	230,797	(612,798)
Qualifying capital expenditure (note 24)	1,351,911	7,956,564
Loss allowance	242,743	734,887
Right-of-use asset	176,320	151,432
	54,114,784	66,520,108
Deferred tax asset at effective corporation tax rate of 2.06% (2021 - 3.68%)	1,116,148	1,242,047

The expiry dates of the unutilised tax loss and qualifying capital expenditure are disclosed in note 24. The other temporary differences have no expiry dates.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

16. Accounts payable and accrued liabilities

	2022 \$	2021 \$
Current liabilities		
Accounts payable	5,049,614	1,307,404
Accrued liabilities	4,200,296	3,476,182
	9,249,910	4,783,586

17. Long-term loans

	2022 \$	2021 \$
Barbados Port Inc. Corporate Bonds - \$100M	100,000,000	100,000,000
Less current portion	(8,429,091)	-
	91,570,909	100,000,000

The bonds were issued through NCB Capital Markets (Barbados) Limited for the purpose of refinancing existing loans and working capital management. The bonds are comprised of three tranches with interest rates of 4.2%, 5.0% and 5.5% with a moratorium on principal payment for the first 2 years. The bonds are secured by a debenture in favour of the Barbados Central Securities Depository Inc. on behalf of the bondholders, over the fixed and floating assets of the Group stamped to cover \$100,000,000, and a charge over the Debt Service Reserve Account funded at \$2,370,000.

The fair value of the Group's fixed rate borrowings was \$91,681,229 (2021 - \$89,960,133) at the end of the year.

At its board meeting on September 14, 2021, via resolution, the directors agreed to the listing of the corporate bonds on the Barbados Stock Exchange. As of year end the prospectus in connection with the listing had not yet been issued.

Additionally, on December 30, 2021, the Group signed off on financing of up to BDS \$100,000,000 with Inter-American Investment Corporation (as lender of the IDB Invest Loan). To date, no disbursements have been received.

Notes to the Consolidated Financial Statements

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(expressed in Barbados dollars)

18. Share capital

Authorised

The Company is authorised to issue an unlimited number of common shares without nominal or par value.

Issued

	2022 \$	2021 \$
100 (2021 - 100) common shares, stated value	100	100

19. Capital contributions

Capital contributions made by the sole shareholder, the Government of Barbados, comprise the following:

	2022 \$	2021 \$
Value of leased assets of \$42,310,845 less long-term loan obligations of \$28,229,630 at January 1, 1979, under the lease agreement with the Crown.	14,081,215	14,081,215
Value of the other assets less other liabilities of the former Port Department and Port Contractors (Barbados) Limited at January 1, 1979, transferred to, or assumed by Barbados Port Inc., less the amount of \$100,000 allocated to the Port Fund as established under Section 7(l) of the Barbados Port Authority Act, Cap. 285B.	15,063,865	15,063,865
Capital transfer - Berth 5 Project	49,538,200	49,538,200
	78,683,280	78,683,280

Leased assets and long-term obligations under lease agreement with the State (formerly the Crown).

- The freehold land and buildings and the static facilities at the Port of Bridgetown belonging to the State (formerly the Crown) (other than the land and buildings and related wharf facilities of the bulk handling facility) which were valued at \$42,310,845 at January 1, 1979 are being leased for a period of 50 years from January 1, 1979 at a yearly rent of \$100.
- Under the terms of the lease agreement, the Port will have the option to renew the lease for a further term of 50 years from the expiration of the original lease period and will be responsible for the maintenance and insurance of the leased assets and for the payment of property taxes thereon, and will receive the income from the subletting of any part or parts of the properties.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

19. Capital contributions ...continued

- c) Under the terms of the lease agreement, the Port also undertook to reimburse the State (formerly the Crown) for the debt servicing assumed by the State (formerly the Crown) in connection with Loan Contract dated February 21, 1975 and made between the Government of Barbados and Inter-American Development Bank for a loan of US\$9,100,000 or the equivalent thereof in other currencies, to partially finance the Project for the Expansion and Improvement of the Port of Bridgetown; and to assume the liability to the State (formerly the Crown) for long term loans made by the State (formerly the Crown) for the construction of the Deep Water Harbour which amounted to \$3,320,236 and \$6,709,394 at January 1, 1979. This loan was fully repaid in 1994.
- d) Since the terms of the lease transactions are significantly affected by the relationship between the Port and the State (formerly the Crown), the economic substance rather than the legal form of the lease has been recognised by the Group in its accounting treatment of the capital lease, and the actual cost of, or values assigned to the leased assets and the actual related long-term obligations under the lease have been reflected in its financial statements with the excess of the cost of or values assigned to leased assets over the loan obligations being shown as a capital contribution by the Government of Barbados.
- e) In correspondence from the Director of Finance and Economic Affairs to the Accountant-General in 2016, it was detailed that funding received from the Latin American Development Bank (CAF) was to be appropriated as a capital transfer to Barbados Port Inc. The purpose for the funds was to construct an extension to Berth 5 and yachting facilities.

20. Revenue - other

	2022 \$	2021 \$
Bulk handling terminal	602,260	640,917
Auction sales	–	189,245
Garbage disposal	827,311	641,482
Security services	6,856,076	6,102,750
Taxi and tour buses registration	103,281	57,720
Miscellaneous revenue	1,823,300	–
Photo identification	43,191	49,321
	10,255,419	7,681,435

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

21. Expenses by nature

	2022 \$	2021 \$
Staff costs (note 22)	37,283,818	35,737,009
Repairs and maintenance	6,687,981	5,670,664
Utilities	2,947,942	2,443,167
Advertising and promotions	91,127	69,795
Depreciation (note 11)	17,279,624	17,013,056
Amortisation of right-of-use assets (note 12)	402,859	402,860
Insurance	2,084,863	1,732,972
Professional fees	1,643,122	1,069,710
Rent expense	79,226	108,324
Other	7,553,816	8,325,529
	76,054,378	72,573,086

22. Staff costs

	2022 \$	2021 \$
Payroll costs and benefits	35,701,549	33,243,715
Pension expenses		
- defined benefit	657,641	1,553,121
- defined contribution	317,364	266,184
Post-retirement medical benefits	607,264	673,989
	37,283,818	35,737,009

23. Taxation

	2022 \$	2021 \$
Current tax charge	55,327	–
Deferred tax charge (note 15)	114,403	1,705,152
	169,730	1,705,152

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

23. Taxation ...continued

The tax on the Group's income/(loss) before taxation differs from the theoretical amount that would arise using the basic tax rate as follows:

	2022 \$	2021 \$
Income/(loss) before taxation	19,388,240	(104,659)
Taxation calculated at 5.5%	1,066,353	(5,756)
Effect of change in tax rate during the year on opening deferred tax balance	(160,760)	1,374,204
Tax effect of rate at which deferred tax asset is computed	(1,608,028)	(801,993)
Expenses not deductible for tax purposes	1,174,402	1,127,632
Income not subject to tax	(37,602)	–
Tax effect of sliding scale tax rates	(272)	–
(Over)/under provision of prior year deferred tax	(264,363)	11,065
	169,730	1,705,152

24. Unutilised tax loss and qualifying capital expenditure

Unutilised tax loss

The tax losses of the Group which are available for set off against future taxable income for corporation tax purposes are as follows:

Year of income	Tax b/fwd \$	Adjustment \$	Tax c/fwd \$	Expiry date
2021	10,506,665	(41,049)	10,465,646	2028

The tax losses are as computed by the Group in its corporation tax returns and have as yet neither been confirmed nor disputed by the Barbados Revenue Authority.

Qualifying capital expenditure

In accordance with the Barbados Port Inc. (Exemption from Taxation) Act, 2011-21 the Company is granted income tax concessions in respect of expenditure of a capital nature on the expansion or development of the Port. The approved capital expenditure available for deduction is as follows:

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

24. Unutilised tax loss and qualifying capital expenditure ...continued

Year of income	B/fwd \$	Utilised \$	Incurred \$	C/fwd \$	Expiry date
2018	608,274	(608,274)	–	–	
2019	3,201,025	(3,201,025)	–	–	
2020	901,972	(901,972)	–	–	
2021	3,245,293	(3,245,293)	–	–	
2022	–	(11,604,759)	12,956,670	1,351,911	2041
	7,956,564	(19,561,323)	12,956,670	1,351,911	

25. Financial risk management

a) Financial risk factors

The Group'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.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, set appropriate risk limits and controls, and monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and structured environment in which all employees understand their roles and obligations.

i) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

25. Financial risk management ...continued

a) Financial risk factors ...continued

i) **Market risk** ...continued

1) *Currency risk*

The Group's exposure to currency risk arises from purchases that are denominated in a currency other than the functional currency of the Group mainly the US Dollar and from the US Dollar denominated long-term loan which it holds. This risk is however considered not to be significant as the US Dollar is fixed with the Barbados dollar.

2) *Interest rate risk*

Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates.

The Group's term deposits, lease liabilities and long-term loans are issued at fixed rates and hence limit the Group's exposure to cash flow interest rate risk. Management reviews the rates on a regular basis along with the cost of putting alternative financing in place to determine the most cost-effective source of borrowings.

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was as follows:

Fixed rate instruments

	2022 \$	2021 \$
Financial assets	3,739,785	3,714,283
Financial liabilities	119,344,722	125,404,136

3) *Price risk*

The Group is not significantly exposed to price risk arising from changes in equity prices.

ii) **Credit risk**

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The Group's credit risk arises principally from cash resources, receivables from customers and financial assets at amortised cost.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

25. Financial risk management ...continued

a) Financial risk factors ...continued

ii) Credit risk ...continued

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2022		2021	
	\$	%	\$	%
Cash resources	17,671,942	52.15	14,003,502	65.88
Accounts receivable	10,260,364	30.27	2,187,487	10.29
Other receivables	2,219,306	6.55	1,350,948	6.36
Financial investments (financial assets at amortised cost)	3,739,785	11.03	3,714,283	17.47
	33,891,397	100.00	21,256,220	100.00

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group's revenue is attributable to customers' credit sales and the demographics of the customers' geographical location, including default risk of the industry and the country in which customers operate. Credit is granted to authorised shipping agents only who are registered in a prescribed manner, and who are mandated to provide a bond through a financial institution as security to the Group. Additionally, shipping agents are normally required to pre-pay a deposit of one hundred and ten (110) percent of the anticipated revenue per ship visit. This has the effect of significantly reducing credit risk.

Management has instituted standard repayment periods for credit sales and monitors each receivable balance on a weekly basis with regard to credit sales granted and payments received.

Financial investments (financial assets at amortised cost)

All of the entity's debt investments at amortised cost are considered to have low credit risk. No loss allowance was considered necessary in 2022 or 2021.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

25. Financial risk management ...continued

a) Financial risk factors ...continued

iii) *Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding through an adequate amount of committed credit facilities to meet reasonable expectations of short-term obligations. Where necessary, management seeks to renegotiate repayment terms on long term loans. The Group's liquidity management involves projecting cash flows and monitoring statement of financial position ratios.

The table below analyses the Group's financial assets and liabilities into relevant maturity groupings based on the remaining period at the date of the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Notes to the Consolidated Financial Statements

March 31, 2022
(expressed in Barbados dollars)

25. Financial risk management ...continued

a) Financial risk factors ...continued

iii) Liquidity risk ...continued

2022	Carrying amount \$	Contractual cash flows \$	0 to 12 months \$	1 to 2 years \$	2 to 5 years \$	More than 5 years \$
Assets						
Cash resources	17,671,942	17,671,942	17,671,942	-	-	-
Accounts receivable	10,260,364	10,260,364	10,260,364	-	-	-
Other receivables	2,219,306	2,219,306	2,219,306	-	-	-
Financial investments	3,739,785	3,739,785	3,739,785	-	-	-
	33,891,397	33,891,397	33,891,397	-	-	-
Liabilities						
Accounts payable and accrued liabilities	9,249,910	9,249,910	9,249,910	-	-	-
Lease liabilities	19,344,722	22,839,487	6,965,222	6,967,465	7,065,639	1,841,161
Long-term loans	100,000,000	122,800,216	13,025,816	12,683,054	55,630,217	41,461,129
	128,594,632	154,889,613	29,240,948	19,650,519	62,695,856	43,302,290
Liquidity gap	(94,703,235)	(120,998,216)	4,650,449	(19,650,519)	(62,695,856)	(43,302,290)

Notes to the Consolidated Financial Statements

March 31, 2022
(expressed in Barbados dollars)

25. Financial risk management ...continued

a) Financial risk factors ...continued

iii) Liquidity risk ...continued

2021	Carrying amount \$	Contractual cash flows \$	0 to 12 months \$	1 to 2 years \$	2 to 5 years \$	More than 5 years \$
Assets						
Cash resources	14,003,502	14,003,502	14,003,502	-	-	-
Accounts receivable	2,187,487	2,187,487	2,187,487	-	-	-
Other receivables	1,350,948	1,350,948	1,350,948	-	-	-
Financial investments	3,714,283	3,714,283	3,714,283	-	-	-
	21,256,220	21,256,220	21,256,220	-	-	-
Liabilities						
Accounts payable and accrued liabilities	4,783,586	4,783,586	4,783,586	-	-	-
Lease liabilities	25,404,136	30,832,420	7,992,932	6,965,222	13,214,561	2,659,705
Long-term loans	10,000,000	127,529,336	4,729,120	13,025,816	57,416,612	52,357,788
	130,187,722	163,145,342	17,505,638	19,991,038	70,631,173	55,017,493
Liquidity gap	[108,931,502]	[141,889,122]	3,750,582	[19,991,038]	[70,631,173]	[55,017,493]

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

25. Financial risk management ...continued

a) Financial risk factors ...continued

iv) Fair value of financial instruments

Financial instruments carried at fair value in the financial statements are measured in accordance with a fair value hierarchy. This hierarchy is as follows:

- Level 1 - unadjusted quoted prices in active markets for identical instruments.
- Level 2 - inputs other than quoted prices in Level 1 that are observable for the instrument, either directly or indirectly.
- Level 3 - inputs for the instrument that are not based on observable market data and financial assets carried at amortised cost.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange or other independent source, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The Group considers that market transactions should occur with sufficient frequency that is appropriate for the particular market, when measured over a continuous period preceding the date of the financial statements. If there is no data available to substantiate the frequency of market transactions of a financial instrument, then the Group does not consider the instrument to be traded in an active market.

b) Fair value of financial assets and liabilities

Fair value amounts represent estimates of the consideration that would currently be agreed upon between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market price, if one exists.

The Group's equity securities in the Barbados Ice Cream Group Limited was designated a Level 3 financial asset. There was no movement in these securities for the year.

The Group's financial assets and liabilities as disclosed in the statement of financial position are considered by management to approximate their fair value except for financial assets at amortised cost and long-term loans, the fair values of which are designated as level 3 and disclosed in notes 8 and 17.

c) Capital risk management

The Group manages lease liabilities, long-term loans and equity as capital. The Board's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business.

There were no changes to the Group's approach to capital management during the year.

Notes to the Consolidated Financial Statements

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(expressed in Barbados dollars)

26. Contingent liabilities

As of March 31, 2022 and 2021, there exist a number of legal claims against the Group, the outcome of which could not be determined with reasonable certainty. No provision for any liability that may result has been made in these financial statements. Settlement, if any, concerning these claims, will be recorded in the period in which they are realised.

The Group has bonds in favour of the Comptroller of Customs in the amount of \$20,000 and China Harbour Engineering Company Limited (CHEC) in the amount of \$100,000. During the year, the bond in favour of CHEC was returned as the associated project was put on hold.

27. Related party transactions

1) The following transactions were carried out with the associated company during the year:

	2022 \$	2021 \$
Purchase of leasehold improvements	3,500,000	–
Security service charge	21,010	87,152

2) Key management:

	2022 \$	2021 \$
Directors' fees	90,000	88,500
Salaries and other employee benefits	2,553,886	2,552,643

There were no transactions with entities which have common directors of the Group.

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

28 Operating leases

The Group sublets parts of the property it leases from the State (formerly the Crown). The future minimum lease payments receivable under terms of the leases are as follows:

	2022 \$	2021 \$
Less than one year	3,002,833	1,695,817
Between one and five years	2,454,352	2,472,352
More than 5 years	12,627,072	13,227,160

During the year \$1,905,101 (2021 - \$1,413,001) was recognised as rental income in the statement of comprehensive income.

29 Cash flow information

a) Net debt reconciliation

	2022 \$	2021 \$
Cash resources	17,671,942	14,003,502
Financial investments (financial assets at amortised cost)	3,739,785	3,714,283
Current portion of long-term loans	(8,429,091)	–
Long-term loans	(91,570,909)	(100,000,000)
Current portion of lease liabilities	(5,538,898)	(6,059,414)
Lease liabilities	(13,805,824)	(19,344,722)
Net debt	(97,932,995)	(107,686,351)
Cash and financial investments	21,411,727	17,717,785
Long-term loans and lease liabilities	(119,344,722)	(125,404,136)
	(97,932,995)	(107,686,351)

Notes to the Consolidated Financial Statements

March 31, 2022
(expressed in Barbados dollars)

29 Cash flow information ..continued

	Cash	investments	Financial	Accounts payable non-current	Lease liabilities due within one year	Lease liabilities due after one year	Long-term loans due within one year	Long-term loans due after one year	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Net debt as at									
April 1, 2021	14,003,502	3,714,283	-	-	(6,059,414)	(19,344,722)	-	(100,000,000)	(107,686,351)
Cash flows	3,668,440	-	-	-	6,059,414	-	-	-	9,727,854
Non-cash flows:									
Other non-cash movements	-	25,502	-	-	-	-	-	-	25,502
Reclassifications	-	-	-	-	(5,538,898)	5,538,898	(8,429,091)	8,429,091	-
	17,671,942	3,739,785	-	-	(5,538,898)	(13,805,824)	(8,429,091)	(91,570,909)	(97,932,995)
Net debt as at									
April 1, 2020	14,143,257	3,688,078	-	-	(15,701,623)	(25,404,137)	-	(79,077,000)	(102,351,425)
Cash flows	(139,755)	(747)	-	-	15,701,623	-	-	(18,923,000)	(3,361,879)
Non-cash flows:									
Other non-cash movements	-	26,952	-	-	-	1	-	(2,000,000)	(1,973,047)
Reclassifications	-	-	-	-	(6,059,414)	6,059,414	-	-	-
	14,003,502	3,714,283	-	-	(6,059,414)	(19,344,722)	-	(100,000,000)	(107,686,351)

Notes to the Consolidated Financial Statements

March 31, 2022

(expressed in Barbados dollars)

30. COVID-19

The outbreak of COVID-19 in the first quarter of 2020, and measures taken subsequently by governments to contain the virus resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty which have impacted economic activity and the demand for the Group's service offerings. The extent and duration of the impact of COVID-19 on the global and local economies and the sectors in which the Group and its customers and suppliers operate remains uncertain at this time.

The Group primarily operates as the primary entry point for goods into Barbados. For the year ended March 31, 2022, cargo activity returned to pre-pandemic levels but cruise activity is still recovering. As of July 20, 2022, management was not aware of any significant adverse effects on the financial statements for the year ended March 31, 2022 as a result of COVID-19.



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