



ANNUAL REPORT

SEPTEMBER 2023



**BARBADOS AIRCRAFT
& AVIATION SERVICES**

C O M P A N Y L T D

Registered Office & Principal place of business - Suite 3, Stafford House, Garrison Hill, St. Michael, Barbados BB14038
info@barbadosaviation.bb

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Chairman's Report



The Barbados Aircraft and Aviation Services Company Ltd. (BAASec) has continued working to implement five (5) strategic areas which are not being fully executed in Barbados at this time.

These are: sustainable air transport; airport services including ground and cargo services; maintenance repair services; education, training and skills development and aviation management and consulting support services.

Since my last report of October 2022, BAASec has continued to strive forward despite its ongoing staffing shortages. Unfortunately, I am to report that despite strong and consistent representation, the Company continues to await approval of its request by letter of 1st June 2021 to the Ministry of the Public Service, through its Line Ministry, the Ministry of Tourism and International Transport for the creation of posts.

In the meanwhile, the Company functions with its Chief Executive Officer, a Consultant Accountant, a Consultant Cargo and Education Officer and a contracted Airline Support Officer.

The company faithfully meets its monthly reporting obligations under the Public Finance Management Act and submits its reports on or before the time line set by both its Line Ministry and the Ministry of Finance, Economic Affairs and Investment.

In its Business Development areas outlined above, it has continued to support the growth and sustainability of regional carriers, most notably interCaribbean Airways and Caribbean Airlines. Further, it is an active member of the Barbados Negotiating Committee for the development of the Grantley Adams International Airport; it has made an equity investment in Aviation Technical Services of (Barbados) Inc. (ATSB), the largest Barbadian owned Aviation maintenance service company at the Airport and it has developed a very broad annual education program ranging from School Career days and Summer school with the University of the West Indies (UWI) to its successful Executive Leadership Program in November each year also in collaboration with UWI.

Michael Holder

Board of Directors

The Board of Directors was elected following the last Annual General Meeting held on 26th October 2022.

At the first Board meeting held on 26th October 2022 following the last Annual General Meeting and in keeping with the Shareholder's directions by letter of October 2020, the Board re-appointed the Chairman, Mr. Michael Holder.

The company secretary, Ms. Diane Shurland was re-appointed.

Subsequently, the Shareholder by letter of 15th March 2023 reappointed the Directors and appointed for the first time, Director Dave Hinds as Deputy Chairman who replaced Director Maloney.

The Shareholder agreed that the following persons serve as Directors on the Board of BAASeC for two (2) years from March 1, 2023:

- | | |
|--|-------------------|
| 1. Mr. Michael Holder | - Chairman |
| 2. Mr. Dave Hinds | - Deputy Chairman |
| 3. Mrs. Juanita Thorington-Powlett | - Director |
| 4. The Permanent Secretary, Ministry of Tourism and
International Transport or nominee | - Director |
| 5. The Permanent Secretary, Ministry of Finance,
Economic Affairs and Investment or nominee | - Director |

Director Biographies

Mr. Michael Holder – Chairman of the Board of Directors



Mr. Michael Holder is an experienced aviation professional with over three decades of experience in the Caribbean and North America. He has over twenty-five (25) years' experience with British Airways. He retired in March 2020 as Terminal Operations Manager at JFK Airport in New York.

He has worked in operations and service delivery and is well versed both in airport and airline operations. He managed the operations of the 11 airports in the Caribbean served by British Airways before moving on to John F. Kennedy Airport in New York.



Mr. Dave Hinds

A Chartered Accountant since 1977, practiced with R S Kirby & Co and ten years private practice in Audit and Consultancy under the style H C Dave Hinds & Co. Mr. Hinds was CFO of Intel and has extensive experience in business in many areas including three decades of proprietorship, assisting startups, and rescuing ailing operations.

Mr. Hinds is also the Managing Director of Hinds Transport Services, the largest Barbadian transport which was company founded in 1957. His company has now grown into a modern diverse business with an expansive range of services. In April of 1998, Hinds Transport Services Ltd. was awarded the prestigious International Transport Award for excellence in transportation, at their annual conference held in Madrid, Spain.



Mrs. Juanita Thorington-Powlett

Mrs. Juanita Thorington-Powlett GA, B Sc.; MBA; FCIS is a former Permanent Secretary in the Government of Barbados who retired in December 2014 after 43 years. During her career, one of her assignments was Permanent Secretary for International Transport.

Since retirement she has worked as a consultant and trainer for many organisations and she has voluntarily assisted several charitable organisations, especially regarding social issues. She also continues to sit on several Boards.

In 2018 and 2019 she worked as a trainer for Dods Parliamentary Group UK for the Caribbean Development Bank sponsored Public Policy Analysis and Management (PPAM) Programme for the Caribbean. In the programme she trained staff at the most senior level of the Public Service across the region including Permanent Secretaries and Deputy Permanent Secretaries.

She also trained senior staff of the Caribbean Development Bank in the PPAM Masterclasses.

Mrs. Thorington-Powlett, also provides consultancy services to the Government of Barbados.



Mrs. Francine Blackman, Permanent Secretary, Ministry of Tourism and International Transport

Mrs. Francine Blackman replaced Mrs. Donna Cadogan as Permanent Secretary at the Ministry of Tourism and International Transport in May 2022 after having served for over 10 years in the Ministry of Energy and Business Development. Mrs. Donna Cadogan was elevated to the post of Head of the Public Service and Cabinet Secretary in May 2022.

Mrs. Blackman is a highly qualified and skilled Economist who has worked in management in both the Private and Public Sectors specializing in Business Development, Small Business, Entrepreneurship and Energy.

Her experience includes advancing legislation to promote investment in the renewable energy and energy efficiency sectors, developing and managing energy related programmes in the offshore and renewable energy sectors; negotiating contracts and developmental financing on behalf of government; introduced programmes aimed at providing assistance to young entrepreneurs to develop their businesses as well as improve the sustainability of micro, small and medium sized businesses.



Mrs. Nancy Headley, Permanent Secretary of the Ministry of Finance

Mrs. Nancy Headley has worked in the Public Service for the past 24 years. She has worked with the Ministry of Finance for the last 16 years, first in the capacity of Chief Budget Analyst and then as Deputy Permanent Secretary with direct responsibility for the Budget Section and the Debt Unit. Mrs. Headley is now the Permanent Secretary, Finance in the Ministry of Finance and Economic Affairs.

Mrs. Headley holds a Master's Degree in Economics and Finance from the University of Lancaster. She is also a Fellow of the Association of Chartered Certified Accountants.

Corporate Information

Corporate Secretary –

The Company Secretary is Ms. Diane Shurland. She is an attorney at law with over 30 years post qualification experience. She has been Company Secretary of a large multinational, cross border aviation business.

Legal Advisor –

The legal advisor to the company is Messrs. Clarke Gittens, Farmer of Parker House, Wildey Business Park, Wildey Road, St. Michael, Barbados, BB14006

Auditors –

External Auditors – Messrs. Skeete, Best & Co. Chartered Accountants of Tudor Bridge, St. Michael, Barbados

Bankers –

RBC Royal Bank (Barbados) Limited, Broad Street, Bridgetown, Barbados

Registered Office –

Unit 3, Stafford House, Garrison Hill, St. Michael, Barbados, BB14038

Website –

[Barbados Aircraft and Aviation Services Company \(barbadosaviation.com\)](http://barbadosaviation.com)

Corporate Data

Vision

Our vision is to position Barbados as the aviation epicenter of the Caribbean where both regional and international airlines and airline service companies can develop in an ecosystem tailored to foster their co-existence, growth and prosperity and ultimately achieve economic benefit to Barbados.

Mission

Our mission is to encourage, foster, participate in, invest in, manage and support airlines and aviation service companies in participating in the Barbados ecosystem. To work with partners and affiliates in Barbados to develop an attractive and inviting ecosystem that competitively and efficiently serves airlines and aviation service companies.

Objectives

To promote the sustainability and establishment of aviation businesses including air transport services, fixed based operations, ground handling services, maintenance repair organizations, cargo transfer and consolidation services, hangarage and flight and maintenance training organizations. These businesses will be part of the local aviation infrastructure providing a comprehensive suite of services to airlines hubbing and transiting through Barbados. The company aims to foster the development of a vibrant aviation ecosystem.

Activities of the Company 1st April 2022 to 31st March 2023

Barbados Aircraft and Aviation Services Company Limited's (BAASEC) mandate of fostering aviation advancement and development in Barbados, was truly seen throughout this period. BAASEC's guidance and oversight within aviation matters in Barbados and the wider Caribbean was invaluable especially entering the uncharted waters of a post-covid aviation landscape.

BAASEC's execution came through its 5 pillars of business operations which are -

- Sustainable Air Transport*
- Airport Services and Cargo Logistics Study*
- Aviation Maintenance Services*
- Education Training and Skills Development*
- Advisory Services*

Sustainable Air Transport

Over this period the office of Barbados Aircraft and Aviation Services Company Limited's (BAASEC) through its Chief Executive Officer (CEO) Ms. Diane Shurland was part of the Barbados delegation that attended Routes World Conference in Las Vegas in 2022. This conference was not only used to strengthen existing aviation relationships but also to further Barbados' business development efforts as it relates to attaining new partners within the aviation space.

BAASEC was also in attendance at the State of the Tourism Industry Conference which was co-hosted by Barbados Tourism Marketing Inc. (BTMI) and the Barbados Hotel and Tourism Association (BHTA). The conference was organized to give an update on all five (5) of BTMI's markets, airlift plans for the upcoming periods and developments within those markets post- covid.

Under the purview of Sustainable Air Transport, the BAASEC office has provided extensive assistance and guidance to a multitude of regional and international aviation businesses, facilitating the expansion of service, routes and in some cases commencement of private and commercial services to the island.



(interCaribbean Airways inaugural ATR-42 for the Barbados-based southern operations)



(Caribbean Airlines – Meeting

I-R Garvin Medera, CEO, Aylette Wright-Paul, Government Relations Manager, Ronnie Mohammed, Chairman, Hon. Mia Amor Mottley S.C. M.P, Hon. G.P. Ian Gooding-Edghill, Minister of Tourism and International Transport (MTI), Francine Blackman, Permanent Secretary MTI, Shelly Williams, Chairman, BTMI and Diane Shurland CEO, BAASec)

Airport Services and Cargo Logistics

Effective airport services and cargo logistics are essential components of the aviation industry. None more important than in this post-pandemic landscape filled with unbridled levels of uncertainty. BAASec has played a major role in providing these business sectors with the stability and connectivity amongst both the public and private facets of aviation.

This connectivity was seen in BAASec's role in the exploratory talks which took place around the Nova Automated Border Control Solution for Barbados. Nova Automated Border Control is an internationally used system that provides entry arrival kiosk and facial recognition immigration departure systems. Through discussions it was agreed to be a joint effort between Tourism and Immigration. Services such as these allow Barbados to stay on the cutting edge of technological advancements which maintains the high standard of product provided for its stakeholders.

A Cargo logistics Concept Paper was prepared to identify critical cargo logistics projects which are being executed across government and the private sector where possible. The paper serves three key objectives. It defines and outlines the significance of logistics hubs and the importance for Barbados to develop capabilities in this regard. It also provides background information on various projects being executed. Centralization of the projects' aims, and their related activities helps to ensure efficiency in resource allocation.

Various government initiatives which would support the buildout of cargo activities such as prospect for the establishment of a free trade zone, expansionary plans at the Grantley Adams International Airport and the Bridgetown Port are also referenced.

The information paper is designed to serve as a living document with relevant updates at critical points. Doing so ensures it can continuously inform and guide decision making that enhances the efficiency of governmental resource allocations across agencies which are currently working independently but towards a common vision of extending Barbados' position as a cargo-logistics hub. BAASec's efforts in this regard optimize the use of government's limited resources.

BAASec was also involved in an online informative session at the invitation of Minister Senator Dr. Shantal Munro-Knight to on the European Union TAIEX Instrument which is related to the Cargo Logistics paper previously mentioned.

Aviation Maintenance Services

Aviation maintenance services are critical to ensuring that daily aviation operations are seamless at all levels. BAASeC has a strong commitment to cultivating a highly skilled and qualified marketplace within the Barbadian aviation network that is vital to their business foundation.

This is reflected by BAASeC's initial assistance with Flight Check after the sudden loss of Air Canada's maintenance service and the resources which that held.

Most recently, BAASeC provided advisory for the formation of a new local maintenance company consisting of some former Flight Check staff. Subsequent to this, an Equity Investment Agreement has been made between BAASeC and Aviation Technical Services Barbados (ATSB) which has solidified its commitment even further.

(Execution of Equity Investment Agreement – L-R Attorneys Christiane King and Heather Walker of Chancery Chambers, BAASeC Chairman, Gerston Blenman and Malcolm Serrette Directors of ATSB and Mrs. Juanita Thorington-Powlett, Director BAASeC)



Education Training and Skills Development

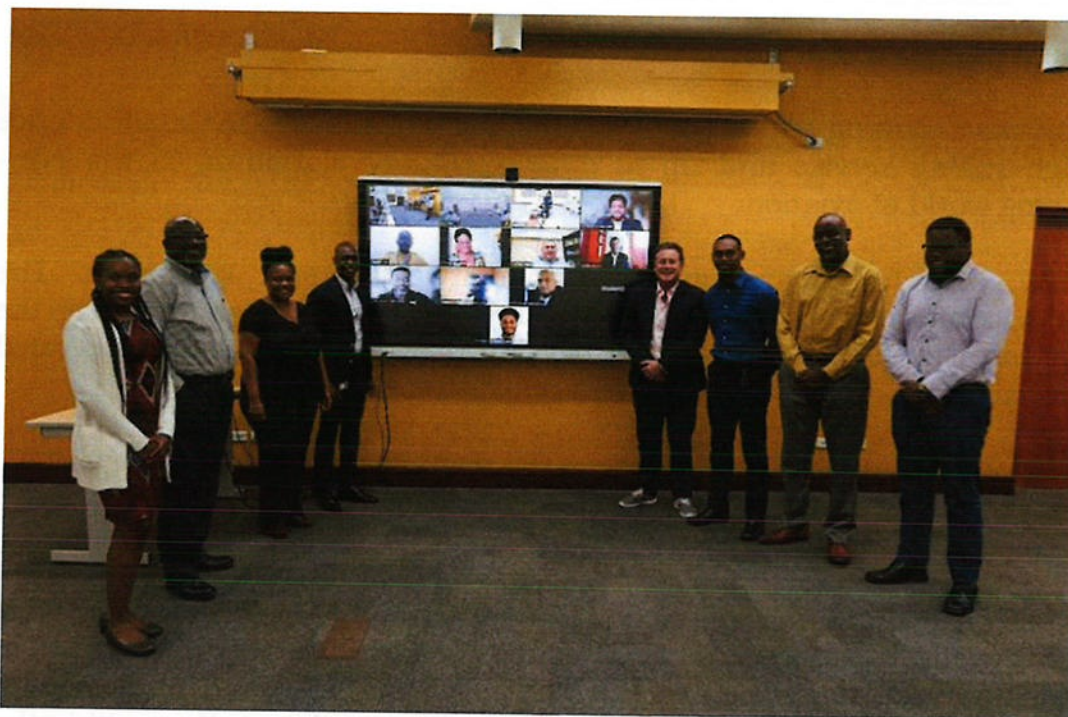
Educational training and skills development is essential in the maintenance of high-quality service and up to date regulatory standards in the ever-changing world of aviation.

BASSeC attended this year's Sustainability Plan and Workshop. The Workshop informed about the Sustainability Management Plan funded by the Caribbean Development Bank and developed by Consultant for Integrated Sustainability.

Also, during this period BAASeC began the planning and execution of various projects in their efforts of positioning Barbados as the aviation development hub for the Caribbean. The projects of focus during this period were the development of aviation short courses, the creation of a diploma and Flight Training programme in conjunction with CAE and University of the West Indies, Cave Hill Campus, and an Executive Leadership Programme (ELP) in conjunction with Sagicor Cave Hill School of Business and Management (SCHSBM) which would focus on in-house and external executives within the aviation industry.

The Executive Leadership Programme took place on November 28th – December 3rd, 2022. The program attracted delegates from the Barbados aviation (Grantley Adams International Airport (GAIA), Caribbean Aircraft Handling Limited (CAHL), Civil Aviation Department (CAD)), Trinidad, the Organisation of Eastern Caribbean States (OECS), Turks and Caicos and Belize.

The delegates all received certificates after completion of the programme. Positive feedback was received from the delegates and commencement of planning has begun for the 2023 installment. The format was discussed as well as plans to engage more regional agencies and participants.



Graduation Day UWI BAASec Aviation Executive Leadership Programme 2022–
Pictured are students online as well as those attending in person at the University
and on the right is Kareem Yarde, BAASec Consultant, Education, Training and
Skills Development

Advisory Services

BAASeC provides a high level of connectivity amongst many different industries and for this reason the advisory services which it offers are highly utilized. BAASeC was a part of the Barbados delegation at different points in negotiations of the Private Public Partnership (PPP) of the Grantley Adams International Airport Inc (GAIA).

BAASeC attended the Tourism Forum which took place at the Hilton, hosted by BTMI. CEO Ms. Diane Shurland was introduced as part the Barbados Aviation Team. BAASeC was in also in attendance ICAO 41st General Meeting held in Montreal, Canada as part of the Barbados delegation. BAASeC CEO also represented the government of Barbados at the meeting of the Caribbean Development Bank Technical Working Group (TWG).

During this period, Barbados transitioned from having a civil aviation department (BCAD) to a civil aviation authority which is now called Barbados Civil Aviation Authority (BCAA). BAASeC was instrumental in its advisory service with the implementation of this change.



(ICAO 41st
General
Assembly –
Montreal
UAE Display)

Corporate social responsibility

BAASeC aims to meet the following objectives by its business activities:

- i. facilitate sustainable air transport services regionally and internationally.
- ii. provide a full range of quality general and commercial services to all airport users.
- iii. facilitate the development of maintenance repair organizations in Barbados.
- iv. facilitate the development and growth of aviation education and training institutions in Barbados; and
- v. provide advisory and consultancy services for development of aviation businesses in Barbados.

Shareholder information

The Government of Barbados is the sole shareholder of the company.

Total Directors Compensation

Directors' fees April 1 2022 to 31st March 2023 – \$28,800.00

Total Executive Compensation

Executive compensation April 1 2022 to 31st March 2023 (Gross) – \$258,852.00

Total Audit fees April 1 2022 to 31st March 2023.

Audit Fees April 1 2022 to 31st March 2023 – \$5,875.00

September 2023

Finance – Audited Financial Statements – April 1, 2022 to March 31, 2023

Audited Financial Statements
April 1, 2022 to March 31, 2023

CONFIDENTIAL

Barbados Aircraft and Aviation Services Company Ltd.

Financial Statements
Year ended March 31, 2023
(expressed in Barbados dollars)



CHARTERED ACCOUNTANTS

Barbados Aircraft and Aviation Services Company Ltd.
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Year ended March 31, 2023

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Independent Auditors' Report

**To the Management of
Barbados Aircraft and Aviation Services Company Ltd.**

Opinion

We have audited the financial statements of **Barbados Aircraft and Aviation Services Company Ltd.** ("the Company"), which comprise the statement of financial position as of March 31, 2023, and the statement of income, statement of changes in general fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2023 and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs).

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Barbados, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises management discussion and analysis in the Annual Report but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the 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 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 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.

Independent Auditors' Report...continued

**To the Management of
Barbados Aircraft and Aviation Services Company Ltd.**

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

A further description of the auditors' responsibilities for the audit of the financial statements is located at the Institute of Chartered Accountants of Barbados' website at: <http://www.icab.bb/about-icab/auditing/>. This description forms part of our auditors' report.

Other Matter

This report is made solely to the Company's management as a body, in accordance with Section 147 of the Companies Act of Barbados. Our audit work has been undertaken so that we might state to the Company's directors those matters we are required to state to them in an auditors' 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 management as a body, for our audit work, for this report, or for the opinion we have formed.

Chartered Accountants

Barbados, W.I.
July 13, 2023

Barbados Aircraft and Aviation Services Company Ltd.

Statement of Financial Position

As of March 31, 2023

(expressed in Barbados dollars)

	2023	2022
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	2,924,997	2,775,364
Short term investment (Note 3)	20,000	-
Prepaid expenses	26,412	45,225
	<u>2,971,409</u>	<u>2,820,589</u>
Non-current assets		
Property, plant and equipment (Note 8)	98,188	84,943
Investment in associate (Note 7)	60,000	-
Intangible asset (Note 5)	3,309	4,477
	<u>3,132,906</u>	<u>2,910,009</u>
Total assets		
Liabilities and general fund		
Current liabilities		
Accounts payable and accruals	26,639	22,197
Non-current liabilities		
Due to related party (Note 6)	1,967,555	1,967,555
	<u>1,994,194</u>	<u>1,989,752</u>
Total liabilities		
	<u>1,138,712</u>	<u>920,257</u>
General fund		
	<u>3,132,906</u>	<u>2,910,009</u>
Total liabilities and general fund		

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

Approved by the Board of Directors on July 13, 2023

Director

Director

Barbados Aircraft and Aviation Services Company Ltd.

Statement of Changes in General Fund

Year ended March 31, 2023

(expressed in Barbados dollars)

	General Fund \$	Retained Earnings \$	Total \$
Balance at April 1, 2021	-	420,890	420,890
Net income for the year	-	499,367	499,367
Balance at March 31, 2022	-	920,257	920,257
Net income for the year	-	218,455	218,455
Balance at March 31, 2023	-	1,138,712	1,138,712

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

Barbados Aircraft and Aviation Services Company Ltd.

Statement of Income

Year ended March 31, 2023

(expressed in Barbados dollars)

	2023	2022
	\$	\$
Revenue		
Government subvention (Note 4)	883,258	881,567
Interest income	53	-
	883,311	881,567
Expenses		
Amortisation (Note 5)	1,168	1,168
Selling, general and administrative	643,508	363,586
Depreciation (Note 8)	19,316	16,991
Bank charges	864	455
	664,856	382,200
Income for the year	218,455	499,367

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

Barbados Aircraft and Aviation Services Company Ltd.

Statement of Cash Flows

Year ended March 31, 2023

(expressed in Barbados dollars)

	2023	2022
	\$	\$
Cash flows from operating activities		
Income for the year	218,455	499,367
Adjustments for:		
Amortisation	1,168	1,168
Depreciation	19,316	16,991
Operating income before working capital changes	238,939	517,526
Decrease (increase) in prepaid expenses	18,813	(2,186)
Increase in due to related party	-	1,967,555
Increase (decrease) in accounts payable and accruals	4,442	(1,602)
Net cash generated from operating activities	262,194	2,481,293
Cash flows used in investing activities		
Purchase of plant and equipment	(32,561)	-
Purchase of short term investment	(20,000)	-
Investment in Associate	(60,000)	-
Net cash used in investing activities	(112,561)	-
Net increase in cash and cash equivalents	149,633	2,481,293
Cash and cash equivalents- beginning of year	2,775,364	294,071
Cash and cash equivalents- end of year	2,924,997	2,775,364

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

Barbados Aircraft and Aviation Services Company Ltd.

Notes to Financial Statements

Year ended March 31, 2023

(expressed in Barbados dollars)

1. Incorporation and principal activity

The Barbados Aircraft and Aviation Services Company Ltd. ("the Company") is a private company incorporated on September 7, 2020, as a commercial state-owned enterprise fully owned by the Government of Barbados. The Company commenced operations on November 27, 2020.

It's main objective and activities are to stimulate and pursue the development of the aviation sector in Barbados and also to develop and encourage relationships in the sector.

2. Significant accounting policies

These financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities ('IFRS for SMEs') issued by the International Accounting Standards Board. The principal accounting policies applied in preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Basis of preparation

These financial statements are prepared under the historical cost convention.

Estimates

The preparation of financial statements in conformity with the IFRS for SMEs requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results may differ from these estimates.

Taxation

The Company is exempt from income tax under section 9 (1) (f) of the Income Tax Act, Cap 73.

Cash and cash equivalents

Cash and cash equivalents are short term highly liquid investments which are readily convertible into known amounts of cash without notice and which are within three (3) months of maturity when acquired. These are shown at amortised cost.

Short term investment

Short term investment are investments which are readily convertible into known amounts of cash without notice and which are within three (3) to twelve (12) months of maturity when acquired. These are shown at amortised cost.

Barbados Aircraft and Aviation Services Company Ltd.

Notes to Financial Statements

Year ended March 31, 2023

(expressed in Barbados dollars)

2. Significant accounting policies...continued

Income recognition

Income is recognised on the accrual basis of accounting.

Plant and equipment

(a) Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

(b) Depreciation

Depreciation of plant and equipment is provided on the straight-line method at rates designed to write off the assets over their estimated useful lives. The rates used are: -

Computers and other equipment	33 1/3%
Furniture and fixtures	10%
Motor vehicle	20%

Depreciation method, useful lives and residual values are reviewed at each reporting date.

Impairment

The carrying amounts of the Company's assets are reviewed by management at the end of each financial year to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of income.

Barbados Aircraft and Aviation Services Company Ltd.

Notes to Financial Statements

Year ended March 31, 2023

(expressed in Barbados dollars)

2. Significant accounting policies...continued

Intangible asset

Intangible asset comprises of website development. It is recorded at its historic cost less accumulated amortisation. Amortisation commences in the month of acquisition or creation and is calculated using the straight-line method over their estimated useful life of three years. Management reviews the estimated useful life annually.

The recoverability and estimated useful lives of the Company's website requires the use of management's estimates and judgements. The estimated useful life is reviewed and assessed annually. An estimate is required in assessing assumptions.

Investment in associate

The Company's investment in associate is accounted for at cost less any accumulated impairment losses. Dividend income from the investment in associate is recognised when the shareholder's right to receive payment has been established and is shown as other income.

3. Short term investment

This is a time deposit placed with RBC Royal Bank (Barbados) Ltd. in January 2023. It carries a maturity date of January 24, 2024, interest rate of (0.0100%) and the principal amount is \$20,000.

4. Government subvention

Total funds of \$883,258 (2022 - \$881,567) were received from the Government of Barbados as a financial aid to fund the operations of the Company. There are no terms or conditions attached to the funds received.

Barbados Aircraft and Aviation Services Company Ltd.

Notes to Financial Statements

Year ended March 31, 2023

(expressed in Barbados dollars)

5. Intangible asset**Website development**

	2023	2022
	\$	\$
Cost		
Balance – beginning of year	5,840	5,840
Balance – end of year	5,840	5,840
Accumulated amortisation		
Balance – beginning of year	1,363	195
Amortisation for the year	1,168	1,168
Balance – end of year	2,531	1,363
Net book value	3,309	4,477

6. Due to related party

The amount is due to the Government of Barbados. The Government of Barbados transferred \$1,967,555 to the company during the year ended March 31, 2022 in accordance with the Letter of Intent concerning the Company, acting on behalf of the Government of Barbados ("GOB"), and InterCaribbean Airways Ltd. ("ICTC") in respect of the provision of support for its airline operations based in Barbados. As per the Letter of Intent, although the financing to be provided under the proposed agreement is in the form of a loan as is required by GOB policies, it is the intention of the GOB to convert the amount outstanding under the instrument into equity in the Barbados-based ICTC company once it is fully operational and all other conditions are satisfied.

ICTC did not favour the proposal and held a meeting subsequently with the GOB where it was agreed that a counter proposal would be submitted by ICTC. Up to the current date, no counter has been received. As such, the funds which were paid to the Company by the GOB are being held for this special purpose.

Barbados Aircraft and Aviation Services Company Ltd.

Notes to Financial Statements

Year ended March 31, 2023

(expressed in Barbados dollars)

7. Investment in associate

The Company owns 100% of the class B common shares of an associate whose shares are not publicly traded. This shareholding can be redeemed at any time by the associate for cash. The rights attached to this shareholding is consistent with the concept of "significant influence".

	2023	2022
	\$	\$
Investment in associate - cost	<u>60,000</u>	<u>-</u>

Barbados Aircraft and Aviation Services Company Ltd.

Notes to Financial Statements

Year ended March 31, 2023

(expressed in Barbados dollars)

8. Property, plant and equipment

	Computer and other equipment \$	Furniture and fixtures \$	Vehicles \$	Total \$
Cost/Valuation				
March 31, 2022	6,673	21,131	79,090	106,894
Additions	8,936	23,625	-	32,561
March 31, 2023	15,609	44,756	79,090	139,455
Accumulated depreciation				
March 31, 2022	2,962	2,114	16,875	21,951
Charge for the year	3,139	3,525	12,652	19,316
March 31, 2023	6,101	5,639	29,527	41,267
Net book value				
March 31, 2023	9,508	39,117	49,563	98,188
March 31, 2022	3,711	19,017	62,215	84,943

Barbados Aircraft and Aviation Services Company Ltd.

Management Information
Year ended March 31, 2023
(expressed in Barbados dollars)



CHARTERED ACCOUNTANTS

Barbados Aircraft and Aviation Services Company Ltd.
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Year ended March 31, 2023

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Independent Auditors' Comments

To the Directors of Barbados Aircraft and Aviation Services Company Ltd.

The accompanying page is presented as management information only. In this respect, it does not form part of the financial statements of **Barbados Aircraft and Aviation Services Company Ltd.** for the year ended March 31, 2023 and hence is excluded from the opinion expressed in our report dated July 13, 2023 to the management on such financial statements. The information on the following page has been subject to audit procedures only to the extent to express an opinion on the financial statements of the company and, in our opinion, is fairly presented in all respects material to those financial statements.

Chartered Accountants

Barbados, W.I.
July 13, 2023

Barbados Aircraft and Aviation Services Company Ltd.

Management Information

Year ended March 31, 2023

(expressed in Barbados dollars)

	2023	2022
	\$	\$
Selling, general and administrative expenses		
Audit fees	5,875	5,875
Directors' fees	28,800	30,707
Insurance expenses	12,085	-
Office and general	10,552	9,093
Professional fees	118,232	19,007
Rent expense	56,048	-
Staff costs	302,410	293,786
Supplies and materials	4,379	-
Travel expenses	87,235	-
Utilities	12,327	2,141
Vehicle running costs	5,565	2,977
	643,508	363,586
Finance costs		
Bank charges	864	455