



BARBADOS
PORT INC.

Welcome to a sea of possibilities.

Sustainability.
Efficiency.
Reliability.
Innovation.
Teamwork.

WHAT WE VALUE DAY IN & DAY OUT

ANNUAL REPORT 2020/21

VISION 2030

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

MISSION

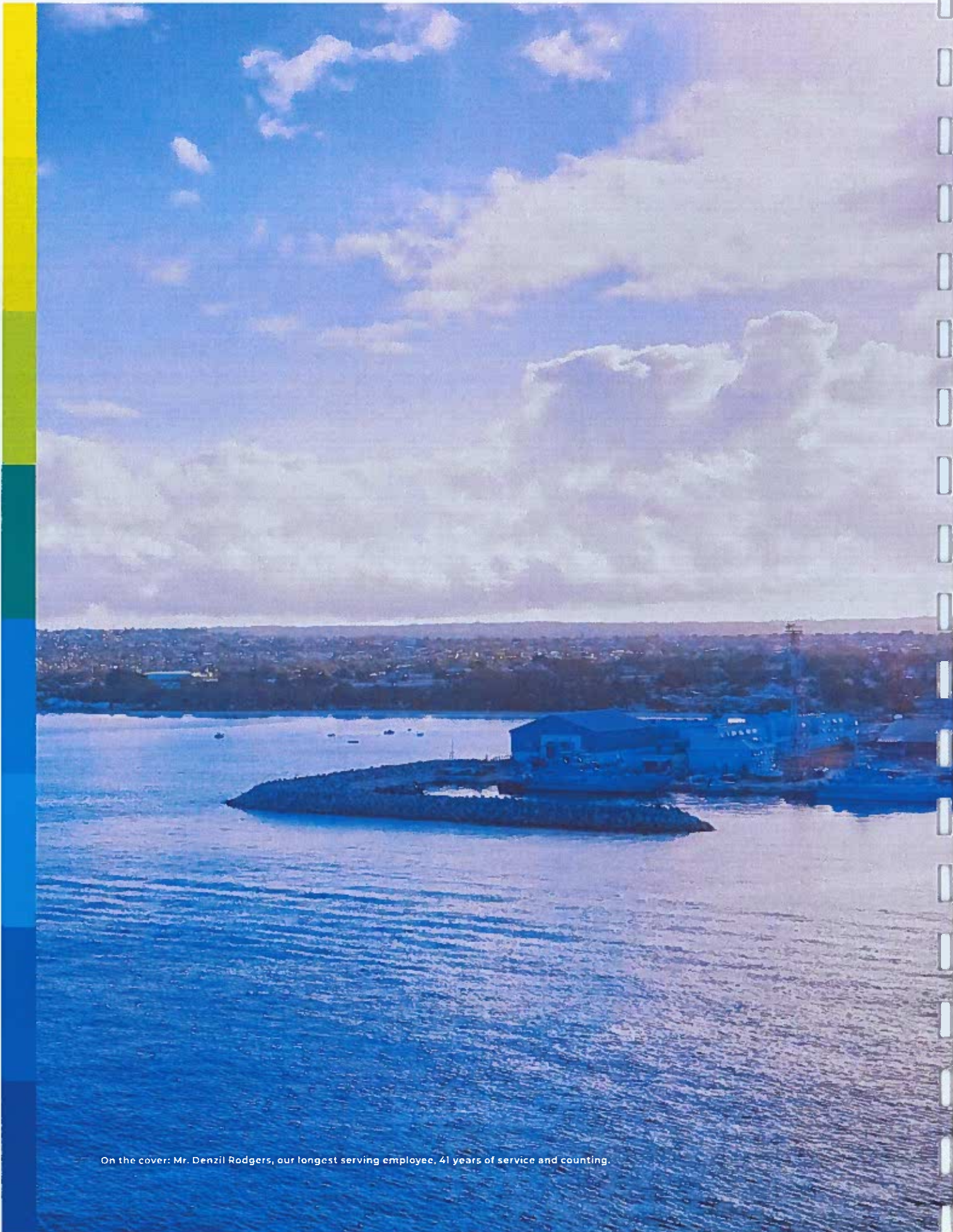
To be the most customer focused, cost effective and highly efficient provider of value driven cruise, cargo services and related property development services while providing satisfactory benefits to stakeholders, including customers and employees.

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, 2021.







On the cover: Mr. Denzil Rodgers, our longest serving employee, 41 years of service and counting.



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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 shareholders, 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 2020/21



Mr. Peter Odle
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) Ltd.
First Citizens Bank (Barbados) Ltd

ATTORNEY-AT-LAW
Clarke Gittens Farmer
George Walton Payne & Company
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, Corporate Development & Strategy



Ms. Karen Forde
Financial Controller & Corporate Secretary



Mr. Ian Stewart
Divisional Manager, Operations (effective January 15, 2021)



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

March 2021 marked one year since the world as we knew it changed forever. Schools and businesses closed with a hopeful message of "see you in two weeks", based on the official guidance at the time that we needed "15 days to slow the spread of COVID-19".





Mr. Peter Odle
Chairman

It's now been more than a year, an especially challenging year—physically, mentally, and emotionally for persons who provide essential services like we do.

The COVID-19 pandemic had a serious impact on Port performance

At the end of the just concluded fiscal year, March 31, 2021, the Port of Bridgetown had handled 11 million tonnes of cargo, down from 1.3 million tonnes the previous year. The number of twenty-foot-equivalent units (TEUs) of containerized cargo handled declined from 99,424 to 83,459. With the suspension of commercial cruising, vessel calls were reduced to 862, as compared to 1,280 at the end of March 2020. Cruise passenger numbers which peaked at over 819,650 passengers at the end of March 2020, stood at 128.

All this of course meant a major reduction in revenues. Operating income totalled \$81.3 Million, a decline of 23% against that in the previous year and Barbados Port Inc. (BPI) registered a net loss of \$1.8 Million at the end of the financial year.

We have therefore had to seriously consider the need to adopt new activities beyond our core cruise and cargo business. Our new five-year Business Plan is being drafted to incorporate new ventures which could contribute to the recovery of the economic activity on which the Port depends i.e. international trade, tourism, logistics, manufacturing and construction.

Some of the projects under consideration, as outlined in our 10-year Master Plan 2020-2030, include: enhancement of cruise facilities; expansion of the Shallow Draught Marina for yachts and pleasure craft, establishment of a Boat Repair Facility; commercialization of the South and East point Lighthouses, repair of the Speightstown Jetty; development of bulk handling capacities in keeping with the need of the country to import certain bulk materials for construction (cement and a range of aggregates), generation of 100% of power needs through expansion of photovoltaic systems, waste to energy incineration facilities, and development of shore power to vessels using surplus green energy; development of a Port Community System and last but by no means least, the development of logistics facilities and changing the way we do business in our break-bulk and container operations.

We are increasing collaboration with external agencies in exploring the development of new trade lanes, researching new markets for export and positioning the Port to be a transshipment hub for South American and African markets.

As the pandemic triggered restrictions and disruptions across ports, shipping and supply chains, we at the Port of Bridgetown escalated plans for the development of digital solutions to enhance Port performance and to ensure our own business continuity.

We can also count among BPI's significant achievements in the last year, the enhancement of border security with the upgrade of the Command Centre.

One of the major goals for us is not just to survive COVID-19 but to emerge a more resilient, future-focused organization. We made tremendous strides toward this goal this year, by addressing capacity constraints and challenges through the enhancement of productivity and efficiency, the development of digital solutions and the application of new green technology.

In addition to the development of the Maritime Single Window, BPI created an electronic payment platform and an electronic appointment system, the latter of which seeks to ensure cargo is processed and delivered and that exports are facilitated in an efficient and timely manner. The appointment system further allows for joint cargo inspections to be undertaken by the Customs, Port Health authorities and other regulatory agencies, therein reducing time spent in facilitating clearance.

We can also count among BPI's significant achievements in the last year, the enhancement of border security with the upgrade of the Command Centre. This not only increased monitoring capability, but also facilitated increased incident command and risk management interoperability, and information sharing opportunities across law enforcement entities. The Royal Barbados Police Force (RBPF) Special Branch and Police Technology Unit inspected and approved the Command Centre and indicated a willingness to provide additional personnel to support tripartite agency law enforcement operations.

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's performance, amidst this year's extenuating circumstances, were recognised regionally when we captured the 2020 NovaPort Cup for Most Improved Port Performance, emerging the winner among nine regional competing ports. The award was announced during the 23rd Annual General Meeting of the Port Management Association of the Caribbean (PMAC), held virtually this year, on November 24 and 25, 2020. This accomplishment not only validates the progress we have made during the past year in effecting initiatives aimed at enhancing our performance and efficiency but also certifies the efforts made in improving productivity and management of resources to maximize revenues.

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. 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. Additionally, charters for Board committees are being developed.

BPI in the last quarter of 2020 also initiated a corporate rebrand. The current branding, we believe, is aged and does not reflect the Company's evolution from a 1960s Port Authority to the modern, commercial state-owned enterprise that it is. It also does not pair well with BPI's bold intent as noted in our Vision statement— to be the most innovative green maritime hub in the world by 2030. BPI on May 6, 2021 will be celebrating the 60th anniversary of the official opening of the Port of Bridgetown. We believe this occasion will be the most opportune to unveil our rejuvenated branding. The new corporate identity will better align with the Vision, better complement our business strategy, and better communicate our strategic intent.

Throughout the course of this most trying year, our work has been buoyed by support from organizations and individuals who have partnered with us. We convey our sincerest appreciation to

The Honourable Mia Mottley, Q.C, M.P., Prime Minister of Barbados

The Government and People of Barbados

The Honourable Kirk Humphrey, M.P., Minister of Maritime Affairs and the Blue Economy

Management and staff of Barbados Port Inc.

Shipping Association of Barbados

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 Maritime Affairs and the Blue Economy

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



Peter Odle

Chairman

Sustainability.

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



Financial Performance Review

On April 30, 2020, Barbados Port Inc. acquired a 50% stake in One Port Investment Inc., a real estate investments and development company, the other 50% being held by the Barbados Port Inc. Defined Benefit Pension Plan. As at March 31, 2021, the results of One Port Investment Inc. have been consolidated into the audited financial statements of Barbados Port Inc. to reflect the controlling interest in that entity.

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With the negative impacts of the COVID-19 pandemic spanning the entire 2020/2021 financial year, Barbados Port Inc's revenues plunged significantly.

Operating Income totalled \$81.3 Million, a 23% fall off against prior year results of \$105.1 Million. All major revenue areas declined during the period. With the suspension of commercial cruising, there were no revenues from the cruise sector and no

receipts of passenger head tax. Passenger levy revenues came in at \$9.5 Million in the previous year. Cargo revenues declined by \$7 Million or 10% compared to 2019/20, with tonnages transiting the Port decreasing by 17% on prior year activity and the number of vessel calls falling 33%.

BPI registered a loss of \$104,659 before taxes and a net loss of \$1.8 million at the end of the financial year.

TABLE 1: BREAK DOWN OF REVENUE (\$)

	2017	2018	2019	2020	2021
Cargo Handling	66,164,061	64,079,637	63,802,359	69,349,941	62,336,922
Excess Storage	2,014,664	3,152,318	1,774,217	2,931,683	1,656,194
Marine Revenue	8,504,346	9,960,948	9,856,829	10,279,581	7,582,424
Passenger Levy	8,087,251	8,575,897	8,910,000	9,543,318	-
Other	9,261,539	9,255,384	8,978,650	9,588,039	7,681,435
Sub-total	94,031,861	95,024,184	93,322,055	101,692,562	79,256,975
Other Operating Income	3,610,890	3,415,007	2,867,234	3,391,317	2,049,884
TOTAL	97,642,751	98,439,191	96,189,289	105,083,879	81,306,859

There was some reduction in operating expenses, which fell by \$9.8 Million or 12%, with declines noted in three main areas. Staff costs were lower this year compared to the prior year which included a retroactive payment of \$1.6 Million. Additionally, reduced operational activity as a result of COVID-19 meant less overtime cost being incurred. Administration expenses also declined as some planned activities could not be executed during the pandemic. Impairment costs registered at zero this year.

FIGURE 1: OPERATING EXPENSES 2016/17 TO 2020/21

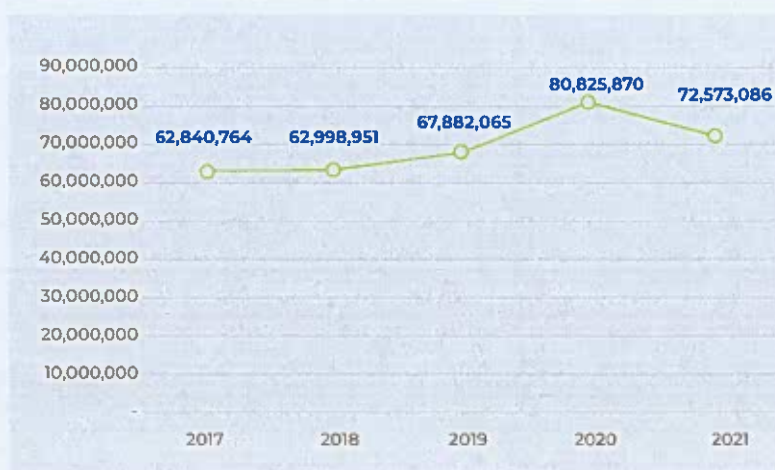
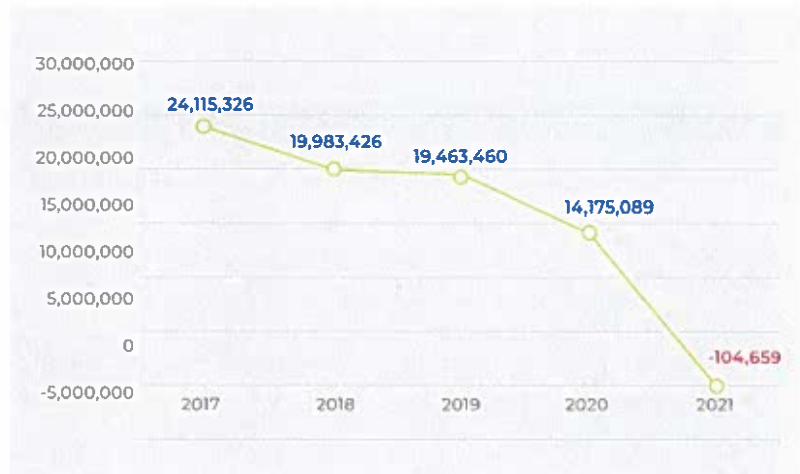


FIGURE 2: PROFITS/(LOSS) BEFORE TAXATION 2016/17 TO 2020/21



Statement of Financial Position

Overview

The financial position of Barbados Port Inc. as at March 31, 2021 reflected a decrease in current assets and current liabilities while non-current assets and long-term liabilities increased.

The \$22.9 Million decrease in current assets was attributable most significantly to the settlement of the \$20.5 Million in subscriptions receivable at the end of the prior year.

Included in non-current assets are

- (i) Pension Plan asset surplus of \$6 Million in the current financial year and;
- (ii) Increases in both Capital Works in Progress and Property, Plant and Equipment.

Current liabilities have decreased as

- (i) only the last payment of Tranche 1 and 2 of the Ansa finance leases are due as at year-end;
- (ii) settlement of the prior year liabilities in relation to One Port Investment Inc. and Berth 6.

As at year-end, the \$100 Million NCB Capital Markets (Barbados) Limited Bond was fully subscribed, leading to the increase in long-term liabilities.

Liquidity

BPI realised a working capital surplus of \$14 Million, an improvement on the prior year of \$10.7 Million. The quick ratio has increased to 2.3 from 1.3 in 2020, due to the decline in current liabilities.

Activity

BPI during 2020/21 achieved its target of lowering the collection of outstanding receivables to under 35 days. This year, it took 24 days on average to collect receivables.

Leverage

The Company remains highly leveraged, characteristic of its highly capital-intensive nature. The debt to equity (D/E) ratio was 0.68:1, an improvement over the previous year's 0.84:1 ratio. As a highly leveraged entity, debt service cost, in the form of interest payments, is one of the key uses of cash resources. Finance costs were \$8.5 Million during the year under review as compared to \$8.8 Million the previous year.

Key financial position balances and ratios are reported below:

TABLE 2: STATEMENT OF POSITION HIGHLIGHTS

(\$ Million)

	2017	2018	2019	2020	2021
Current Assets	34.40	33.13	29.17	47.74	24.83
Accounts Receivable	8.92	12.02	6.84	6.01	2.19
Non-current assets	297.46	335.35	299.49	300.31	310.72
Total Assets	331.86	368.48	328.66	348.05	335.54
Current Liabilities	35.31	29.88	30.03	37.07	10.84
Long-term Liabilities	112.98	147.88	119.91	121.54	124.75
Total Equity	183.57	190.72	178.72	189.44	199.94
Total Liabilities & Equity	331.86	368.48	328.66	348.05	335.54
Working Capital	-0.91	3.25	-0.86	10.67	13.99
Average Receivables	7.71	10.47	9.43	6.43	4.10
Total Debt	148.29	177.76	149.94	158.61	135.59
Debt/Equity	0.81	0.93	0.84	0.84	0.68
Current Ratio	0.97	1.11	0.97	1.29	2.29
Days to Collect Receivables	42.51	59.64	53.95	36.76	24.01



Dividend Policy

The Board has approved the corporate dividend policy which includes Government related corporate social responsibilities being considered as part of dividend payment to its owners.

As a result of the 2020/2021 financial performance, there is no cash dividend payable for the financial

year ended March 31, 2021, however, BPI continued to contribute through fulfilment of its corporate social responsibilities.

During the financial year ended March 31, 2021, Barbados Port Inc. contributed as noted below to the following Governmental institutions.

ENTITY	AMOUNT CONTRIBUTED
Pile Bay Fishing Facility	\$750,181.03
Bridgetown and Oistins jetties	\$109,008.00
Millie Ifill Fish Market Facility	\$ 43,200.00
Queen Elizabeth Hospital	\$40,230.00
Regional Security System (RSS)	\$25,000.00
Ministry of Education, Technological and Vocational Training	\$11,579.00
Weston Fish Market	\$8,600.00
Barbados Accreditation Council	\$7,160.00
Ministry of Maritime Affairs & the Blue Economy	\$2,100.00
Customs and Excise Department	\$3,000.00
Ministry of Maritime Affairs & the Blue Economy	\$2,100.00
The National Assistance Board	\$1,676.60
TOTAL	\$1,003,834.63

Remuneration Board of Directors & Management (including all benefits in kind)

POSITION	COUNT	REMUNERATION
Chairman	1	\$16,500.00
Board Members	10	\$72,000.00
Executive Management, Managers and Assistant Managers	24	\$3,485,660.24

Fiscal Risk Report

Fiscal risk is the term used for designating sources of potential large deviations from the fiscal forecast. They are defined as "the probability of significant differences between actual and expected fiscal performance" or "the possibility of deviations of fiscal outcomes from what was expected at the time of the Budget or other forecast".

A review of the fiscal risks of BPI for the financial year ended March 31, 2021 and the actions taken to mitigate them is noted below:

Impact of COVID-19 on Cruise Industry

In a bid to mitigate the impact of the COVID-19 pandemic, BPI undertook the following:

- Preparation of protocols for servicing vessels and keeping the staff safe
- Training of staff on best practice protocols
- Development of protocols for repatriation of passengers and crew
- Facilitating the lay-up of vessels offshore (at peak there were 15 vessels off Barbados)
- Development of business resumption protocols for cruise
- Development of protocols for servicing Yachts
- Support to the Americas Cruise Task Force in developing guidelines to assist destinations in developing their own cruise business resumption protocols.

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 BPI has approved its proposal to institute the Tariff Review and Service Quality Committee. Next step will be to seek the permission of Cabinet with the support of the Ministry of Maritime Affairs and the Blue Economy.

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.

BPI adhered to a robust maintenance program to prolong the life of its equipment.

Regional Competition

In keeping with its mandate to utilise innovation and operational efficiencies to reduce turn-around time to maintain and attract new international/ regional shippers, a Port Community System (PCS) project was initiated in March 2021. The objective of this three-year project will be to increase efficiency and transparency in the goods clearances and trading processes at the Port of Bridgetown.

Automated Alternative Services

BPI sought to enhance its customer service delivery with the offering of new online and automated services. An online platform and updated cashier system were launched in August 2020 to facilitate payment of commercial cargo handling fees. In addition, several other critical systems aimed at reducing face-to-face contact in the midst of COVID-19 were developed among them:

- Modifications to the Online Cargo Tracking Portal
- Electronic Vessel Clearance Facility
- A cargo collections appointments system for shed 2 and shed 4
- The extension of Wi-Fi services to other government agencies operating at the Port to facilitate the immediate and accurate processing of cargo, from the Shed's floor and ramp, using the ASYCUDA World System

**Liability from Cancelled Contracts –
Sugar Point Cruise Facility**

No settlement was reached in relation to BPI renegotiating the contract or pursuing cancellation under mutually acceptable conditions.

**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

Enhanced Port Security

	Expand and improve the CCTV distribution	Acquire an additional Container Scanner, and fix the existing two scanners	
	Install Passive IR motion detectors AND Geofencing	Develop a protocol for 100% scanning and pre-scanning of containers	
	Install Pallet Scanner at Shed 2	Outfit a Command Centre	
		Resource the Security Department as needed	
		Truth Verification Test (TVT)	Work with Royal Barbados Police Force to support a K9 unit
●	●	●	●
NOT YET STARTED	IN PROCESS	COMPLETED	ONGOING

Strategic Planning

		Conduct a Strategic Planning Review to update the Strategic Plan for Barbados Port Inc.	
	Complete the Business Plan (2021-2026)	Update the Master Plan (2019-2029)	
●	●	●	●
NOT YET STARTED	IN PROCESS	COMPLETED	ONGOING

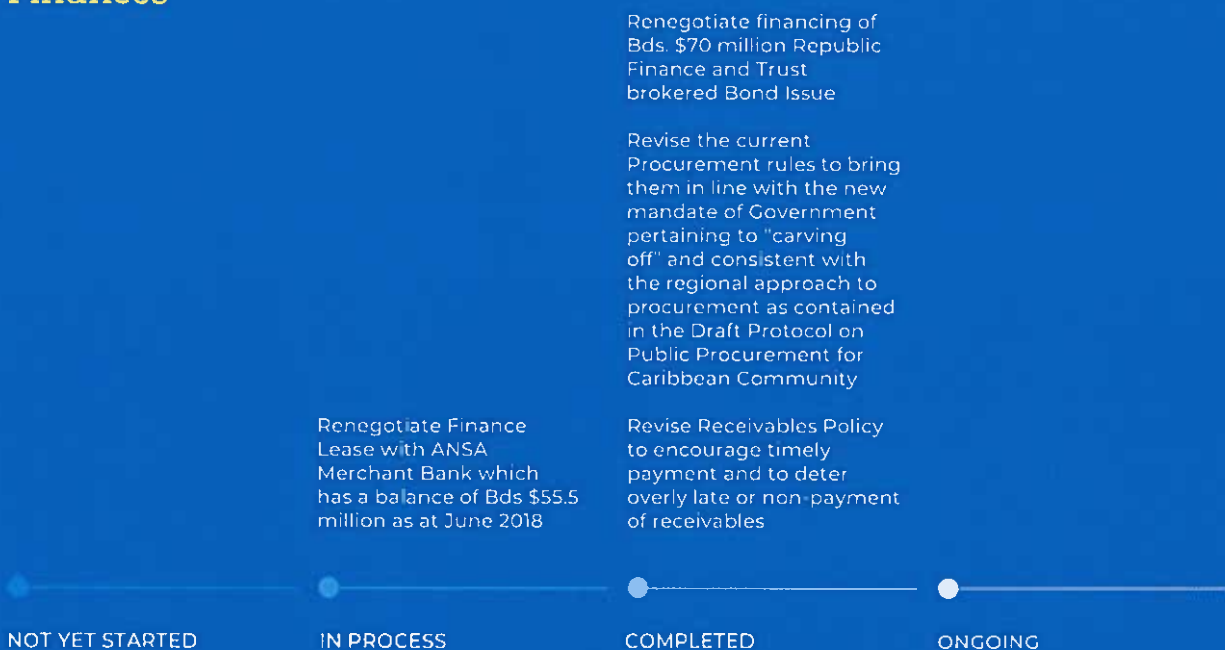
Cruise Service Enhancements

		Produce branded directional signage to facilitate movement of passengers	
		Deploy the tram system to facilitate movement of passengers between	Meet with key customers in the service chain to understand concerns and solicit ideas for service improvements
		Introduce a new taxi dispatch system	Meet all customers in the service chain to understand concerns and solicit ideas for service improvements
		Enhance Tour dispatch systems	
●	●	●	●
NOT YET STARTED	IN PROCESS	COMPLETED	ONGOING

Cargo Operations Enhancement



Stabilised Finances



Staff Empowerment

<p>Establish a Training Centre in conjunction with the CMU, TVET and SJPI</p>	<p>Complete Job Evaluation</p> <p>Implement the Performance Appraisal and Performance Management/Incentive Scheme, to complement the Customer Charter Programme</p> <p>Complete the culture reform programme to address deep seated cultural attitudes that affect performance and worker attitude</p>	<p>Settle wage/salaries increases with the BWU</p> <p>Resolve and negotiate long outstanding increments for Clerical Division with the BWU</p>	
<p>NOT YET STARTED</p>	<p>IN PROCESS</p>	<p>COMPLETED</p>	<p>ONGOING</p>

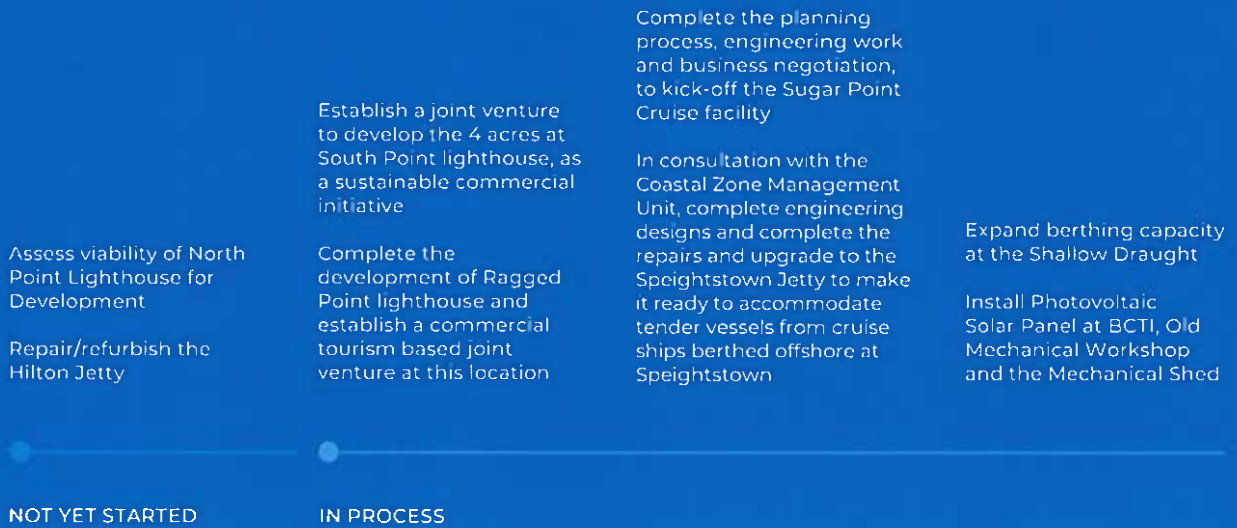
Leveraging Technology

		<p>Develop IMO Maritime Single Window</p>	
<p>NOT YET STARTED</p>	<p>IN PROCESS</p>	<p>COMPLETED</p>	<p>ONGOING</p>

Legal

<p>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</p>	<p>Review the brief on the Fish of Barbados Case. The injunction against the Port with respect to retaking possession of water front 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</p>	<p>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</p>	<p>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:</p> <ul style="list-style-type: none"> - Agreement on when the lease ends, - The continuing head tax split, and - review of the maintenance arrangements
<p>IN PROCESS</p>			<p>ONGOING</p>

Projects



Corporate Social Responsibility



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

STRATEGIC OBJECTIVE 1	To achieve desired return on equity			
Measure	<i>Return on equity measures the company's profitability by indicating how much profit is generated with the money shareholders have invested.</i>			
	2020-21 Target	2020-21 Projected	2020-21 Actual	Rationale
Return on Equity	9%	-2.5%	0%	COVID-19 has decimated the cruise segment of its business, which accounts for almost 15% of revenues.

STRATEGIC OBJECTIVE 2	To achieve and maintain positive working capital			
Measure	<i>Two main components contribute to a positive working capital and that is the management of 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.</i>			
	2020-21 Target	2020-21 Projected	2020-21 Actual	Rationale
Receivable Turnover	18 days	26 days	19 days	With depressed revenues during the year, account receivable balances did not grow significantly. Additionally, concerted efforts were made by cruise customers to clear their prior year balances.
Payable Turnover	23 days	7 days	5 days	Prudent cashflow management enabled BPI to settle its commitments in a more timely manner.

STRATEGIC OBJECTIVE 3	To develop strategic cruise partnerships			
Measure	<i>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.</i>			
	2020-21 Target	2020-21 Projected	2020-21 Actual	Rationale
% Growth in Cruise Arrivals	5%	-100.0%	-100.0%	Suspension of commercial cruising due to COVID-19 pandemic.

STRATEGIC OBJECTIVE 4	To develop strategic transshipment alliances			
Measure	<i>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</i>			
	2020-21 Target	2020-21 Projected	2020-21 Actual	Rationale
% Growth in transshipment TEUS	5%	-50.0%	-51.9%	Due of the suspension of cruises there was a significant reduction in ship stores discharged.

STRATEGIC OBJECTIVE 5	To increase productivity on Cranes			
Measure	<i>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.</i>			
	2020-21 Target	2020-21 Projected	2020-21 Actual	Rationale
Crane Moves per Hour – Gantry 1	25	n/a	n/a	Out of service for the period under review.
Crane Moves per Hour – Gantry 2	30	27	28	With four (4) new crane drivers out of the complement of fifteen (15) drivers, productivity has decreased.
Crane Moves per Hour – Gantry 3	30	27	28	With four (4) new crane drivers out of the complement of fifteen (15) drivers, productivity has decreased.
Crane Moves per Hour – Mobile	20	12	19	Out of service August 2020 to March 31, 2021.

STRATEGIC OBJECTIVE 6	To reduce equipment downtime			
Measure	<i>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.</i>			
	2020-21 Target	2020-21 Projected	2020-21 Actual	Rationale
Equipment Downtime	Reduce 5%	Reduce 5%	Increase by 23%	The increased downtime is due the removal of the Gantry and Mobile cranes from service for extensive maintenance due to their age.



2

Efficiency

We constantly aim to be more efficient and effective.



Operational Performance Review

Cargo Operations

During the year 2020/21, the Port of Bridgetown registered 862 vessel calls, a decline of 33% against the 1,280 calls registered in 2019/20.

With the suspension of commercial cruising, 95% of all calls were cargo related, with vessel calls showing a 36% increase at the Bulk Handling Facility. Molasses vessel calls also doubled, moving from 4 to 9.

TABLE 3: BREAKDOWN OF VESSELS CALLS BY MAJOR CATEGORY (2011/12 TO 2020/21)

Vessel Calls	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Cruise	399	357	374	382	412	453	498	420	414	47
General Cargo - Deep Water Harbour	437	403	422	454	499	549	486	470	482	482
General Cargo - Shallow Draught	114	105	99	105	125	123	121	111	103	94
Cargo - Bulk Handling Facility (Inc PF)	17	14	15	7	19	9	6	12	11	15
Bulk Sugar	2	2	1	2	2	1	0	1	2	2
Molasses	11	10	7	7	13	12	7	7	4	9
Cargo - Cement Plant	96	83	124	79	71	68	86	89	91	69
Tankers	135	148	139	138	135	156	167	155	173	144
Total Calls	1,211	1,122	1,181	1,174	1,276	1,371	1,371	1,265	1,280	862
% Change	-5.61%	-7.35%	5.26%	-0.59%	8.69%	7.45%	0.00%	-7.73%	1.19%	-32.7

Tonnage Handled

The decline in vessel calls was reflected in reduced cargo volumes handled at the Port. Some 1,119,538 tonnes were handled, as compared to 1,341,522 tonnes for the corresponding period in 2019-2020 (see figure 3).

A breakdown of tonnage handled shows an 11% decline in imports against 2019/20. Import volumes at 895,342 tonnes represented 80% of the overall tonnage handled.

Conversely, Barbados' exports continued to slide, falling 13% from 155,796 tonnes in 2019/20 to 135,310 tonnes this year. The export tonnage represented 12% of the tonnage handled for 2020/21 (see table 4).

Transshipment cargo similarly continued to decline, falling 52%

FIGURE 3: TOTAL CARGO (TONNES)



from 170,540 tonnes to 82,401 tonnes this year.

The total containerized tonnage handled across all categories of imports, exports, transshipment and shifted cargo was 1,119,538 tonnes in 2020/21 as compared

to 1,341,522 tonnes in 2019/20. Containerized cargo for 2020/21 represented 94% of all tonnage handled. Last year's containerized figure represented 88% of the overall tonnage handled

**TABLE 4: BREAKDOWN OF CARGO HANDLED BY CATEGORY 2011/12 – 2020/21
(TONNES)**

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Domestic										
Containerised Discharged	741,290	723,245	724,810	730,009	784,920	835,727	816,393	801,396	864,236	792,723
Breakbulk Discharged	86,832	70,934	70,543	76,548	80,359	99,774	92,436	83,645	101,659	64,967
Direct Delivery	0	0	0	0	23,000	46,011	29,017	12,690	40,957	37,652
Total Discharged (Imports)	828,122	794,179	795,353	806,557	888,279	981,512	937,846	897,731	1,006,852	895,342
% Increase / Decrease	-2.59%	-4.10%	0.15%	1.41%	10.13%	10.50%	-4.45%	-4.27%	12.16%	-11.08%
Containerised Loaded	143,115	148,412	159,844	157,641	130,684	147,227	151,585	154,046	151,502	132,627
Breakbulk Loaded	7,245	11,235	5,229	7,810	4,549	4,600	4,000	4,898	4,294	2,683
Total Loaded (Exports)	150,358	159,647	165,073	165,451	135,233	151,827	155,585	158,944	155,796	135,310
% Increase / Decrease	5.70%	6.18%	3.40%	0.23%	-18.26%	12.27%	2.48%	2.19%	-1.98%	-13.15%
Transshipment										
Containerised	35,858	23,057	39,163	93,893	148,371	205,169	255,298	80,524	162,087	78,270
Transshipment Breakbulk	8,014	5,954	7,736	12,400	16,440	17,558	11,070	9,220	8,453	4,131
Total Transshipment	43,872	29,011	46,901	106,293	164,811	222,727	266,368	189,744	170,540	82,401
% Increase / Decrease	-41.41%	-33.87%	61.67%	126.64%	55.05%	35.14%	19.59%	-28.81%	-10.12%	-51.68%
Shifted - Containerised	7,284	5,753	4,303	7,920	9,601	12,737	15,019	8,708	8,334	6,485
% Increase / Decrease	-32.21%	-21.02%	-25.20%	84.06%	21.22%	32.66%	17.92%	-42.02%	-4.29%	-22.19%
Total Tonnage Handled	1,029,636	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
% Increase / Decrease	-4.73%	-3.99%	2.33%	7.37%	10.28%	14.26%	0.44%	-8.71%	6.88%	-16.55%

Bulk Cargo Handled

Bulk Cargo handled this year declined 18% (see table 5). Some 880,318 tonnes were handled in 2019/20 as compared to 1,071,936 tonnes last year. Petroleum products continued to dominate this segment, registering at 496,284 tonnes, some 56% of all bulk cargo handled this year. The second largest volumes handled were cement, at 144,638 tonnes representing 16% of the cargo handled.

TABLE 5: BREAKDOWN OF BULK CARGO HANDLED BY TYPE 2011/12- 2020/21 (TONNES)

Bulk Cargo Handled	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Commodity										
Sugar	21,637	20,751	14,454	12,593	8,783	6,008	5,775	4,859	8,194	5,218
Molasses	44,867	45,254	37,620	41,741	38,151	47,400	54,398	55,828	38,067	74,057
Fish Oil/ Margarine/Fat	0	1,498	0	0	0	0	0	0	0	0
Grain/Agribulk	74,836	82,568	74,708	72,210	84,212	65,413	74,118	60,775	76,017	56,737
Fertilizer	1,290	700	1,900	500	701	0	0	0	0	0
Petroleum Products	638,381	602,866	613,695	582,246	653,502	599,729	635,011	623,673	676,462	496,284
Limestone	0	3,700	10,500	1,000	0	0	0	0	0	150
Cement	115,118	94,767	167,572	130,575	138,318	146,350	186,952	211,799	206,797	144,638
Hydrated Lime	0	0	0	0	0	0	0	0	0	0
Gypsum/ Pozzolan Gravel	22,434	16,990	36,527	8,210	4,092	8,308	12,519	11,083	10,509	9,895
Cement Plant Other	1,020	11,819	9,344	0	3,130	15,146	3,043	11,511	1,893	26,314
Iron Ore	1,424	997	2,864	993	2,501	1,974	2,586	3,758	1,794	2,316
Dwh Other*	22,825	3,079	9,846	3,363	38,945	12,000	702	40,678	52,203	64,710
Total	943,832	884,989	979,030	853,431	972,335	902,328	975,104	1,023,964	1,071,936	880,319
% Change	-4.71%	-6.23%	10.63%	-12.83%	13.93%	-7.20%	8.07%	5.01%	4.68%	-17.88%

Container Traffic

The Port of Bridgetown handled 83,459 TEUs during the year, a 16% decline against last year's volume of 99,424 (See table 6). Of the total TEUs handled, 45% (37,443 TEUs) were imports while 7% were full exports comprising mainly manufactured and other cargo, including recycled product. Some 32,264 TEUs (38%) were outbound empty containers.

TABLE 6: BREAKDOWN OF CONTAINERS (TEUS) BY STATUS 2011/12 – 2020/21

TEUs Handled	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Inbound Laden	35,109	34,345	34,426	34,713	37,310	39,663	38,807	38,120	41,041	37,443
Inbound Empty	716	783	833	1,264	1,812	5,319	2,028	1,290	1,185	199
Outbound Laden	6,578	6,822	7,341	7,208	6,040	6,765	6,946	7,036	6,987	6,111
Outbound Empty	30,867	28,101	30,697	29,769	33,224	40,072	35,798	35,738	36,662	32,264
Transshipment	2,150	1,384	2,511	7,368	12,323	18,093	22,079	15,313	13,549	7,442
Total TEUs	75,420	71,435	75,808	80,322	90,709	109,912	105,658	97,497	99,424	83,459
% Change	-7.01%	-5.28%	6.12%	5.96%	12.93%	21.17%	-3.87%	-7.72%	1.98%	-16.06%

The Port's key performance indicators are tracked through OCTOPI, the Terminal Operating System (See Table 7). This year, Moves Per Hour/Crane averaged 27 moves (see Figure 4) when compared to 26 in the previous year, 2019/20. The Truck Turnaround Time decreased from 43 minutes in 2019/20 to an average of 37 minutes. The Dwell Time for full reefer containers directly delivered moved from 2 days in 2019/20 to 3 days in 2020/21, while the Dwell Time for dry containers directly delivered remained constant at 8 days. The Dwell Time for Less than Container Load (LCL) containers being stripoc increased slightly from 4 days to 5 days.



SEAPD

TABLE 7: KEY PERFORMANCE INDICATORS

	2019/20	2020/21													
	Average	Target	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Yearly Average
Crane Productivity (Moves per Hour/crane)	26	28	31	27	26	27	27	27	27	27	25	26	25	25	27
Truck Turnaround Time (mins)	43	35	38	44	29	27	35	34	42	42	45	38	31	37	37
Dwell Time FCL- Dry (days)	8	5	11	16	8	5	6	5	7	6	6	9	6	10	8
Dwell Time FCL- reefer (days)	2	4	6	7	3	2	2	3	2	2	2	3	2	2	3
Dwell Time LCL (days)	4	3	8	13	2	2	2	2	2	2	2	3	4	13	5

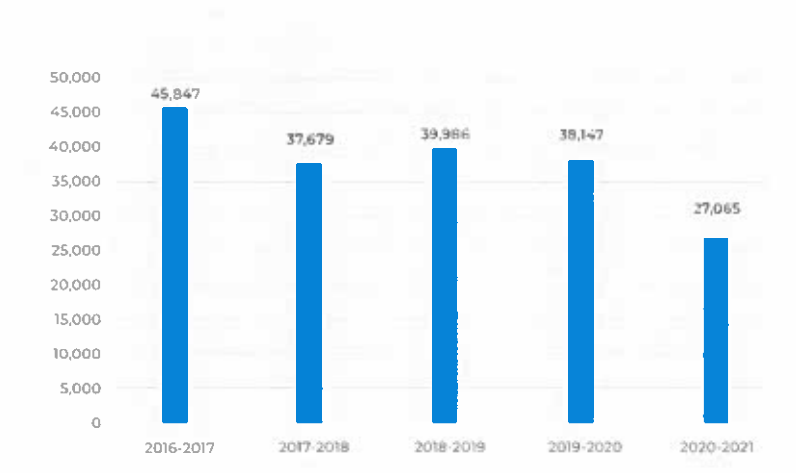
FIGURE 4: PRODUCTIVITY RATE CONTAINER HANDLING GANTRY CRANE



Personal Effects

Personal effects delivery continued to slide during the period under review. The 27,065 pieces handled this year, represented a 29% decline against the 38,147 pieces delivered in 2019/20 (see Figure 5). Activity in this segment was likely impacted by COVID-19, with the attendant reduction in travel and shopping, dampening of imports and uncertainty surrounding the disruption of trade flows.

FIGURE 5: PERSONAL EFFECTS DELIVERED



Cruise Operations

Passenger arrivals

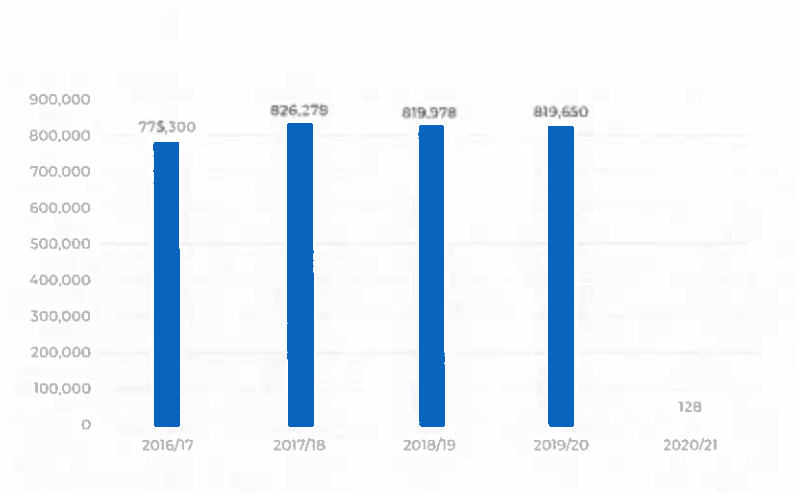
Cruise passenger arrivals during the period April 1, 2020 to March 31, 2021 were registered at 128 as compared to 819,650 passengers who arrived in 2019/20 (See figure 6).

While the Port registered 414 cruise ship calls during the financial year ended March 31, 2020, just 47 calls were noted this year (See table 3).

Cruise Industry Suspension

A 30-day suspension of cruise operations was announced by the Cruise Lines International Association (CLIA) in response to the COVID-19 pandemic, effective 12:00AM on March 14, 2020

FIGURE 6: CRUISE PASSENGER ARRIVALS



The decision to suspend commercial cruise activity globally, immediately impacted operations at the Port of Bridgetown. The major challenge for many of the vessels at sea was to find in just a few days, a suitable port where they could repatriate passengers

and crew and also bunker fuel, load provisions and offload waste. Even prior to the CLIA announcement of the official suspension, several countries had already closed their borders to mitigate against the spread of COVID-19.

Following the decision by the Government of Barbados to offer safe harbour to vessels during this humanitarian crisis, the Port of Bridgetown was one of the few ports in the world which remained open to vessels, and that could offer the services and facilities the vessels required. As ships terminated their voyages mid-itinerary, some cruise lines requested extended stays in Barbados with crew only, until they could return to their respective homeports. Given the limited number of berths at Bridgetown, some ships over several months were anchored off Carlisle Bay on our South coast and as far as Speightstown in the North of the island, on the advice of the Coastal Zone Management Unit.

BPI worked in collaboration with its partner cruise lines, local port agents Foster and Ince Cruises and Platinum Port Agency, the Ministry of Tourism and International Transport, the Ministry of Maritime Affairs and the Blue Economy, Barbados Tourism Marketing Inc. (BTMI), the Grantley Adams International Airport (GAIA), the Ministry of Health and Wellness' Port Health Unit, Customs and Immigration as well as private sector agencies involved in cruise and ground transportation, to facilitate the safe and speedy passage of travellers back home.

The Port of Bridgetown hosted 36 vessels, repatriating approximately 21,000 passengers and crew to their home countries.



Impact of COVID-19 Pandemic

During the period in review, in a bid to mitigate the impact of the COVID-19 pandemic, BPI undertook the following:

- Preparation of protocols for servicing vessels and keeping the staff safe
- Training of staff on best practice protocols
- Development of protocols for repatriation of passengers and crew
- Facilitating the lay-up of vessels offshore (at peak there were 15 vessels off Barbados)
- Development of business resumption protocols for cruise
- Development of protocols for servicing Yachts
- Support to the Americas Cruise Task Force in developing guidelines to assist destinations in

developing their own cruise business resumption protocols.

Barbados was first among all other Caribbean ports to manage a cruise turnaround since the global suspension of cruise, with the arrival of the SeaDream on November 5, 2020. The vessel, part of the small luxury line, SeaDream Yacht Club, departed Bridgetown on November 7 on a 7-day itinerary. The cruise was however aborted just a few days later as passengers tested positive for COVID-19. The SeaDream call, the only cruise attempted during the period under review, accounted for the 128 cruise passengers registered as visiting Barbados during the period April 2020 to March 2021.



Investing In A Sustainable Future

In addition to enhancing the competitiveness of the Port, BPI is in the process of transforming the Port's infrastructure. This year, we amplified our focus on digital transitioning and developments that contribute to a more robust and sustainable port. We have also been moving to enhance trade facilitation through improved logistics.

Port Master Plan

The Port Master Plan, 2020 – 2030 was completed in July 2020 by Port and Maritime Consultants, - Bermello Ajamil & Partners, Inc

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

- Boat Repair Facility
- Speightstown Cruise Facility
- Shallow Draught Marina
- Aggregate Storage Berth
- Bridgetown Cruise Facility Project

Cruise Facility Expansion

BPI is also currently reviewing the plans for cruise facilities in Bridgetown, with the aim of separating the mega cruise vessel operations from the cargo operations in the Deep Water Harbour, to ensure that the service levels to each sector can be better streamlined, particularly with respect to specific homeporting requirements

BPI continues discussions with two major cruise lines on a possible joint venture to construct new facilities in Bridgetown. Discussions are however protracted given the impact of the COVID-19 pandemic on the cruise industry. This project is expected to be built out in a phased way, starting with three berths out of a possible five, with approximately 12 acres reclaimed for commercial and ground transport services.

BPI has also been exploring the design, construction, operation and management of a cruise ship pier and ancillary facilities at

Speightstown, St. Peter. Based on market analysis and visitor feedback, there is both the need and the opportunity to create a differentiated cruise product in the north of the island at Speightstown. Establishment of cruise facilities in the North of the island is part of the product differentiation thrust which will respond to the growing number of smaller vessel operations, who desire a more geographically segmented product for their passengers, physically separated from the large vessel cruise tourism typically handled at the Port of Bridgetown. This facility will be designed for small cruise ships with under 1,500 passengers and superyachts, with separate enhanced facilities for fishing boats.

After a public consultative town hall meeting held February 19, 2020, DLN Consultants completed the Design-Build Request for Proposals (RFP) in September 2020. BPI issued the request for proposals to the six short-listed companies in October 2020. A Pre-bid meeting was held on November 17, 2020. Only one firm submitted a bid at the due date of February 1, 2021 which is currently being evaluated. However, as a result of the effects of COVID-19, a decision has been taken to put the project on hold.

Enhanced Shallow Draught for Yachts

The Shallow Draught Harbour located along the Mighty Crynner Highway, currently accommodates approximately 50 vessels, excluding the fishing vessels in an area known as the "Sand Pit". BPI invited Expressions of Interest (EOI) from potential joint venture partners for the design and construction of additional berths and ancillary facilities in the Shallow Draught at the Port of Bridgetown. This development is intended to drive marina business in recreational boating and yachting.

Two firms were initially shortlisted out only one firm responded to the RFP, which included the following

- Detailed cost breakdown and schedules for executing each component of the work.
- Conceptual Designs for berths and commercial buildings.
- Ancillary facilities to support the marine operations conducted in the area, including

storage, waste management, and vessel provisioning arrangements.

- Wave attenuation proposals.

BPI assembled a consulting team to assist in the review and negotiation of the RFP. This process resulted in a detailed market assessment that informed on the scale and scope of the project. Following this review and subsequent negotiation with the bidder, BPI has settled on a project with the following key components:

- Additional 85 berths for yachts
- A fuelling facility and mini-mart
- Fish and Farmers Market
- Storage facilities for existing boats in the Shallow Draught
- General landscaping
- Wave attenuation structure to improve conditions during the swell.

The negotiated project is estimated at US\$16 million.

Boat Repair Facility

With coastal cruises and yachts having to sail to other Caribbean islands like Trinidad & Tobago or St. Lucia for annual boat maintenance, it is recognised that there is dire need for expanded boat haul-out and repair facilities in Barbados. The Port is therefore examining the feasibility of a boat haul-out facility to be located within the environs of the Bulk Facility, along the Mighty Grynner Highway, St. Michael.

The project will not only eliminate vessels having to go overseas for dry-docking but will save foreign exchange by keeping the business locally. It will additionally better position Barbados to earn foreign exchange from overseas boaters. The facility will provide some haul-out capacity especially during severe weather events and should serve as a catalyst for utilization and development of business in a wide range of trade and services.

BPI invited proposals from proponents to enter into a concession to develop the boat repair facility. The four shortlisted firms were issued the detailed Request for Proposals and the responses are being assessed.

Aggregate Storage Berth

Having committed the remaining lands around the Flour Mill facility to various developments, including the boat repair facility, cement storage and manufacturing, there is now a need to secure additional acreage for the import/export of aggregate through the Port of Bridgetown. This issue is exacerbated by an acute shortage in local sand for construction where the sand reserves are within months of being exhausted.

The Master Plan concept for additional bulk handling facilities envisages that such a facility be designed to also create safe harbour facilities for small vessels during storms. C.O. Williams Construction Ltd. has submitted an unsolicited bid for the design and construction of a facility, which will also accommodate storage space for multiple importers/exporters of aggregate. The bid is currently being reviewed by the Port's technical team who will assess the proposal in the context of the market demand, financial feasibility, and required mitigation measures to address identified environmental and social impacts.

Cargo Berth North

BPI has set aside the contract that was signed on May 23, 2017 on the Berth 6 cargo berth. Notwithstanding this, BPI is in discussion with potential investors for the construction of new cargo facilities in Bridgetown, using a model that will involve a cargo operator, major cargo lines (owners) and other investors. It will also include an opportunity for Barbadians to purchase shares in the new venture.

BPI has engaged resources to explore business opportunities at several levels (e.g., transshipment, facilitating the development of free trade zones), to stimulate growth in cargo, which could justify investment in new facilities. A company has submitted an unsolicited information memorandum announcing its plans for development of a free trade facility which should see the volume of business through the Port increase significantly. This project is at a very preliminary phase and the requisite due diligence is required to verify the information submitted so far.

This cargo initiative is buoyed by projected cargo increases anticipated with the development of new trade lanes especially with Africa and South America, using Barbados as a hub for transshipment through the Caribbean. This project will involve:

- Reclaiming 10 acres of land to expand the container yard
- Construction of a 1 200 ft. long cargo berth to offer dedicated vessel handling services
- Removal of shed 3 and shed 4 and
- Construction of a new Cargo Freight Station (Shed) which combines personal effects and commercial cargo delivery services.

Designs are complete and discussions have started with potential investors. The project cost is estimated at \$150 million.

Repairs to Existing Speightstown Jetty

Stakeholders in Speightstown have made a case for urgent repairs to the existing Speightstown Jetty, acknowledging that the larger Speightstown Cruise Facility Project will have a longer developmental cycle.

BPI therefore invited bids for the repairs to the jetty and a preferred bidder, Marengo Ltd, has been identified. BPI has coordinated several meetings with Marengo Ltd and DLN (BPI's consulting engineer) to review the bid, as per instructions from the Tenders and Procurement Committee. The redevelopment project will include the following upgrades:

- New moulded grating and fixings to be used for the panels
- Replaced lighting systems
- Repaired woodwork and damaged concrete.

The estimated project improvement cost is \$1.25 Million. The project is expected to begin in June 2021 following mobilization and estimated to be completed in four to six months.

New Administration Building

BPI officially opened its new Administration building on September 18, 2020. This 50-50 joint venture with the Defined Benefit Pension Plan, demonstrates our dedication to modernising infrastructure and capabilities and serve as a

technology driven output centre supporting the cargo and cruise portfolios. Photovoltaic installation on the roof of the building and the carports will provide 40% of power required to operate the building, accentuating BPI's push toward greater energy efficiency.

Photovoltaics

Continuing the pursuit of energy efficiency, the Company this year installed a 400kW photovoltaic (PV) system intended to reduce overall electricity consumption from the national grid by at least 20%.

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 coming Barbados Waste Reception regulations, which form a subsidiary to our new Merchant Shipping Act.

During the search for a new waste management solution, three waste reception technologies were examined by IDB Invest - incineration, pyrolysis and gasification. It was determined that incineration was the best option based on this technology being the most mature of the three and the least expensive in terms of CAPEX and OPEX and maintenance.

Given the current waste feedstock volumes at the Port during the low and high seasons, the Incinerator would generate 2 Million kWh annually (BL&P grid rebate of \$1.0 million, representing 40% of the Port's current needs). It is noted however that when operated at the maximum capacity (to accommodate increased homeporting volumes and potential supplementation using inland waste during the low season) the Waste to Energy (WTE) generation is potentially doubled (\$2.0 Million, representing approximately 80% of Port's electrical needs).

The cost for the acquisition and installation of the incinerator is estimated at US\$17 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 IDB Invest has approved a US\$30 Million loan facility to BPI for this and related projects. The Board of Directors of BPI has

supported the option of outsourcing procurement to a Third Party agent, with the expectation that this procurement process will be concluded by the middle of the 2021 – 2022 financial year.

A virtual town hall meeting was hosted on January 22, 2021 to present BPI's plans for the installation of the WTE Facility as part of its green port initiatives, allowing stakeholders the opportunity to ask questions and offer feedback on the project.

Switch to Electric-Powered Equipment

The Port of Bridgetown is leading the charge towards the reduction of carbon emissions and environmental sustainability in maritime operations in the region.

The Port on February 5, 2021 welcomed two new diesel-electric hybrid Straddle Carriers, the first ever in the Caribbean.

The US\$2.6 Million investment in new green machines, will deliver significant savings in terms of fuel, as well as maintenance costs compared to conventional diesel-powered machines, while reducing CO2 emissions and noise pollution. Acquisition of the green cargo handling equipment is not only a key element of our sustainability strategy but is intrinsically linked to our performance improvement goals, our thrust to enhance productivity, minimize wait times and speed up vessel turnaround times at the Port.

The straddle carriers, powered by the latest in lithium ion battery technology and featuring a maintenance-free regenerative energy system, will be fitted with the required hardware to enable them to be connected to Kalmar Insight – a performance management tool for cargo handling operations that turns data into actionable, impactful insights. Kalmar will also provide commissioning services and maintenance and operator training for BPI personnel.

In addition to the two new carriers, BPI is also adding four electric powered forklifts to its fleet. The electric forklifts will be used in breakbulk operations, moving cargo such as steel, cement, lumber and poles. The machines will provide all the performance of a powerful diesel truck but without the emissions, noise or vibration. They will include a time-saving diagnostic system and a fully adjustable cabin with industry-leading ergonomics.

The equipment, sourced via the Miami-based Oceanland LLC from manufacturers Kalmar, will be used in Breakbulk operations, moving cargo such as steel, cement, lumber and poles. The new acquisitions are all part of the capital investment necessary to modernize and enhance the competitiveness of the Port.



Trade Facilitation Enhancement

BPI this year worked even closer with its partners 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

On July 17, 2019, following concerns raised by the Barbados Private Sector Association (BPSA), the Barbados Social Partnership chaired by Prime Minister, Hon. Mia Amor Mottley, established a sub-committee of the Social Partnership to examine performance and efficiency of the Port of Bridgetown. The sub-committee is chaired by Hon. Kirk Humphrey, Minister, Maritime Affairs and the Blue Economy 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 work plan. The main achievements to date include the following:

- **The establishment of cargo customer service teams** to monitor both containerised and non-containerised cargo at the Port of Bridgetown

on a daily/weekly basis. The teams work with customers, regulatory agencies and non-governmental associations such as the BCCI and the BMA to expedite the delivery of cargo out of the Port;

- **The commissioning of a Port Logistics Study.** The study, funded by the Commonwealth Secretariat was designed to conduct a comprehensive analysis of trade and port logistics to realise the Port's contribution to national revenue and to facilitate economic growth. The report presented in September 2020 provided recommendations on the strategic approach to be taken at the BPI to increase competitiveness and efficiencies on a regional and global scale, while implementing environmentally sustainable practices. BPI is currently in the beginning stages of operationalizing this report.
- **Establishment of a Joint Inspection system of all regulatory cargo clearance officers.** (Port Staff, Customs, Port Health, Ministry of Agriculture, etc.) Arrangements for joint inspection of cargo are in place via the appointment system, with notice to agencies pending customer arrival for cargo collection;
- **Accommodation provided in Shed 4 to physically locate regulatory agencies** within the Port to reduce the time associated with customers having to wait on the agency arrival. Agencies have indicated manpower challenges that hinder the effective operationalization of this process;
- **Continual process mapping to enhance Shed 4 service delivery;**
- **Creation of a FedEx-like Home Delivery system.** Initiated during COVID-19 emergency shutdown period for Shed 2 personal effects;
- **Harmonization of the operating times of the regulatory agencies at Port of Bridgetown.** Cabinet agreed that to resolve this was important. Discussions are continuous at the level of the Port Efficiency Subcommittee of the Social Partnership. An extension of the operating hours to 8pm is also under consideration for deliveries;
- **Ongoing documentary review of all import/export documents across agencies to streamline and simplify import and export procedures.** The intention also is to digitize those documents, which are still submitted in paper

format. This process will be fully completed with the implementation of the Port Community System and Maritime Single Window;

- **Documentation of process flows for off-site inspections** to identify bottlenecks related to the broader issues of demurrage charges.

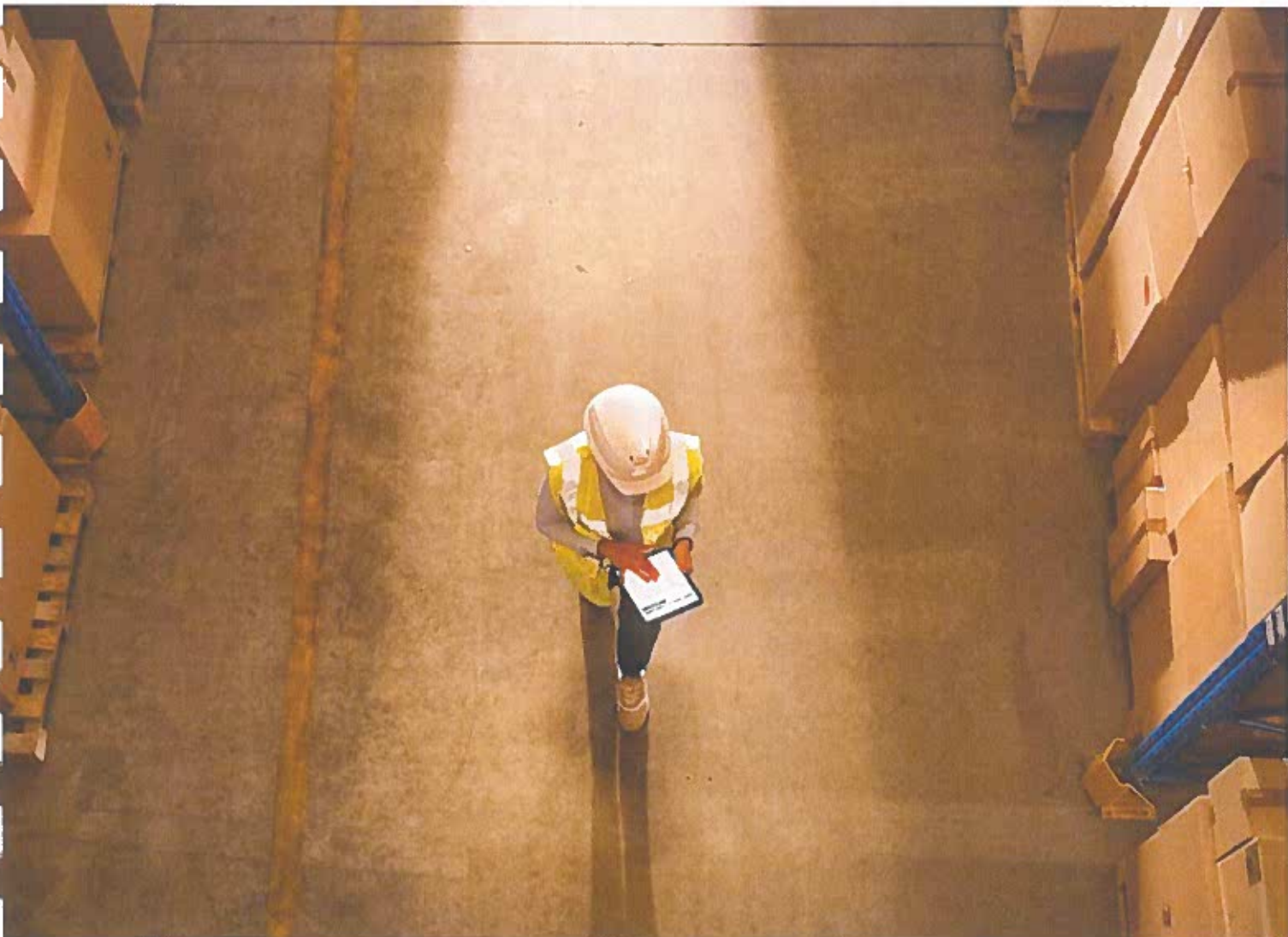
ISO 9001:2015

To support improved operational efficiency of the Port, it was determined that BPI should implement a quality assurance system. The journey to ISO 9001:2015 certification began in August 2019 and continued through the year.

The project team reviewed and edited the critical process documentation submitted by each department in preparation for internal audits. The

Internal Quality Auditors were retrained, and a full round of internal audits were conducted according to the Internal Quality Audit plan. Drafts of BPI's QMS Manual and administrative procedures for the QMS were also completed.

Next steps in the process include closeout of corrective actions arising from findings of the internal audits; a root-cause analysis, corrective action and risk-based thinking workshop for management; a QMS management review meeting, a pre-certification (mock) audit and selection of a certifying body to conduct BPI's certification assessment.





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.

COVID-19 required the development of several critical systems aimed at reducing face-to-face contact to be fast-tracked. Amongst these were:

- An Online Payment Platform
- Modifications to the Online Tracking Portal
- Online Clearances
- The cargo appointments system for shed 2 and shed 4
- The extension of Wi-Fi services to other government agencies operating at the Port to facilitate the immediate and accurate processing of cargo, from the Shed's floor and ramp, using the ASYCUDA World System.

Maritime Single Window

BPI designed a functional model of a Maritime Single Window (MSW) which captures information for FAL forms 1 to 7 as stated in the Convention. The application conforms to the IMO specifications and integrates in real-time with multiple systems, including the Lloyds International Maritime database, to expedite the entry of information automatically instead of manual data-entry

The system will be further extended to streamline current business operations and processes that are conducted manually as well as to generate the Seafarer Identity Document and the Seafarer-Gateway-through-Barbados-Pass. Additionally, the MSW must capture supplemental declarations as cited in Barbados' Facilitation of International Maritime Traffic Act (2021).

When officially launched, the MSW will improve interoperability between various systems to facilitate smooth transit of ships, passengers, cargo

and crew. The MSW will mitigate against health risks of physical interaction by providing virtual clearances, reduce complaints of disembarkation delays when many cruise ships are berthed in the Port and leverage real-time electronic exchange of data with the Joint Regional Communications Centre (JRCC).

Cashier Module

A new version of Cashier Module was launched on August 1, 2020. The application allows all revenue streams to be centrally managed. It is the repository for all commercial cargo handling charges inclusive of transactions handled via the Online Payment Portal. The application facilitates the automatic lifting of holds in Octool, removing the requirement to present physical receipts when collecting cargo.

Electronic Vessel Clearances

In an effort to leverage contactless processes, mitigate against COVID-19 transmission and to achieve more efficient operations, the manual process for outward clearances was abandoned. The Electronic Vessel Clearances facility was developed to allow relevant personnel to grant or deny permission for vessels to arrive or depart utilizing paperless information.

Online Payments

The Online Payment Platform was also launched on August 1, 2020. The platform facilitates payment of commercial cargo handling fees. These comprise RS&D (Receipt, Storage & Delivery), Tonnage Dues, Unstuffing (applicable for containers fully or partially stripped on Port premises), Storage (applicable to dry cargo only), Plug (applicable to cold storage cargo only), Security Surcharge and Hazardous Cargo Surcharge. Customers can pay for one or more shipments in a single transaction using a MasterCard or Visa credit card.

To overcome credit limit restrictions, a mechanism to support prepayment accounts is being incorporated. Prepayments allow businesses to top up their BPI accounts and use those funds to conduct business. The Online Prepayment Facility, when deployed, will lead to a further increase in BPI's digital footprint as more transactions are processed online. It will

expedite the collection of revenue, remove business hours and geographical constraints, reduce human errors and minimize delays.

Cargo Tracking Module

The Cargo Tracking Portal has been enhanced to display the state of cargo (FCL and LCL) readiness from a Customs perspective. Once the Bill of Lading or Delivery Order number is entered, the system will display the status of the cargo. In addition, automated communication technology was added to the cargo tracking portal which allows the software to integrate with the appointment app to ascertain whether cargo on a particular Delivery Order or Bill of Lading number has exited the Port. When a customer tracks their cargo, the screen displays the type of cargo, collection location (Shed 2, Shed 4, Container Park), if the cargo was released by Customs and also informs customers that all fees must be settled prior to the delivery/collection of goods. A total of 38,918 visitors utilized the Cargo Tracking Facility during the period under review.

Digital Document Management

The electronic document management system (DocuShare) was expanded to incorporate all departmental filing systems and the automation of the handling of manifests amendments for the Reports Office. The MIS department is currently testing the development of automated routing as a model for all departments.

Port Community System

The Port Community System (PCS) project was formally initiated on March 3, 2021. The PCS will be characterised as a neutral and open electronic platform enabling automated and secure information interchange among BPI and its stakeholders.

The planned outcomes of this project are:

- Improved overall time taken to clear cargo and real-time information sharing.
- Core PCS modules implemented aligned to strategic concerns to facilitate areas such as booking appointments and systematically notifying regulatory agencies of scheduled

- inspections and customers of collection of cargo.
- Reduction of the time taken and associated costs to complete trade-related transactions through simplification, standardisation, rationalisation, and harmonisation of processes, procedures, and documentation while allowing for interoperability with other systems in real-time.
- Improved ability to track and trace cargo to eliminate discrepancies in cargo inventory across agencies.
- Standardised and streamlined payments through an e-payments system for trade and logistics transactions.
- Key Performance Indicators (KPIs) developed, and dashboards created to monitor performance and costs through the different segments of the trade chain continually
- Harmonised documents are required resulting in improved transparency, efficiency, and accountability within the logistics supply chain.
- Improved rankings on the World Bank "Ease of Doing Business Index" and "Trading Across Borders" Indices

Digital QR Codes

The QR code system which was originally developed as a solution to the overwhelming entries and movement of ground transport services at the Main Gate was extended to track commercial activity at the Cargo Gate. Currently, the mechanism is being further extended to be applied to 'Port Passes' to automatically document the ingress and egress of persons with the authorisation to 'freely' enter the Port on business. When cross referenced with the artificial intelligence of the new surveillance system, the QR code mechanism will ensure the secure movement of all entrants and with the introduction of machine learning, will identify trends, patterns, and anomalous or suspicious traversals of persons within the Port.

Barbados National Vessel Database and Application & Marine Ticketing System

The Shipping Section of the Ministry of Maritime Affairs and the Blue Economy (MMABE) has indicated their desire to have BPI engineer, host,

secure, and maintain a vessel database and application. The objective will be to build a system that improves efficiency, transparency, reliability, and accountability whilst making the operations of the Shipping Section more business-friendly

The solution, once deployed, will provide ministry personnel with a central vessel repository to manage vessel ownership change and registration, issue various certificates and inspection forms, issue speed boat driver licenses and instructor identification cards, generate notification services and broadcast ministerial announcements. Additionally, read-only access can be granted to the RBPF and Barbados Coast Guard (BCG) for information verification and law enforcement. The development of this solution by BPI will relieve the Ministry of the application design and updates, database backups and tuning, hiring dedicated expertise, and investment and maintenance of the required hardware and infrastructure.

BPI has already engaged in preliminary project discussions with the Ministry, Fisheries Division, RBPF and BCG. Further to this, the Shipping Section of MMABE, the RBPF and BCG have requested that BPI construct a digital and online accessible solution to log and track marine tickets (Marine Environmental Breach, Maritime Safety Breach, and General Marine) to be issued to offenders under the upcoming Shipping (Domestic) Vessels legislation.

eLabour Workforce Scheduling System

BPI implemented the eLabour system to improve labour scheduling, transparency, analytics and reporting. BPI is currently using the system to prepare for Terminal Operations labour. It is anticipated that eLabour will be implemented in other departments and will interface with the payroll system.

Developing An Engaged & Empowered Workforce

At BPI, people, performance and passion are at the heart of everything. The leadership team is committed to investing in the Port's employees and equipping them with the tools needed to meet evolving demands.

Over the past year, a number of training programmes were rolled out aimed at strengthening core competencies within the Company (see table B). The Port this year continued its competency-based training, assessment and certification, and operated as a National/Caribbean Vocational Qualification Centre.



TABLE 8: HUMAN RESOURCE DEVELOPMENT

Training	Facilitator	Target Audience	No. of Participants
Covid-19 PPE	Ministry of Health & Wellness	Employees of various departments	48
Avigilon ACC7	Promotech	Security Services employees	78
Retirement & Financial Planning	Zenith Consulting Inc.	Employees of various departments	18
Microsoft Word & Excel	Advantage Caribbean	Employees of various departments	12
Bond Sensitization	NCB Capital Markets	Employees of various departments	68
Eye & Face Protection	BPI-OSH & Risk Management	Employees of Engineering Services	39
Cashier Module 2.0	BPI- MIS	Employees of Finance	5
Sage 300	Sage University	Employees of Finance	3
Sage 300	BPI-Finance	Employees of Finance	7
LHM & Ship Plans	BPI-Terminal Operations	Operators & Dockers	8
Microsoft Excel Levels 1 & 2	Advantage Caribbean	Employees of various departments	51
Microsoft Excel Level 3	Advantage Caribbean	Employees of various departments	13
CHU Operations	BPI-Terminal Operations	Operators	5
Personal Fall Arrest System	BPI-OSH & Risk Management	Employees of Engineering Services	39
First Aid- CPR & AED	BPI-Security	Employees of Security Services	76
ISO 9001:2015 Refresher	Qual-Eco	Employees of various departments	15
Review of Newer CHU Operations	BPI-Terminal Operations	Operators	3
Gantry Crane Operations	BPI-Terminal Operations	Operators	2
Advantum E-Labour	Shannon Brown	Terminal Operations & DID employees	5
Protect Your Paycheck	Guardian Life	Employees of various departments	33
Master Class: Certified Information Systems Security Professional	Int'l Business & Economic Forum	Manager, DID	1
Strategic Planning for Managers	PMAC	Assistant Manager, DID	1
Supervisory Management	UWI- Cave Hill	Finance & DID Employees	2
Sage 300	RAB Consulting	Employees of Finance	8



Medical Facility

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. To date, 163 employees have been vaccinated through these efforts and the HR department continues to encourage persons to be vaccinated, given the nature of the Port's business.

Continuous assessments are being made to adapt to the existing pandemic environment and to align with preventative measures as set out by the Ministry of Health and Wellness.

Facing the COVID-19 Challenge

BPI continued COVID-19 sensitization and awareness campaigns and issued each employee with masks to be used when carrying out their respective duties in compliance with the guidelines issued by the Ministry of Health & Wellness. The Port also implemented mandatory temperature testing and wearing of masks on entering the Port for all employees and visitors.

As the spread of the disease forced the shutdown of the country on two occasions, BPI was forced to adapt its work arrangements 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 released on completion of tasks;
- Identification, release and paid leave for high-risk employees;
- Limitations on the number of customers in port areas;
- Suspended delivery of non-essential cargo;
- Implementation of delivery services for personalized cargo.

Industrial Relations Climate

The Company and the Barbados Workers' Union (BWU) maintained good and healthy industrial relations which facilitated a harmonious labour-management climate. The Port operated free of any industrial action, strikes and/or disputes this year. 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.

Our Corporate Social Responsibility

As part of its corporate social responsibility, BPI facilitated initiatives as follows:

Refurbishment of Pile Bay Fish Landing Facility

The Board in the previous financial year agreed to finance the design and upgrade of the Pile Bay Fish Landing Facility. Prior to the start of construction, BPI shared details with stakeholders on how the development plans would not only preserve the unique character of Pile Bay as a centre of recreation, but more importantly safeguard the future livelihoods of its residents. BPI also sought to ensure business continuity for the fisher folk during the construction period, erecting a temporary facility from which they could ply their trade. Following the ceremonial ground-breaking in October 2020, the renovation and expansions began shortly thereafter. Works being undertaken include:

- A boat repair zone
- Upgraded sinks, countertops and refrigeration
- Motorized roller shutters to provide security
- Upgraded males and female bathrooms for employees and the Public
- A gazebo, complemented by shaded outdoor seating
- Parking including spaces for deliveries and the disabled.

The sum of \$750,181 was dedicated to the project. The new fishing facility is scheduled to be completed in May 2021.

Refurbishment of Weston Fish Market

BPI commissioned architectural and engineering services for the refurbishment of fishing facilities at Weston, St James and has given a commitment to allocate resources for the refurbishment of the Complex. The sum of \$8,600 was allocated this year to the commencement of project.

Millie Ifill Fish Market Facility

BPI financed the costs of professional services for the facility totaling \$43,200

Structural Engineering Assessment of Jetties

BPI fully funded structural engineering assessments of the Bridgetown Fisheries and Oistins Fish Market Jetties as well as the costs of preliminary structural designs of Piers and Slipways and the preparation of design/build documents, at a cost totaling \$109,008.

Donation of Tablets to Students in Need via the Ministry of Education, & Barbados Accreditation Council

BPI donated 40 tablets to the Ministry as part of the Port's commitment to enhancing accessibility to e-learning and to sharpening the digital skills of students in need. BPI employees supported the cause with contributions to a fundraising drive launched for the purchase of the devices. The 40 tablets valued at \$11,579 were presented to the Ministry on August 19, 2020. Laptops valued at \$7,160 were also donated to the Barbados Accreditation Council.

Workshop Sponsorship

BPI contributed \$3,000 towards the sponsorship of the Customs and Trade Consultation Workshop to review the Customs Bill 2019, held August 11, 2020 by the Customs and Excise Department in collaboration with the Barbados Chamber of Commerce.

Concessions Regional Logistics Hub

BPI waived all port charges to a value of approximately \$25,000, as part of its contribution to multi-agency cooperation initiative to establish the Integrated Regional Logistics Hub at the Port of Bridgetown (IRLH) for the distribution of COVID-19 personal protective equipment (PPE) throughout the Caribbean. The IRLH was established by the Caribbean Disaster Emergency Management Agency (CDEMA) in partnership with the Caribbean Development Bank (CDB) the Pan American Health Organization (PAHO), the Caribbean Public Health Agency (CARPHA), the Barbados Red Cross, the Regional Security Services, the Department of Emergency Management, the World Food Programme and the Canadian High Commission.

BPI played a major role in this critical hub, receiving the containers discharged with the PPE and other safety equipment, removing the contents and providing a warehouse where the contents were processed and placed in other containers for onward shipment to other islands or stored for onward export at a scheduled date. The Port sees itself as a facilitator and stands ready to provide any assistance required to CDEMA or any other regional entity that seeks to offer assistance to the region. The partnership is being considered as a long-term collaborative effort where the Port of Bridgetown is the hub for the movement of emergency or other supplies and equipment throughout the eastern Caribbean and beyond.

Discounted Rents

To assist tenants at the Careenage and Shallow Draught marina experiencing a significant downturn in business as a result of COVID-19 pandemic, BPI agreed to a 60% discount on rents payable at a cost of \$600,000 to the Company. The discount to boat owners, was granted for the period April to June and July to September 2020, with a further extension from October to December 31, 2020.

Assistance to Taxi Operators

BPI also offered assistance to Taxi Operators at the Port of Bridgetown, who lost income streams with the suspension of cruise operations as a result of COVID-19. BPI donated vouchers totaling \$22,950 toward the purchase of food and household items.

Assistance to QEH

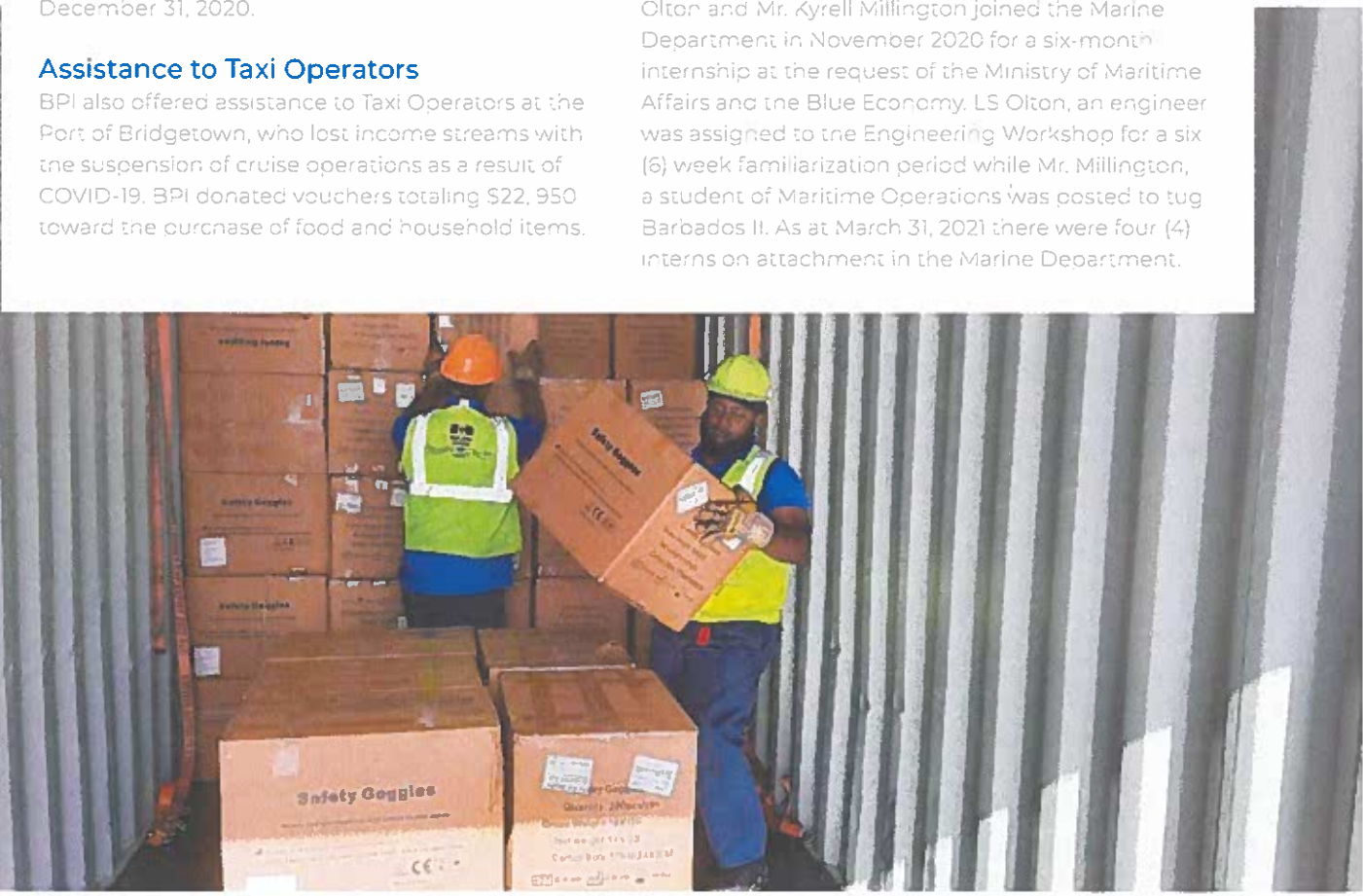
During the period July 9 to August 21, 2020 when the Queen Elizabeth Hospital's (QEH) incinerator was inoperable and undergoing extensive repairs, and again in January 2021, BPI offered its incinerator services free of charge to the hospital. This gesture ensured medical waste from the hospital, polyclinics and other medical facilities usually accepted by the QEH, was properly disposed of, and therein averted a national health issue. The fees waived amounted to a value of \$40,230.

Other

BPI made miscellaneous donations toward church maintenance, sporting and recreational associations, the National Assistance Board and the acquisition of face masks in the amount of \$29,546.

Internships

Over the past few years, BPI created a positive environment for aspiring students looking to build a career in maritime. Outstanding students in the Samuel Jackman Prescod Institute of Technology (SJPI) Maritime Studies course were awarded internships with BPI. Leading Seaman (LS) Michael Olton and Mr. Kyrell Millington joined the Marine Department in November 2020 for a six-month internship at the request of the Ministry of Maritime Affairs and the Blue Economy. LS Olton, an engineer was assigned to the Engineering Workshop for a six (6) week familiarization period while Mr. Millington, a student of Maritime Operations was posted to tug Barbados II. As at March 31, 2021 there were four (4) interns on attachment in the Marine Department.



Looking To The Future

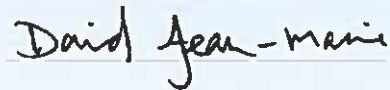
Since the start of 2020 we have witnessed a dramatic escalation in business transformation, both in terms of challenges and opportunities. We have been fundamentally improving and reinvigorating the business to respond to new technologies, shifting customer expectations and a continuously changing environment.

Accelerating the pace of change, prioritizing innovation and strategic flexibility in line with our long-term vision, lent to improvements in the performance of Barbados' logistics supply chain. The focus is now on reinforcing our standing as an efficient logistics centre on both the services and infrastructural sides. As part of our performance improvement strategies, we revolutionized process efficiencies and we expect that all requirements for the ISO 9001 Quality Management Systems (QMS) certification will be concluded by September of 2021.

Historically, a proactive diversification strategy and ongoing infrastructure enhancement has ensured six decades of success for the Port and has established the foundation for further prosperity. At this juncture, BPI is leveraging its most cherished assets — its people, its brand, its spirit and its 60 years' worth of experience in the cargo and cruise business. We have set our sights on becoming a leading maritime hub and within the last two years, significant groundwork was laid out to support our future growth and development.

A future-state action plan for break-bulk operations has been conceptualized with the aim of reducing congestion and enhancing the customer experience. Plans also include the launch of a Customer Service Charter with key performance indicators and standardized service levels to be effected in line with the ISO QMS, and formalized processes for customer complaint resolution, in a bid to promote customer satisfaction rankings. In the first quarter of the new financial year, yet another evolution of Barbados Port Inc. will be recorded, as we launch our new corporate identity.

Nationally, much is required to stimulate growth and effect the transformation we desire in the midst of much uncertainty and volatility. On the threshold of 60 years in business, Barbados Port Inc. is a very different company in terms of its size, scale of operations, its business model and capabilities. Our 2030 Vision is admittedly an ambitious goal, but we are intent on building that better future for our economy, promoting trade, enhancing border security and inspiring growth across communities.



David Jean-Marie
Managing Director and Chief Executive Officer

Adding
value to
everything
we do.



3 Reliability

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

Milestones in 2020/21





The 2020 Novaport Cup

BPI captured the 2020 NovaPort Cup for Most Improved Port Performance, emerging the winner among nine regional competing ports.



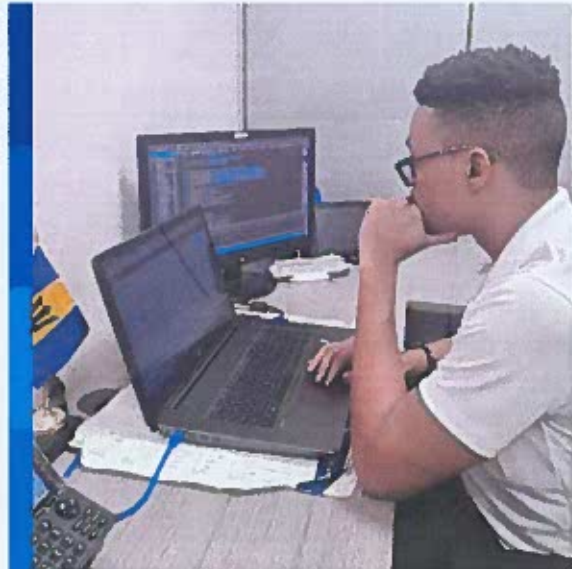
Achieving Targets

BPI achieved its target of lowering the collection of outstanding receivables to under 35 days. This year, it took 24 days on average to collect receivables.



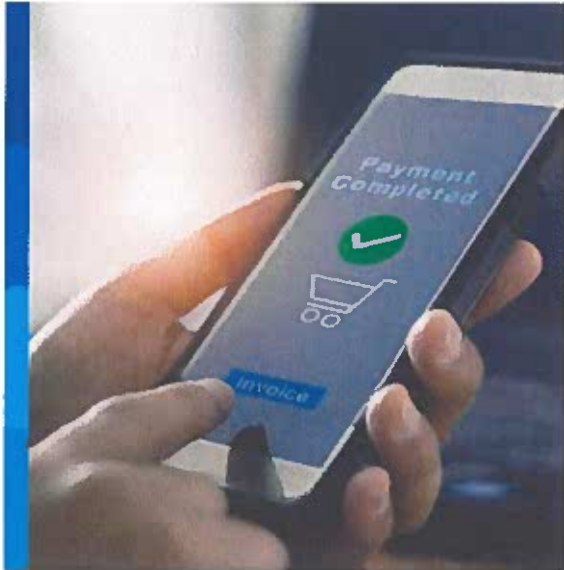
The Port's Infrastructural Build-Out

The Port Master Plan, 2020 – 2030 was completed in July 2020. The Master Plan defines the major elements of the Port's infrastructural build-out over the next 10 years.



Updated Cashier Module

A new version of Cashier Module was launched on August 1, 2020. The application allows all revenue streams to be centrally managed.



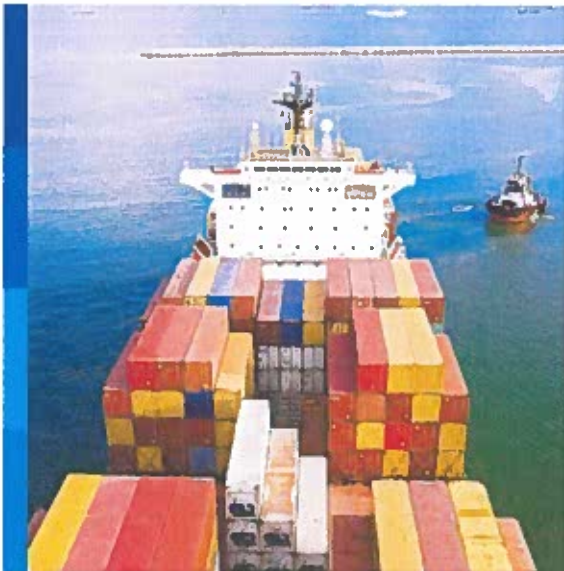
Online Payment Platform

The Online Payment Platform was also launched on August 1, 2020. The platform facilitates payment of commercial cargo handling fees.



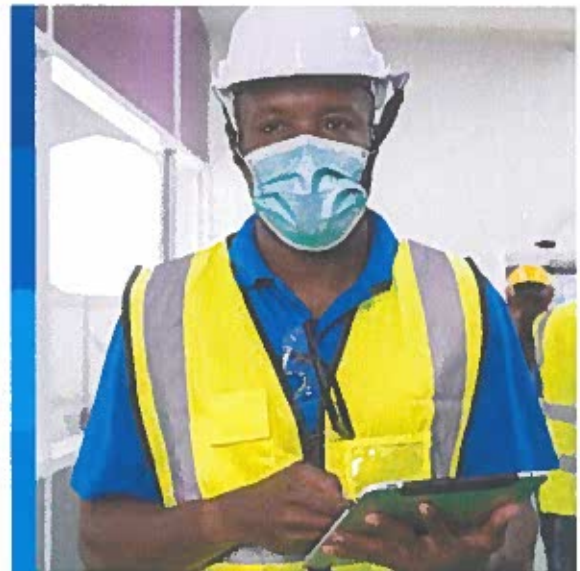
Official Opening of Cube Blue

The new Administration building was officially opened on September 18, 2020.



Electronic Vessel Clearances Facility

An Electronic Vessel Clearances facility was developed in an effort to leverage contactless processes, mitigate against COVID-19 transmission and to achieve more efficient operations.



eLabour System

BPI implemented the eLabour system to improve labour scheduling, transparency, analytics and reporting.



New Hybrid Straddle Carriers

The Port on Friday, February 5, 2021 welcomed two new diesel-electric hybrid Straddle Carriers, the first ever in the Caribbean. The US\$2.6 Million investment in new green machines, will deliver significant savings in terms of fuel, as well as maintenance costs compared to conventional diesel-powered machines, while reducing CO2 emissions and noise pollution.



The Port Community System Project

The Port Community System (PCS) project was formally initiated on March 3, 2021. The PCS will enable automated and secure information interchange among BPI and its public and private stakeholders, leading to enhanced efficiencies.

APPENDIX 1: CRUISE PASSENGER ACTIVITY 2018/19-2019/20 & 2020/21 (BY MONTH)

Month	CALLS			ARRIVING PASSENGERS			EMBARKING PASSENGERS			DISEMBARKING PASSENGERS										
	2018/19	2019/20	% +/-	2018/19	2019/20	% +/-	2018/19	2019/20	% +/-	2018/19	2019/20	% +/-	2020/21	% +/-						
April	55	39	-0.7	4	-0.9	62934	75093	0.2	1	1.0	7832	13224	0.7	0	-1.0	8353	13979	0.7	0	-1.0
May	15	7	0.9	7	1.4	27188	21340	0.0	51	-1.0	1182	891	-0.2	7	-1.0	1111	892	-0.2	14	-1.0
June	8	6	0.5	8	0.5	20069	19642	0.0	0	-1.0	1006	704	0.3	0	-1.0	1069	725	0.5	0	-1.0
July	6	7	-0.1	5	-0.3	18930	19688	0.0	0	-1.0	687	826	0.2	0	-1.0	704	814	0.2	0	-1.0
August	7	8	0.1	6	-0.3	21837	25832	0.2	0	-1.0	974	939	0.0	0	-1.0	934	942	0.0	0	-1.0
September	8	7	0.1	0	-1.0	23085	21129	0.1	0	-1.0	694	697	0.0	0	-1.0	735	756	0.0	0	-1.0
October	8	12	-0.5	2	-0.8	19000	29169	0.5	0	-1.0	891	673	-0.2	0	-1.0	878	679	-0.2	0	-1.0
November	55	54	0.0	2	-1.0	113903	114081	0.0	76	-1.0	25781	28412	0.1	40	-1.0	26010	27959	0.1	66	-1.0
December	78	78	0.0	0	-1.0	146585	155779	0.1	0	-1.0	30330	30551	0.0	0	-1.0	29138	29435	0.0	0	-1.0
January	77	79	0.0	1	-1.0	141801	147525	0.0	0	-1.0	33738	36866	0.1	0	-1.0	34200	37491	0.1	0	-1.0
February	59	66	-0.1	1	-1.0	11346	115862	0.0	0	-1.0	30866	30256	0.0	0	-1.0	30494	30148	0.0	0	-1.0
March	68	51	0.3	1	-1.0	118300	74510	-0.4	0	-1.0	29028	9741	-0.7	0	-1.0	29046	23803	-0.2	0	-1.0
TOTAL	420	414	0.0	47	0.9	819978	819650	0.0	128	-1.0	163009	153780	-0.1	47	-1.0	162672	167623	0.0	80	-1.0

4 Innovation

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



Consolidated Financial Statements

March 31, 2021
(expressed in Barbados dollars)

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Board of Directors, Officers and Advisors

March 31, 2021

Board of Directors

Peter Odle	Chairman (appointed August 21, 2020)
Lisa Cummins	Chairman (demitted July 23, 2020)
Denis Cadogan	Deputy Chairman
David Jean-Marie	Managing Director
Lisa Gale	
Ricardo McConney	
Janice Brown	
Iain Thomson	
Reynold Grant	
Captain George Fergusson	
Sir Roy Trotman	Barbados Workers' Union Representative
Sonia Foster	Permanent Secretary - Ministry of Maritime Affairs and the Blue Economy

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, 2021, 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, 2021;
- 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).

Our opinion on the consolidated financial statements does not cover the other information and we do 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 Barbados Port Inc. (Transfer of Management and Vesting of Assets), Cap. 285B section 7(1). Our audit work has been undertaken so that we might state to the Company's shareholder those matters we are required to state 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 SRH

Bridgetown, Barbados
August 5, 2021

Consolidated Statement of Financial Position

As at March 31, 2021
(expressed in Barbados dollars)

	2021 \$	2020 \$
Assets		
Current assets		
Cash resources (note 4)	14,003,502	14,143,257
Accounts receivable (note 5)	2,187,487	6,013,378
Other receivables and prepaid expenses (note 6)	2,263,982	21,362,211
Inventories (note 7)	6,371,656	6,223,979
	24,826,627	47,742,825
Non-current assets		
Financial investments (note 8)	3,834,417	3,808,212
Application for shares (note 9)	-	8,480,000
Investment in associated company (note 10)	437,631	745,217
Property, plant and equipment (note 11)	273,344,133	264,222,748
Right of use assets (note 12)	3,866,924	4,269,784
Capital works in progress (note 13)	21,969,119	15,976,828
Pension plan asset (note 14)	6,022,544	-
Deferred tax asset (note 15)	1,242,047	2,802,835
	310,716,815	300,305,624
Total assets	335,543,442	348,048,449


Consolidated Statement of Financial Position...CONT'D

As at March 31, 2021
(expressed in Barbados dollars)

	2021 \$	2020 \$
Liabilities and equity		
Current liabilities		
Accounts payable and accrued liabilities (note 16)	4,783,586	21,366,622
Corporation tax payable	1,833	-
Current portion of lease liabilities (note 12)	6,059,414	15,701,623
	10,844,833	37,068,245
Non-current liabilities		
Long-term loans (note 17)	100,000,000	79,077,000
Lease liabilities (note 12)	19,344,722	25,404,137
Pension plan obligation (note 14)	-	11,815,338
Post-retirement medical benefits obligation (note 14)	5,409,746	5,247,532
	124,754,468	121,544,007
Total liabilities	135,599,301	158,612,252
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	113,226,740	110,625,456
	192,058,731	189,436,197
Capital and reserves attributable to the owner of Barbados Port Inc.	192,058,731	189,436,197
Non-controlling interest	7,885,410	-
Total equity	199,944,141	189,436,197
Total liabilities and equity	335,543,442	348,048,449

Approved by the Board of Directors on July 15, 2021


Chairman


Director

Consolidated Statement of Comprehensive Income

For the year ended March 31, 2021
(expressed in Barbados dollars)

	2021 \$	2020 \$
Revenue		
Cargo handling	62,336,922	69,349,941
Excess storage	1,656,194	2,931,683
Marine revenue	7,582,424	10,279,581
Passenger levy	-	9,543,318
Other (note 20)	7,681,435	9,588,039
	79,256,975	101,692,562
Other operating income		
Rent	1,413,001	1,543,995
Gain on disposal of plant and equipment	8,511	6,822
Miscellaneous	598,429	1,837,507
Interest income	29,943	2,993
	2,049,884	3,391,317
Total operating income	81,306,859	105,083,879
Expenses		
Administration	13,749,497	16,607,089
Staff costs (note 22)	35,737,009	42,346,724
Other expenses	23,086,580	21,872,057
Impairment of right-of-use assets	-	1,529,533
	72,573,086	82,355,403
Profit from operations	8,733,773	22,728,476

Consolidated Statement of Comprehensive Income ...CONT'D

For the year ended March 31, 2021
(expressed in Barbados dollars)

	2021 \$	2020 \$
Profit from operations	8,733,773	22,728,476
Finance costs	(8,530,846)	(8,794,307)
Income before taxation and share of net (loss)/income of associated company	202,927	13,934,169
Share of net (loss)/income of associated company (note 10)	(307,586)	240,920
(Loss)/income before taxation	(104,659)	14,175,089
Taxation (note 23)	(1,705,152)	(4,528,052)
Net (loss)/income for the year	(1,809,811)	9,647,037
Net (loss)/income is attributable to:		
Owner of Barbados Port Inc.	(1,711,146)	9,647,037
Non-controlling interest	(98,665)	-
	(1,809,811)	9,647,037
Other comprehensive income:		
<i>Items that will not be reclassified to income:</i>		
Remeasurement of retirement benefit obligations (note 14)	4,169,899	677,314
Deferred tax credit on remeasurement of retirement benefit obligations (note 15)	142,531	387,621
Other comprehensive income for the year	4,312,430	1,064,935
Total comprehensive income for the year	2,502,619	10,711,972
Total comprehensive income for the year is attributable to:		
Owner of Barbados Port Inc.	2,601,284	10,711,972
Non-controlling interest	(98,665)	-
	2,502,619	10,711,972

Consolidated Statement of Cash Flows

For the year ended March 31, 2021
(expressed in Barbados dollars)

	2021 \$	2020 \$
Cash flows from operating activities		
(Loss)/income before taxation	(104,659)	14,175,089
Adjustments for:		
Depreciation	17,013,056	15,040,747
Gain on disposal of property, plant and equipment	(8,511)	(6,822)
Interest and dividend income	(29,943)	(2,993)
Finance costs	8,530,846	8,794,307
Share of net loss/(income) of associated company	307,586	(240,920)
Pension and other post-retirement benefits	2,227,110	2,773,333
Write off of acquisition-related costs	480,000	-
Impairment of right of use assets	-	1,529,533
Amortisation of right of use assets	402,860	362,859
Operating profit before working capital changes	28,818,345	42,425,133
Decrease/(increase) in restricted cash (current)	5,400,002	(258,338)
Decrease in accounts receivable	3,825,891	829,616
Decrease/(increase) in other receivables and prepaid expenses	26,352,973	(91,631)
(Increase)/decrease in inventories	(147,677)	125,533
Decrease in accounts payable and accrued liabilities	(9,049,536)	(794,188)
Cash generated from operations	55,199,998	42,236,125
Finance costs paid	(8,530,846)	(8,481,507)
Pension and other post-retirement benefits' contributions	(13,732,880)	(2,286,005)
Net cash generated from operating activities	32,936,272	31,468,613
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,443,192)	(895,498)
Expenditure on capital works in progress	(17,993,085)	(7,132,798)
Proceeds from disposal of property, plant and equipment	8,511	8,540
Interest and dividend income received	29,930	2,993
Purchase of financial investments	-	(1,363,493)
Proceeds on disposal of financial investments	-	11,091,417
Application for shares	-	(500,000)
Payment for acquisition of subsidiary, net of cash acquired	(7,499,565)	-
Dividends from associated company	-	600,000
Net cash used in investing activities	(30,897,401)	(8,188,839)
Carried forward	2,038,871	23,279,774

Consolidated Statement of Cash Flows ...CONT'D

For the year ended March 31, 2021
(expressed in Barbados dollars)

	2021 \$	2020 \$
Carried forward	2,038,871	23,279,774
Cash flows from financing activities		
Loan received	18,923,000	21,446,119
Repayment of finance leases	(15,701,624)	(13,592,111)
Repayment of long-term loans	-	(32,486,957)
Net cash generated from/(used in) financing activities	3,221,376	(24,632,949)
Net increase/(decrease) in cash and cash equivalents	5,260,247	(1,353,175)
Cash and cash equivalents - beginning of year	8,743,255	10,096,430
Cash and cash equivalents - end of year (note 4)	14,003,502	8,743,255

Non-cash investing and financing activities (note 29)

Notes to the Consolidated Financial Statements

March 31, 2021
(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 Crown 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, 2021
(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 the year (note 9). The Company and its subsidiary are referred to as the Group.

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

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, 2021
(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 2021 financial year*

The Group adopted the following amendments in the current year:

Amendments to IFRS 3 - definition of a business

This amendment revises the definition of a business which may impact whether a transaction is accounted for as a business combination or asset acquisition. According to feedback received by the IASB, application of the current guidance is commonly thought to be too complex, and it results in too many transactions qualifying as business combinations.

Amendments to IAS 1 and IAS 8 on the definition of material

These amendments to IAS 1, 'Presentation of financial statements', and IAS 8, 'Accounting policies, changes in accounting estimates and errors', and consequential amendments to other IFRSs: i) Use a consistent definition of materiality throughout IFRSs and the Conceptual Framework for Financial Reporting; ii) clarify the explanation of the definition of material; and iii) incorporate some of the guidance in IAS 1 about immaterial information.

ii) *New standards, amendments and interpretations mandatory for the first time for the financial year beginning April 1, 2020 but not currently relevant to the Group*

Amendments to IFRS 9, IAS 39 and IFRS 7, 'Interest rate benchmark reform'. The reliefs provided by these amendments relate to hedge accounting and have the effect that IBOR reform should not generally cause hedge accounting to terminate. Any hedge ineffectiveness should continue to be recorded in the income statement.

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.

Amendments to IAS 1, Practice statement 2 and IAS 8 'Presentation and financial statements' on classification of liabilities. 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 (effective January 1, 2023).

Notes to the Consolidated Financial Statements

March 31, 2021
(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

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 (January 1, 2022)

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'.

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.

Notes to the Consolidated Financial Statements

March 31, 2021
(expressed in Barbados dollars)

2. Significant accounting policies ...continued

c) Property, plant and equipment ...continued

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 crossberms	-	2%
Administration building	-	2%
Transit sheds and workshops	-	4%
Other buildings	-	5%

Other assets

Watercraft	-	3% and 5%
Cargo handling equipment	-	10% and 6 $\frac{2}{3}$ %
Marine equipment and navigational aids	-	10%
Motor vehicles	-	20%
Pallets	-	33 $\frac{1}{3}$ %
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, 2021
(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, 2021

(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. See note 2 (f) for the Group's accounting policies for business combinations.

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, 2021

(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).

Notes to the Consolidated Financial Statements

March 31, 2021

(expressed in Barbados dollars)

2. Significant accounting policies (continued)

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).

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.

Notes to the Consolidated Financial Statements

March 31, 2021

(expressed in Barbados dollars)

2. Significant accounting policies ...continued

h) Financial investments ...continued

ii) Measurement ...continued

- **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.

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.

Notes to the Consolidated Financial Statements

March 31, 2021
(expressed in Barbados dollars)

2. Significant accounting policies *continued*

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 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.

Notes to the Consolidated Financial Statements

March 31, 2021
(expressed in Barbados dollars)

2. Significant accounting policies ...continued

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.

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.

Notes to the Consolidated Financial Statements

March 31, 2021
(expressed in Barbados dollars)

2. Significant accounting policies ...continued

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.

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.

Notes to the Consolidated Financial Statements

March 31, 2021

(expressed in Barbados dollars)

2. Significant accounting policies ...continued

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.

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.

Notes to the Consolidated Financial Statements

March 31, 2021
(expressed in Barbados dollars)

2. Significant accounting policies ..continued

p) Leases ..continued

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

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.

Notes to the Consolidated Financial Statements

March 31, 2021

(expressed in Barbados dollars)

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.

4. Cash resources

	2021 \$	2020 \$
Cash at bank	14,003,502	14,143,257
Less: current restricted cash (see below)	-	(5,400,002)
Cash and cash equivalents	14,003,502	8,743,255

Included in cash at bank is \$Nil (2020 - \$5,400,002) held in a Debt Service Reserve Account at Republic Finance & Trust (Barbados) Limited to facilitate settlement of principal and interest in relation to the \$70 million bond issue (note 17). The bond was repaid in full as at March 31, 2020 and the Debt Service Reserve Account was repaid.

Significant concentrations of cash at bank are as follows:

	2021 \$	2020 \$
First Citizens Bank (Barbados) Limited (long term issue credit rating BBB- by Standard & Pooors)	3,346,923	5,657,366
Republic Bank (Barbados) Limited (unrated)	10,656,579	3,083,074
Republic Finance & Trust (Barbados) Limited (unrated)	-	5,400,002

Notes to the Consolidated Financial Statements

March 31, 2021
(expressed in Barbados dollars)

5. Accounts receivable

	2021 \$	2020 \$
Trade receivables	2,922,374	6,219,541
Less: loss allowance	(734,887)	(206,163)
	2,187,487	6,013,378

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, 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

March 31, 2020

Expected loss rate	3.3%	3.0%	3.7%	4.4%	
Trade receivables	\$2,596,355	\$2,136,949	\$314,177	\$1,172,060	\$6,219,541
Loss allowance	\$77,813	\$64,706	\$11,659	\$51,985	\$206,163

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

	2021 \$	2020 \$
Opening loss allowance calculated under IFRS 9	206,163	353,432
Increase/(decrease) in loss allowance recognised in income during the year	535,774	(118,481)
	741,937	234,951
Receivables written off during the year as uncollectible	(7,050)	(28,788)
At March 31	734,887	206,163

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, 2021

(expressed in Barbados dollars)

6. Other receivables and prepaid expenses

	2021 \$	2020 \$
Staff receivables	224,658	177,248
VAT receivable	1,089,115	-
Other	37,175	-
Bond subscriptions receivable	-	20,530,637
Other receivables	1,350,948	20,707,885
Prepaid expenses	913,034	654,326
	2,263,982	21,362,211

Bond subscriptions receivable from NCB Capital Markets (Barbados) Limited of \$20,530,637 were settled on April 23, 2020.

No loss allowance in respect of other receivables was required in 2021 or 2020.

7. Inventories

	2021 \$	2020 \$
Fuel	26,215	239,967
Equipment spares	6,749,323	6,371,848
Stationery	17,346	33,392
	6,792,884	6,645,207
Less: provision for obsolescence	(421,228)	(421,228)
	6,371,656	6,223,979

The Group did not write off inventory in 2021 or 2020.

Notes to the Consolidated Financial Statements

March 31, 2021
(expressed in Barbados dollars)

8. Financial investments

	2021 \$	2020 \$
Financial assets at fair value through OCI		
Barbados Ice Cream Company Limited (Equities)		
At beginning and end of the year	120,134	120,134
Financial assets at amortised cost		
NCB Capital Markets (Barbados) Limited (note 17)	2,396,953	2,370,000
Ansa Finance Lease Reserve Account at First Citizens Bank	995,000	995,000
Term deposits at Republic Bank (Barbados) Limited	23,237	23,237
Government of Barbados Series B Bond 2033	299,093	299,841
	3,714,283	3,688,078
	3,834,417	3,808,212

The Debt Service Reserve 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 allowances on financial investments was required in 2021 and 2020.

The fair value of financial assets at year end was \$3,761,259 (2020 - \$3,726,260).

Notes to the Consolidated Financial Statements

March 31, 2021
(expressed in Barbados dollars)

9. Application for shares/acquisition of subsidiary

During the prior year, the Company applied for 8,000,000 shares or a 50% interest in One Port Investments Inc. (One Port). As at March 31, 2020, \$500,000 had been paid directly to One Port. Amounts of \$7,500,000 due at March 31, 2020 to One Port and the former 50% shareholders had been included in accrued liabilities. The shares were issued to the Company on April 30, 2020.

a) Summary of acquisition

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 are as follows:

Purchase consideration (refer to note 9(b))

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

	2021 \$	2020 \$
Cash paid	7,500,000	500,000

The assets and liabilities recognised as a result of the acquisition are 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, 2021

(expressed in Barbados dollars)

9. Application for shares ...continued

b) Purchase consideration - cashflow

	2021 \$	2020 \$
Outflow of cash to acquire subsidiary, net of cash acquired		
Cash consideration	7,500,000	500,000
Less: Balances acquired		
Cash consideration	435	-
Net outflow of cash - investing activities	7,499,565	500,000

Acquisition-related costs

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

10. Investment in associated company

	2021 \$	2020 \$
Bridgetown Cruise Terminals, Inc.		
750,000 Class 'A' common shares (30%)	750,000	750,000

Notes to the Consolidated Financial Statements

March 31, 2021

(expressed in Barbados dollars)

10. Investment in associated company ...continued

	2021 \$	2020 \$
Summarised statement of financial position		
Total current assets	1,901,471	3,126,144
Total non-current assets	94,559	130,816
Total current liabilities	458,139	665,846
Total non-current liabilities	79,121	107,056
Net assets	1,458,770	2,484,058
Reconciliation to carrying amounts		
Opening net assets April 1	2,484,058	2,280,453
Net (loss)/income and total comprehensive (loss)/income for the year	(1,025,288)	803,605
Dividend paid	-	(600,000)
Closing net assets	1,458,770	2,484,058
Group's share in %	30%	30%
Group's share in \$	437,631	745,217
Summarised statement of comprehensive income		
Revenue	21,286	2,289,510
Net (loss)/income and total comprehensive (loss)/income for the year	(1,025,288)	803,065
Group's share in \$	(307,586)	240,920
Dividends received from associated company	-	600,000

Notes to the Consolidated Financial Statements

March 31, 2021

(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, 2019							
Cost	61,775,488	33,244,800	89,185,797	5,190,157	158,580,338	78,068,622	426,045,182
Accumulated depreciation	—	(24,218,683)	(21,910,485)	(3,975,155)	(113,409,012)	(17,562,658)	(181,075,993)
Net book amount	61,775,488	9,026,117	67,275,312	1,214,982	45,171,326	60,505,964	244,969,189
Year ended March 31, 2020							
Opening net book amount	61,775,488	9,026,117	67,275,312	1,214,982	45,171,326	60,505,964	244,969,189
Transferred from capital works in progress	148,088	2,142,958	—	—	30,847,835	—	33,138,881
Additions	—	415	—	—	895,083	—	895,498
Reclassification	54,250	67,551	(3,442,800)	—	3,582,644	—	261,645
Disposals at cost	—	—	—	—	(34,414)	—	(34,414)
Accumulated depreciation on disposals	—	—	—	—	32,696	—	32,696
Depreciation for year	—	(912,437)	(1,439,436)	(274,902)	(10,852,600)	(1,561,372)	(15,040,747)
Closing net book amount	61,977,826	10,324,604	62,393,076	940,080	69,642,570	58,944,592	264,222,748
At March 31, 2020							
Cost	61,977,826	35,455,774	85,742,998	5,190,157	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

Notes to the Consolidated Financial Statements

March 31, 2021
(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, 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, 2021
(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:

	2021 \$	2020 \$
Right-of-use assets		
Land	873,333	913,333
Watercraft (tugs)	2,993,591	3,356,451
	3,866,924	4,269,784
Lease liabilities		
Current	6,059,414	15,701,623
Non-current	19,344,722	25,404,137
	25,404,136	41,105,760

Included in property, plant and equipment are assets held under finance leases with a net book value of \$23,857,116 (2020 - \$28,372,946).

ii) Amounts recognised in the statement of comprehensive income

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

	2021 \$	2020 \$
Depreciation and amortisation charge of right-of-use assets		
Land	(40,000)	(40,000)
Watercraft (tugs)	(362,860)	(362,859)
	(402,860)	(402,859)
Interest expense (included in finance costs)	2,761,872	3,877,145

On adoption of IFRS 16, land was recognised as a right of use asset 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, 2021

(expressed in Barbados dollars)

12. Leases ...continued

Amounts recognised at year end ...continued

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

On adoption of IFRS 16, watercraft was recognised as a right-of-use asset 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 2021 was \$15,701,623 (2020 - \$13,592,111).

Notes to the Consolidated Financial Statements

March 31, 2021
(expressed in Barbados dollars)

13. Capital works in progress

	Berth 6 project \$	Other \$	Total \$
At March 31, 2019			
Cost	14,308,150	27,710,848	42,018,998
Year ended March 31, 2020			
Opening net book amount	14,308,150	27,710,848	42,018,998
Additions	–	7,132,798	7,132,798
Transfers to property, plant and equipment	–	(33,142,524)	(33,142,524)
Expensed	–	(32,444)	(32,444)
Closing net book amount	14,308,150	1,668,678	15,976,828
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

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 (Note 16). By letter dated June 22, 2018, the Group was instructed by its shareholder to put matters related to this matter 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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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:

	2021	2020
	\$	\$
Pension plan	6,022,544	(11,815,338)
Post-retirement medical benefits	(5,409,746)	(5,247,532)
	612,798	(17,062,870)

Pension plan

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

	2021	2020
	\$	\$
Present value of funded obligations	(62,238,313)	(61,494,922)
Fair value of plan assets	76,460,442	60,067,594
Effect of IFRIC 14	-	(10,388,010)
Effect of asset ceiling	(8,199,585)	-
Pension plan asset/(liability)	6,022,544	(11,815,338)

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

	2021	2020
	\$	\$
Present value of funded obligations - beginning of year	61,494,922	63,474,882
Current service cost	1,152,668	1,258,842
Interest cost	4,691,561	4,782,690
Benefits paid	(4,222,627)	(4,784,320)
Actuarial gains on retirement benefit obligations	(878,211)	(3,237,172)
Present value of funded obligations - end of year	62,238,313	61,494,922

Notes to the Consolidated Financial Statements

March 31, 2021

(expressed in Barbados dollars)

14. Retirement benefit obligations ...continued

Pension plan ...continued

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

	2021 \$	2020 \$
Plan assets - beginning of year	60,067,594	68,635,146
Actual return on plan assets	5,013,760	(5,944,824)
Contributions - total	15,601,715	2,161,592
Benefits paid	(4,222,627)	(4,784,320)
Plan assets - end of year	76,460,442	60,067,594

Movements in the net asset/(liability) recognised in the statement of financial position:

	2021 \$	2020 \$
Net liability - beginning of year	(11,815,338)	(12,175,745)
Contributions paid	15,601,715	2,161,592
Expense recognised in the statement of comprehensive income	(1,553,121)	(2,167,481)
Actuarial gains recognised in the statement of other comprehensive income	3,789,288	366,296
Net asset/(liability) - end of year	6,022,544	(1,815,338)

Expense recognised in the statement of comprehensive income:

	2021 \$	2020 \$
Current service cost	1,152,668	1,258,842
Interest cost	4,691,561	4,782,690
Expected return on plan assets	(5,096,178)	(5,217,593)
Interest on effect of asset ceiling	805,070	1,343,542
	1,553,121	2,167,481
Actual return on plan assets	5,013,760	(5,944,823)

Notes to the Consolidated Financial Statements

March 31, 2021
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14. Retirement benefit obligations ...continued

Pension plan ...continued

Income recognised in other comprehensive income:

	2021	2020
	\$	\$
Actuarial gains on retirement benefit obligations	878,211	3,237,172
Return on plan assets excluding amounts included in interest expense	(82,419)	(11,162,417)
Effect of IFRIC 14	11,193,081	8,291,541
Effect of asset ceiling	(8,199,585)	-
	<u>3,789,288</u>	<u>366,296</u>

	2021	2020
	%	%
Plan assets are comprised as follows:		
Bonds	34.8	35.3
Equities	41.4	50.0
Deposits	13.3	1.4
Other assets	10.5	13.3
	<u>100.0</u>	<u>100.0</u>

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 6% (2020 - 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

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14. Retirement benefit obligations *...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, 2022 are \$1,214,258 (2021 - \$7,935,582).

The weighted average duration of the defined benefit plan is 12.36 (2020 - 12.58) 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	4.68	5.30	15.17	26.82	51.97

Principal actuarial assumptions used for accounting purposes were:

	2021 %	2020 %
Discount rate	7.75	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

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14. Retirement benefit obligations ...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%	6,832,667	5,707,229
Salary growth rate	0.5%	2,065,090	1,865,442
Life expectancy	1 year	3,513,365	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.

	2021 \$	2020 \$
Present value of funded obligations	5,409,746	5,247,532

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

Notes to the Consolidated Financial Statements

March 31, 2021
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14. Retirement benefit obligations ...continued

Post-retirement medical benefits

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

	2021 \$	2020 \$
Present value of funded obligations - beginning of year	5,247,533	5,077,111
Current service cost	175,076	173,665
Interest cost	415,170	395,385
Past service cost - vested benefits	83,743	36,802
Benefits paid	(131,165)	(124,413)
Actuarial gains on obligations	(380,611)	(311,018)
Present value of funded obligations - end of year	5,409,746	5,247,532

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

	2021 \$	2020 \$
Net liability - beginning of year	5,247,533	5,077,111
Contributions paid	(131,165)	(124,413)
Expense recognised in the statement of comprehensive income	673,989	605,852
Actuarial gains recognised in the statement of other comprehensive income	(380,611)	(311,018)
Net liability - end of year	5,409,746	5,247,532

Expense recognised in the statement of comprehensive income

	2021 \$	2020 \$
Current service cost	175,076	173,665
Interest cost	415,170	395,385
Past service cost - vested benefits	83,743	36,802
	673,989	605,852

Notes to the Consolidated Financial Statements

March 31, 2021
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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	826,939	676,376

Principal actuarial assumptions used for accounting purposes were:

	2021 %	2020 %
Discount rate	7.75	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.

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15. Deferred tax asset

	2021 \$	2020 \$
Deferred tax asset (DTA) - beginning of year	2,802,835	6,943,266
Effect of remeasurement of DTA brought forward through Income (note 23)	(1,370,115)	(3,350,512)
Effect of remeasurement of DTA brought forward through OCI	220,297	409,092
	1,653,017	4,001,846
Deferred tax charge (note 23)	(333,204)	(1,177,594)
Deferred tax charge relating to components of other comprehensive income	(77,766)	(21,417)
Deferred tax asset - end of year	1,242,047	2,802,835

The deferred tax asset consists of the following components:

	2021 \$	2020 \$
Delayed tax depreciation	47,783,358	65,730,272
Unutilised tax loss (note 24)	10,506,665	-
Retirement benefit (asset)/liability (note 14)	(612,798)	17,062,871
Qualifying capital expenditure (note 24)	7,956,564	4,711,270
Loss allowance	734,887	206,163
Right-of-use asset	151,432	706,920
	66,520,108	88,417,496
Deferred tax asset at effective corporation tax rate of 3.68% (2020 - 3.17%)	1,242,047	2,802,835

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, 2021

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16. Accounts payable and accrued liabilities

	2021 \$	2020 \$
Current liabilities		
Accounts payable	1,307,404	1,383,247
Accrued liabilities	3,476,182	12,076,875
Berth 5 Projects Limited	-	7,906,500
	4,783,586	21,366,622

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. For advanced works related to the project, a payment of \$20 million was payable. Payment was deferred to May 17, 2019 and subsequently to May 17, 2020. Payment was settled during the current year.

17. Long-term loans

	2021 \$	2020 \$
NCB Capital Markets (Barbados) Limited - \$100M	100,000,000	79,077,000

This bond was issued through NCB Capital Markets (Barbados) Limited for the purpose of refinancing existing loans and working capital management. As at March 31, 2021, subscriptions totalled \$100,000,000 (2020 - \$79,077,000). The bond is 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. This bond is secured by a mortgage 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 bond funds were received in full by April 23, 2020.

The fair value of the Group's fixed rate borrowings was \$89,960,133 (2020 - \$72,549,953) at the end of the year.

18. Share capital

Authorised

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

Issued

	2021 \$	2020 \$
100 (2020 - 100) common shares, stated value	100	100

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19. Capital contributions

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

	2021 \$	2020 \$
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 Crown:

- a) The freehold land and buildings and the static facilities at the Port of Bridgetown belonging to 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.
- b) 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.
- c) Under the terms of the lease agreement, the Port also undertook to reimburse the Crown for the debt servicing assumed by 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 Crown for long term loans made by 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 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.

Notes to the Consolidated Financial Statements

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(expressed in Barbados dollars)

19. Capital contributions ...continued

- 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

	2021	2020
	\$	\$
Bulk handling terminal	640,917	773,932
Auction sales	189,245	-
Garbage disposal	641,482	1,095,948
Security services	6,102,750	7,341,350
Taxi and tour buses registration	57,720	252,151
Photo identification	49,321	124,658
	7,681,435	9,588,039

21. Expenses by nature

	2021	2020
	\$	\$
Staff costs (note 22)	35,737,009	42,346,724
Repairs and maintenance	5,670,664	6,428,451
Utilities	2,443,167	6,613,578
Advertising and promotions	69,795	510,423
Depreciation (note 11)	17,013,056	15,040,747
Amortisation of right-of-use assets (note 12)	402,860	402,859
Insurance	1,732,972	1,294,419
Professional fees	1,069,710	995,704
Rent expense	108,324	-
Other	8,325,529	7,192,965
Impairment of right-of-use assets	-	1,529,533
	72,573,086	82,355,403

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22. Staff costs

	2021	2020
	\$	\$
Payroll costs and benefits	33,243,715	39,260,414
Pension expenses		
- defined benefit	1,553,121	2,167,481
- defined contribution	266,184	312,977
Post-retirement medical benefits	673,989	605,852
	35,737,009	42,346,724

23. Taxation

	2021	2020
	\$	\$
Deferred tax charge (note 15)	1,705,152	4,528,052

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

	2021	2020
	\$	\$
(Loss)/income before taxation	(104,659)	14,175,089
Taxation calculated at 5.5%	(5,756)	779,630
Effect of change in tax rate during the year on opening deferred tax balance	1,374,204	3,350,512
Tax effect of rate at which deferred tax asset is computed	(801,993)	(790,675)
Expenses not deductible for tax purposes	1,127,632	982,288
Income not subject to tax	-	(13,252)
Under provision of prior year deferred tax	11,065	219,549
	1,705,152	4,528,052

Notes to the Consolidated Financial Statements

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24. Unutilised tax loss and qualifying capital expenditure

Unutilised tax loss

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

Year of income	Tax loss \$	Expiry date
2021	10,506,665	2028

This tax loss is as computed by the Group in its corporation tax returns and has 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:

Year of income	B/fwd \$	Incurred \$	C/fwd \$	Expiry date
2018	608,274	-	608,274	2037
2019	3,201,025	-	3,201,025	2038
2020	901,972	-	901,972	2039
2021	-	3,245,293	3,245,293	2040
	4,711,271	3,245,293	7,956,564	

Notes to the Consolidated Financial Statements

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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.

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.

Notes to the Consolidated Financial Statements

March 31, 2021

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25. Financial risk management ..continued

a) Financial risk factors ..continued

i) Market risk ..continued

2) Interest rate risk ..continued

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

Fixed rate instruments

	2021	2020
	\$	\$
Financial assets	3,714,283	3,688,078
Financial liabilities	125,404,136	120,182,760

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.

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

	2021		2020	
	\$	%	\$	%
Cash resources	14,003,502	65.88	14,143,257	31.75
Accounts receivable	2,187,487	10.29	6,013,378	13.50
Other receivables	1,350,948	6.36	20,707,885	46.47
Financial investments (financial assets at amortised cost)	3,714,283	17.47	3,688,078	8.28
	21,256,220	100.00	44,552,598	100.00

Notes to the Consolidated Financial Statements

March 31, 2021

(expressed in Barbados dollars)

25. Financial risk management ...continued

a) Financial risk factors ...continued

ii) Credit risk ...continued

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 2021 or 2020.

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March 31, 2021
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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.

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	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	100,000,000	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, 2021

(expressed in Barbados dollars)

25. Financial risk management – continued

a) Financial risk factors – continued

iii) Liquidity risk – continued

2020	Carrying amount \$	Contractual cash flows \$	0 to 12 months \$	1 to 2 years \$	2 to 5 years \$	More than 5 years \$
Assets						
Cash resources	14,143,257	14,143,257	14,143,257	–	–	–
Accounts receivable	6,013,378	6,013,378	6,013,378	–	–	–
Other receivables	20,707,885	20,707,885	20,707,885	–	–	–
Financial investments (financial assets at amortised cost)	3,688,078	3,688,078	3,688,078	–	–	–
	44,552,598	44,552,598	44,552,598	–	–	–
Liabilities						
Accounts payable	9,289,747	9,289,747	9,289,747	–	–	–
Lease liabilities	41,105,760	49,226,393	18,463,493	7,923,412	19,361,240	3,478,248
Long term loans	79,077,000	131,631,250	4,700,000	4,700,000	62,656,250	59,575,000
	129,472,507	190,147,390	32,453,240	12,623,412	82,017,490	63,053,248
Liquidity gap	(84,919,909)	(145,594,792)	12,099,358	(12,623,412)	(82,017,490)	(63,053,248)

Notes to the Consolidated Financial Statements

March 31, 2021
(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

March 31, 2021
(expressed in Barbados dollars)

26. Contingent liabilities

As of March 31, 2021 and 2020, 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. Subsequent to year-end, 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:

	2021	2020
	\$	\$
i) Portion of passenger head tax paid	-	432,285
ii) Security service charge	87,152	101,664

2) Key management:

	2021	2020
	\$	\$
Directors' fees	88,500	90,600
Salaries and other employee benefits	2,552,643	2,428,114

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

28. Operating leases

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

	2021	2020
	\$	\$
Less than one year	1,695,817	1,440,533
Between one and five years	2,472,352	587,732
More than 5 years	13,227,160	8,603,078

During the year \$1,413,001 (2020 - \$1,543,995) was recognised as rental income in the statement of comprehensive income.

Notes to the Consolidated Financial Statements

March 31, 2021

(expressed in Barbados dollars)

29. Cash flow information

a) Non-cash investing and financing activities

	2021 \$	2020 \$
Application for shares	-	7,980,000
Rollover of Republic Finance & Trust (Barbados) Limited - \$70M bonds into NCB Capital Markets (Barbados) Limited - \$100M bonds	-	28,632,889
Recognition of bond subscriptions settled post year end	-	20,530,637
Recognition of lease liabilities on adoption of IFRS 16	-	6,162,176
Capitalised interest	-	538,358
Bond subscriptions	2,000,000	-

b) Net debt reconciliation

	2021 \$	2020 \$
Cash resources	14,003,502	14,143,257
Financial investments (financial assets at amortised cost)	3,714,283	3,688,078
Long-term loans	(100,000,000)	(79,077,000)
Current portion of lease liabilities	(6,059,414)	(15,701,623)
Lease liabilities	(19,344,722)	(25,404,137)
Net debt	(107,686,351)	(102,351,425)
Cash and financial investments	17,717,785	17,831,335
Long-term loans and lease liabilities	(125,404,136)	(120,182,760)
	(107,686,351)	(102,351,425)

Notes to the Consolidated Financial Statements

March 31, 2021
(expressed in Barbados dollars)

29. Cash flow information *continued*

	Cash	Financial investments	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, 2020	14,143,257	3,688,078	-	(15,701,623)	(25,404,137)	-	(79,077,000)	(102,351,425)
Cash flows	(139,755)	(777)	-	15,701,623	-	-	(18,923,000)	(3,361,879)
Non-cash flows	-	26,952	-	-	1	-	(2,000,000)	(1,973,047)
Other non-cash movements	-	-	-	(6,059,414)	6,059,414	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
	14,003,502	3,714,283	-	(6,059,414)	(19,344,722)	-	(100,000,000)	(107,686,351)
Net debt as at								
April 1, 2019	15,238,094	3,416,002	(16,373,855)	(13,280,106)	(35,630,564)	(10,477,949)	(50,641,897)	(107,750,275)
Cash flows	(1,094,837)	272,076	8,467,355	13,280,106	-	10,477,949	(7,904,466)	23,498,183
Non-cash flows	-	-	-	-	(5,475,196)	-	(20,530,637)	(26,005,833)
Other non-cash movements	-	-	7,906,500	(15,701,623)	15,701,623	-	-	7,906,500
Reclassifications	-	-	-	-	-	-	-	-
	14,143,257	3,688,078	-	(15,701,623)	(25,404,137)	-	(79,077,000)	(102,351,425)

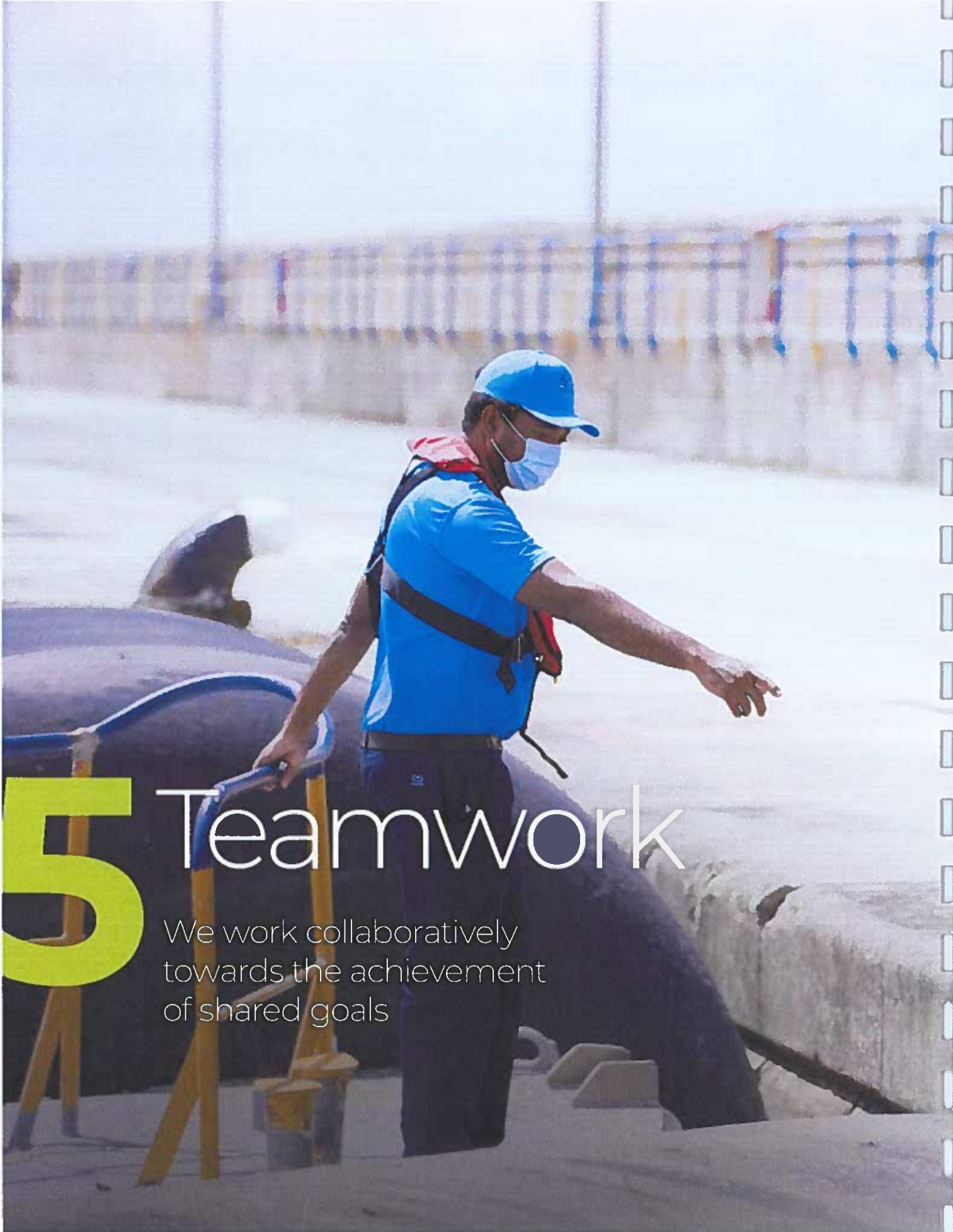
Notes to the Consolidated Financial Statements

March 31, 2021
(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 have 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.

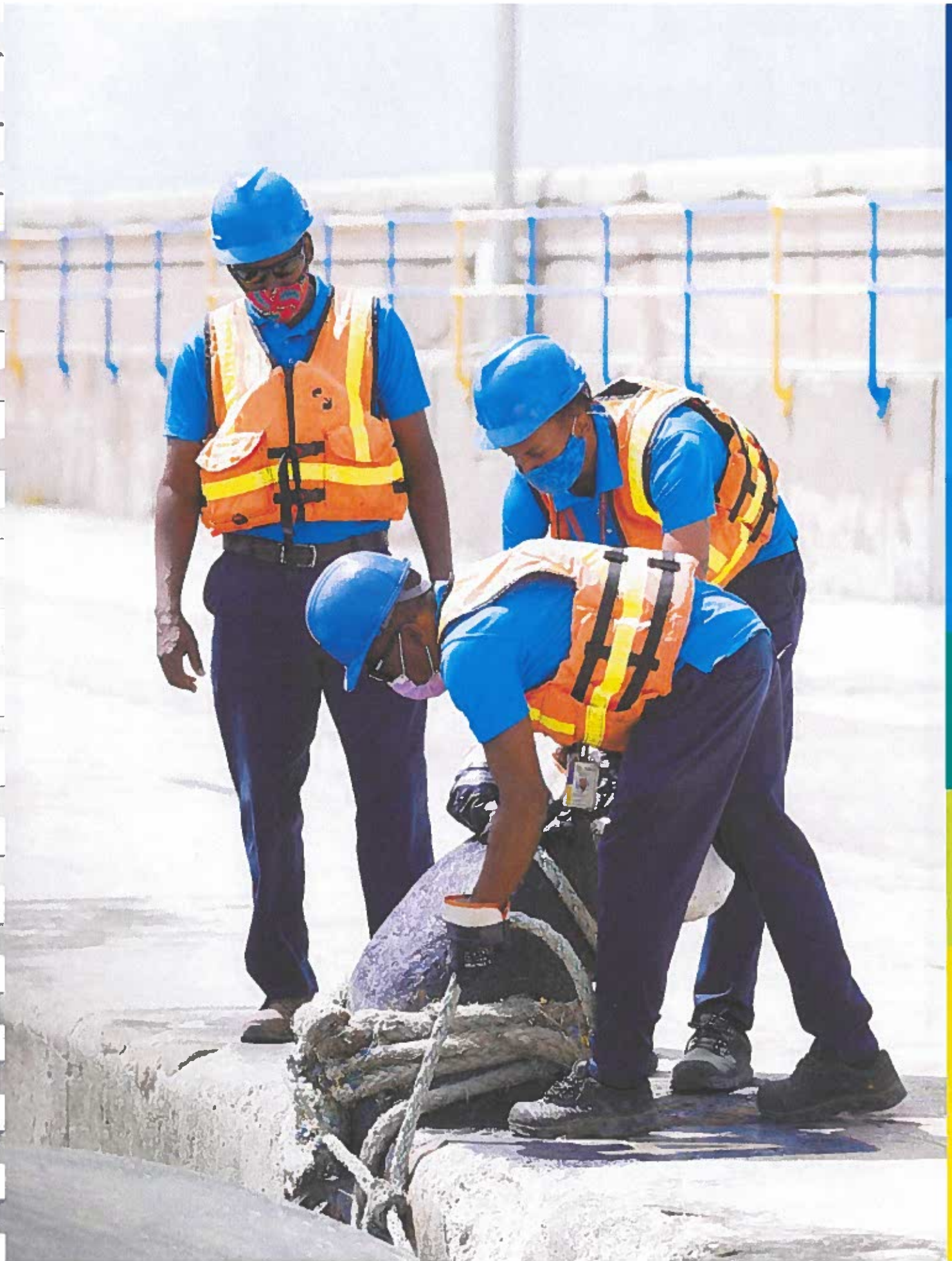
The Group primarily operates as the primary entry point for goods into Barbados. During the year ended March 31, 2021, the reduction in economic activity resulted in a significant decline in revenue. The cruise segment of the business was decimated by the global halt of cruise travel. Discounts were also granted to berth rentals as those customers are tourism-based. As a result, there was a reduction in the Group's operating results. Despite these significant declines in activity following the COVID-19 outbreak, the Group's role remains essential. Management therefore expects that the Group will continue as a going concern despite the economic impact of COVID-19.



5

Teamwork

We work collaboratively towards the achievement of shared goals





**BARBADOS
PORT INC.**

Barbados Port Inc.,
Cube Blue,
Prescod Boulevard,
Bridgetown,
St. Michael,
BB11142

P/ABN: (246) 434-6100 FAX: (246) 429-5348
www.barbadosport.com