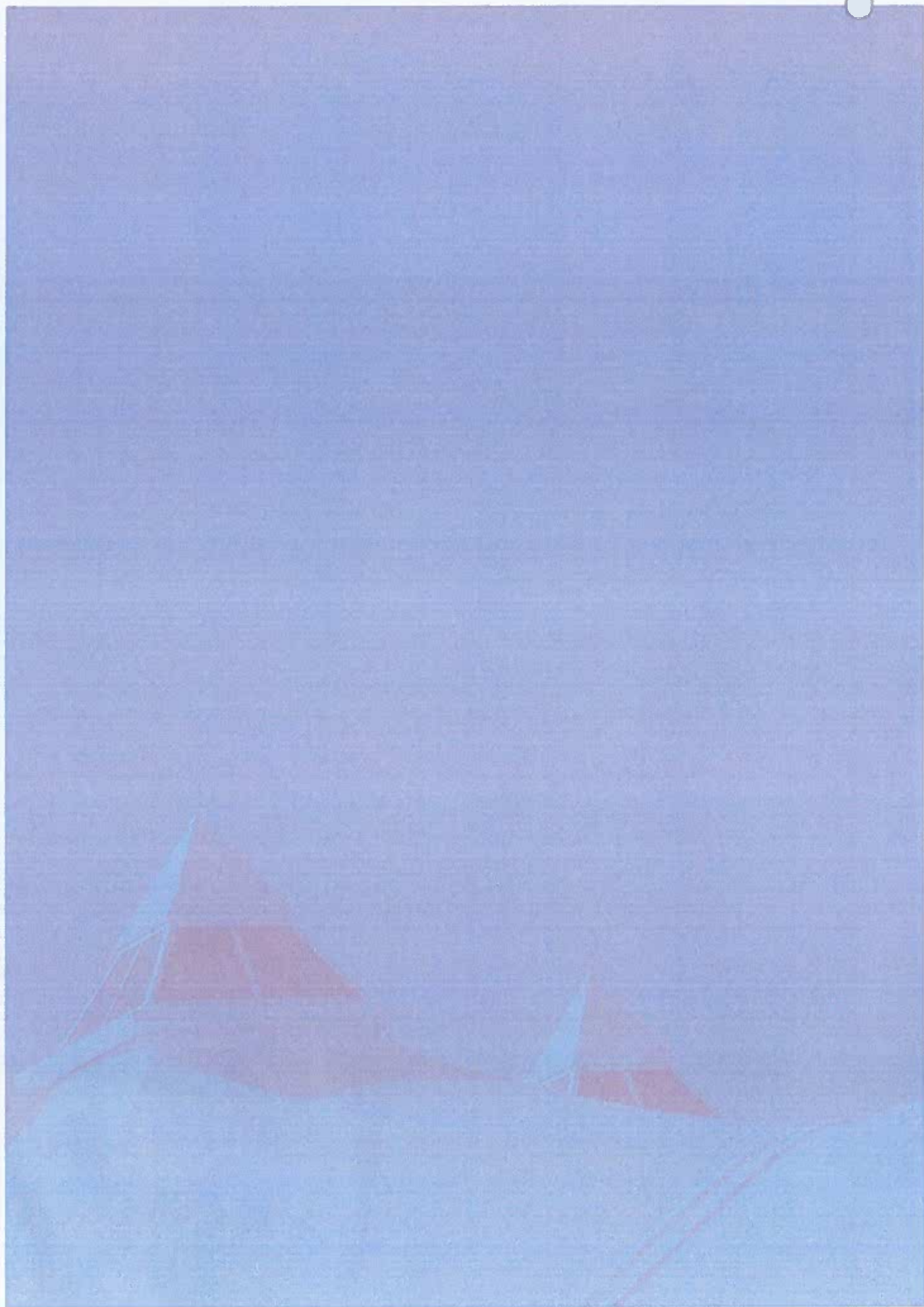




**ANNUAL  
REPORT  
2020**







## CONTENTS

<b>Our Vision.....</b>	<b>3</b>
<b>Board of Directors.....</b>	<b>4</b>
<b>Executive Management Team.....</b>	<b>5</b>
<b>Executive Summary.....</b>	<b>6</b>
<b>Operating Activity.....</b>	<b>7</b>
<b>Engineering Projects.....</b>	<b>12</b>
<b>Commercial Activity.....</b>	<b>13</b>
<b>Human Resources Report.....</b>	<b>15</b>
<b>Financial Highlights.....</b>	<b>16</b>

## OUR VISION

→ To make Grantley Adams International Airport the best airport of its size anywhere in the world

**VISION**

"Rising Higher"

**CORPORATE MOTTO**

**MISSION**

→ To be a world class provider and facilitator of air transport and related aviation services

**COMMITMENT**

- To ensure shareholder's confidence
- Maintain a sustainable growth rate of return on investment
- Exceed the service expectation of all current and potential users of GAIA facilities
- Establish and maintain a reputation as an ethical and responsible corporate citizen
- Meet all our statutory and international obligations
- Provide an enabling environment for achieving excellence and growth for all employees, and
- Maintain a safe and environmentally-friendly facility

## BOARD OF DIRECTORS



**Mr. Victor Fernandes**  
Chairman



**Mrs. Karen Perreira**  
Deputy Chairman



**Senator Rudy Grant**



**Mrs. Donna Cadogan**



**Mrs. Selena McDonald**



**Ms. Niska Best**



**Ms. Meryl Stoute**



**Mr. Robert Chase**



**Mrs. Erika Luke**



**Mr. Mervin Stevenson**



**Ms. Winifred Harewood**



**Mr. Michael Holder**



**Major Lubin Maxwell**

**Mr. Jefferson Payne**

**Ms. Sonia Gamble**

## EXECUTIVE MANAGEMENT TEAM

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**Mr. Neville Boxill**  
*Chief Executive Officer*



**Mr. Terry Layne**  
*Deputy Chief Executive Officer*



**Mr. Joseph Johnson**  
*Chief Operating Officer*



**Mrs. Flo Jean-Marie**  
*Director of Finance*



**Ms. Karen Walkes**  
*Director of Engineering*

*A year's overview*

# EXECUTIVE SUMMARY

Before the beginning of the financial year ending 2020, the Government of Barbados mandated that the Grantley Adams International Airport be operated under a Public Private Partnership. GAIA Inc., in partnership with the International Finance Corporation (IFC), entered into contract and commenced the drafting of the master plan and engaging potential bidders. The GAIA PPP initiative was broken down into phases and shared with staff, the wider airport community and the general public.

GAIA Inc. was well underway to a record financial year with passenger numbers when it was suddenly faced with the onset of the Novel Coronavirus 'COVID 19' pandemic. Globally, the pandemic was declared in December 2019 and cases were officially reported in Barbados on March 17th, 2020. This caused an almost instant crippling of the aviation industry which resulted in multiple airlines having to cancel or withdraw flights causing less passenger traffic.

The passenger numbers for March 2020 were mainly impacted by the global stop order issued for cruise liners on March 14th, 2020. During this period, Barbados would become a repatriation hub for stranded cruise line passengers and crew who were barred from entering most international and regional countries.

On a lighter note, GAIA Inc. entered into a contract with a joint venture between Dexter Construction Company Limited and Jada Builders Inc. for the Runway Rehabilitation & Expansion Project. This Project is being funded by the Caribbean Development Bank (CBD) and will see the repaving and rehabilitation of runway 09 27, multiple taxiways, sections of the parking apron, additional parking and a new south ramp.

The company also entered into a partnership with the Ministry of Energy & Water Resources to commission a 381-Kilowatt photovoltaic farm. This was erected on the GAIA Inc. Engineering site and completed in December of 2019.





*A year's overview continued..*

GAIA Inc. continued to welcome new non-aeronautical business which saw the commencement of a new, larger SOL service station being built, a new Fixed Based Operation (FBO) being erected by Passenger Aircraft Services (PAS), new car rental concessions as well as the commencement of advertising by Clear Channel Airports Advertising.

For the financial year 2020, GAIA Inc. reported a net income total of \$5 million; a 62% decrease in revenue when compared to the \$13.4 million reported for the financial year 2019.

# Operating Activity



## OPERATING ACTIVITY

The Grantley Adams International Airport initially continued on the growth trajectory registered in the preceding five years, but experienced a precipitous drop at the closing of the Financial Year – driven by the COVID-19 pandemic. Specifically, a stop order was issued on March 14th for all cruise liners which resulted in a significant number of air-to-sea flight cancellations. Starting in March, Barbados was transformed into a repatriation hub, as stranded cruise passengers arrived into Barbados via the Bridgetown Port and returned home via the Grantley Adams International Airport. More than 40 repatriation flights were conducted between March 15-30, 2020 to support this operation.

Excluding the decline in March, traffic up to February 2020 was up by 3%, outpacing the overall growth for 2018-2019 (which was 2%). This was erased by the 39.7% year-over-year decrease registered in March 2020. Below is a summary of the passenger performance for the period under review as well as a comparison against the previous five years.

### Summary of Traffic - Financial Year April 2019 - March 20

MONTH	Embarked	Disembarked	Transit	Transfers	Total Passengers	% Change 19/20	Aircraft Movements
April	91,261	97,360	2,528	8,048	199,197	11.7%	2,772
May	67,662	72,269	1,413	7,127	148,471	0.4%	2,466
June	66,936	74,201	1,477	8,021	150,635	5.1%	2,424
July	74,957	89,546	1,689	9,668	175,860	7.1%	2,696
August	81,771	81,678	1,803	9,668	174,940	2.3%	2,398
September	54,809	63,298	1,498	6,725	126,330	2.4%	2,102
October	59,783	72,571	1,283	6,905	140,542	5.2%	2,282
November	94,429	105,019	1,697	7,085	208,230	2.9%	2,770
December	107,758	125,725	1,781	10,039	245,303	0.9%	3,192
January	114,587	123,544	2,457	8,647	249,235	-1.2%	3,308
February	109,562	118,013	1,476	8,363	237,414	3.2%	3,110
March	84,994	57,942	1,041	4,702	148,679	-39.7%	2,634
<b>TOTAL</b>	<b>1,008,509</b>	<b>1,081,166</b>	<b>20,143</b>	<b>95,018</b>	<b>2,204,836</b>	<b>-1.4%</b>	<b>32,154</b>
Change	(6,876)	(23,112)	(8,159)	6,723	(31,424)		(1,042)
% Change	-0.7%	-2.1%	-28.8%	7.6%	-1.4%		-3.1%

Figure 1

Below is this year's performance compared to the preceding five years. As indicated, 2019-2020 finished slightly below the previous (record) year, driven by the COVID-19-related airspace closure.



Figure 2

### Aircraft Movements

Aircraft movements were down 3% over the previous year. This was driven primarily by the cruise ship stop-order issued in March 2020. Excluding March, aircraft movements decreased 1% over the previous year. The decrease in movements coupled with the 11-month increase in passengers indicates that aircraft were flying at higher load factors – a positive sign for the airlines' confidence in Barbados.

## Scheduled Airlines Serving GAIA

Canada	
 <b>AIR CANADA</b>	Toronto & Montreal
 <b>WESTJET</b>	Toronto
Caribbean & Central America	
 <b>airantilles</b>	Fort-de-France & Pointe-a-Pitre
 <b>Caribbean Airlines</b>	Port of Spain
 <b>Copa Airlines</b>	Panama
 <b>liat</b>	Entire Caribbean & Georgetown
Germany	
 <b>Condor</b>	Frankfurt & Munich
United Kingdom	
 <b>BRITISH AIRWAYS</b>	London/Gatwick
 <b>virgin atlantic</b>	London/Gatwick & Manchester
United States	
 <b>American Airlines</b>	Charlotte & Miami
 <b>jetBlue</b>	Boston, Fort Lauderdale, Newark & New York/JKF

## Unscheduled Airlines Serving GAIA

Caribbean & Central America		
 <b>GA</b> <small>GREENADRIAN AIR ALLIANCE</small>	 <b>MUSTIQUE AIRWAYS</b>	 <b>SVG AIR</b> <small>Your Wings To Paradise</small>
Germany		
 <b>Condor</b>	 <b>airberlin</b>	 <b>Eurowings</b>
United Kingdom		
 <b>Thomas Cook Airlines</b>	 <b>Thomson</b>	

Figure 3

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### **Small Business Opportunity Program (SBOP) Kiosks**

The SBOP commenced in February 2020 with six (6) small businesses operating from portable kiosks provided by GAIA Inc. An additional two (2) businesses were slated to commence operations by March, however, this did not materialize due to safety concerns related to the pandemic. The program is currently on hold, as the area of operation became a holding area for cruise passengers awaiting their repatriation flights.

### **Electronic Health Clearance**

As part of a drive to increase the efficiency of airport operations and to improve the customer experience, GAIA Inc. worked in partnership with the Ministry of Health and Wellness as well as the Ministry of Innovation, Science and Smart Technology to test an electronic system for clearing aircraft arriving into Barbados. This system entered the trial phase in early March, just prior to the COVID-19 national shutdown.

### **COVID-19 related Activities**

At the beginning of March 2020, GAIA Inc. began to prepare its response to the COVID-19 pandemic. During this time, the company was able to do the following:

1. Update the public health emergency protocols for persons suspected of traveling with a communicable disease;
2. Conduct an airport drill, in conjunction with several stakeholders, to test the airport community's preparedness in the event of a passenger traveling with a suspected communicable disease.

### Market Share

The United Kingdom accounted for the largest share of the passenger traffic for the year in review at 31%. The Caribbean and the United States came in at both 27% of traffic, followed by Canada, Germany, and Central America. This pattern is consistent with the last few years, with the United States' and United Kingdom's respective market shares decreasing marginally over the last year, and Germany registering a 2% increase year-over-year.

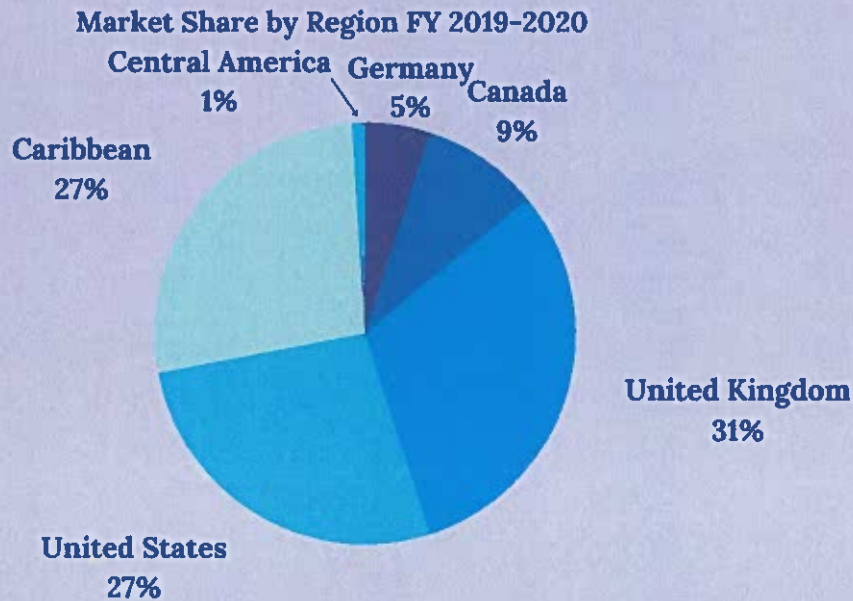


Figure 4

### Airlines' Market Share

As in previous years, LIAT transported most passengers, with American, JetBlue, Virgin Atlantic coming in at 13% each. Thomson rounds out the top 5 carriers at 10%.

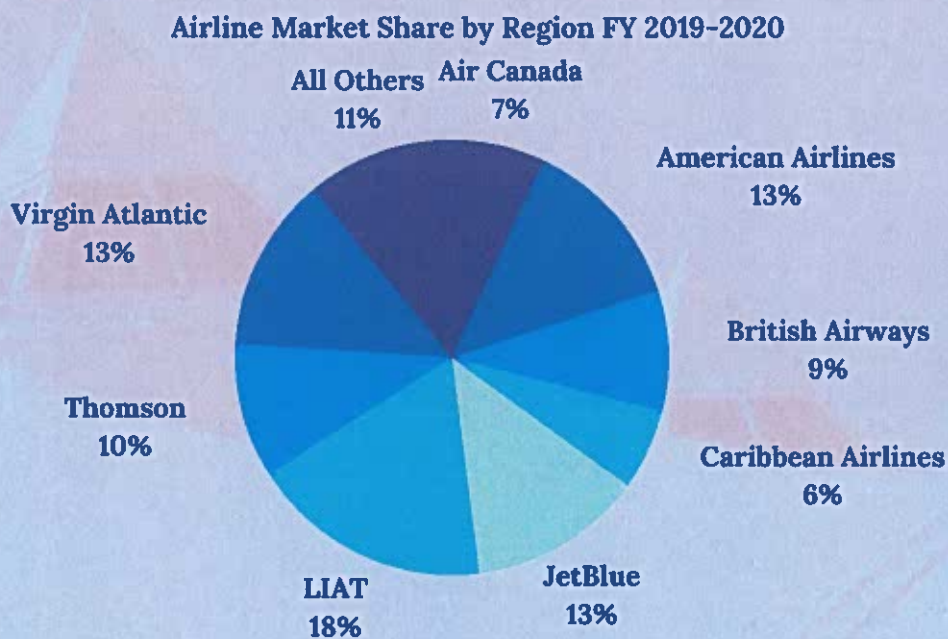


Figure 5

### Cargo/Freight & Mail

During the year, the four (4) all-cargo carriers Amerijet and Caribbean Airlines out of Miami, Ameriflight out of Puerto Rico and DHL out of Trinidad and Venezuela were the main transporters with the latter two mainly providing courier services. Some cargo was also carried in the belly of the major passenger carriers Virgin Atlantic, British Airways, American Airlines, Air Canada, and Caribbean Airlines with LIAT also playing its part in transporting both bulk cargo and providing courier services.

For the financial year 2019/20, there were 9,999 tonnes of cargo handled, and 287 tonnes of mail, giving a total of 10,287 tonnes of cargo and mail transported. The figures would show that cargo transported was 127 tonnes or 1.3% less, mail was 238 tonnes or 45.5% less, and the overall cargo and mail was 365 tonnes or 3.4% less than in the previous financial year.

#### Summary of Cargo (Kgs) - Financial Year April 2019 - March 2020

MONTH	Cargo Loaded	Cargo Unloaded	Total Cargo	Mail Loaded	Mail Unloaded	Total Mail	Total Cargo & Mail
April	273,692	539,104	812,796	16,086	16,545	32,631	845,427
May	296,958	481,083	778,041	13,938	13,237	27,175	805,216
June	263,575	444,543	708,118	14,795	14,870	29,665	737,783
July	231,208	542,300	773,508	19,400	18,555	37,955	811,463
August	183,417	417,149	600,566	9,403	11,469	20,872	621,438
September	305,234	675,170	980,404	8,981	14,684	23,665	1,004,069
October	233,071	561,475	794,546	7,579	10,546	18,125	812,671
November	302,245	611,954	914,199	8,404	10,282	18,686	932,885
December	250,069	777,711	1,027,780	8,791	14,302	23,093	1,050,873
January	292,065	651,489	943,554	12,736	10,784	23,520	967,074
February	272,163	684,746	956,909	7,709	10,476	18,185	975,094
March	208,731	500,829	709,560	6,948	6,763	13,711	723,271
<b>TOTAL</b>	<b>3,112,428</b>	<b>6,887,553</b>	<b>9,999,981</b>	<b>134,770</b>	<b>152,513</b>	<b>287,283</b>	<b>10,287,264</b>
<b>Change</b>	<b>(322,192)</b>	<b>194,416</b>	<b>(127,776)</b>	<b>(122,544)</b>	<b>(115,636)</b>	<b>(238,180)</b>	<b>9365,956)</b>
<b>% Change</b>	<b>-9.4%</b>	<b>2.9%</b>	<b>-1.3%</b>	<b>-47.6%</b>	<b>-43.1%</b>	<b>-45.3%</b>	<b>-3.4%</b>

Figure 6



# Engineering Projects



## ENGINEERING PROJECTS

### **Improvement of Terminal Facilities**

A complete review of the Terminal Building Management System was undertaken with a view to implement a phased upgrade and expansion of the system which controls the air-conditioning equipment and lighting systems at the Main Terminal Buildings.

Enclosures to house new baggage scanners for inbound baggage were also constructed in support of the Customs and Exercise Department.

### **Aerodrome Development**

In August 2019, GAIA Inc. entered into a contract for the replacement of 20,600 linear feet of fencing along the airport boundary to maintain the integrity of the airport's perimeter security fence.

In November 2019, following an international bidding process, GAIA Inc. entered into contract with a joint venture between Dexter Construction Company Limited (Canada) and Jada Builders Inc. (Barbados) for the rehabilitation and expansion of pavements at the airport. The Project, which is funded in part by the Caribbean Development Bank includes the following works: Overlay of the pavement of the entire runway; Rehabilitation and expansion of pavement of taxiway and parking aprons; Construction of Southern Apron area; Construction of A380 Apron Position; Rehabilitation of Landside roads. This project will see the complete upgrade of aircraft movement areas at the Airport and the expansion of parking capacity and facilities to accommodate both large Category F aircraft and provide FBO apron facilities for business jets and regional aircraft.

Other works and consultancies associated with the CDB loan facility are: Perimeter Fencing replacement; Car Park Electric Vehicle Charging Equipment; Apron Lighting LED retrofitting; West Sub-Station Building Construction; Sustainability Management Plan Consultancy; Fixed-Base Operator Management (FBO) Policy and Guidelines Consultancy. These sub-projects compliment the pavement enhancement project to address security, environmental and compliance issues and building institutional capacity. There will also be the construction of two new security guard huts to upgrade security functions at airport access gates. This project will also the the extension of apron lighting coverage to aircraft parking position one with the installation of three new apron light poles and LED Lights with remote diagnostics capability.

### **Environmental Programme**

In July 2019, preliminary design work on a proposed 5-8 MW ground based photovoltaic system was completed. The Facility which can be expanded to 12 MW is proposed to be situated on 20 acres of lands north east of the Airport's runway. Discussions commenced with the Ministry of Energy and Water Resources, Barbados Light & Power Company Limited and the Town and Country Development Planning Office towards obtaining approvals for the development.

In December 2019, a 381 kilowatts ground based photovoltaic farm serving the GAIA Inc. Engineering Compound was commissioned. This System was implemented under an Inter-American Development Bank funded programme for Retrofitting of Public Buildings with EE and RE Technologies under the supervision of the Division of Energy and Telecommunications or the Ministry of Energy and Water Resources.

# Commercial Activity



## COMMERCIAL ACTIVITY

The Grantley Adams International Airport continues to attract and retain business to provide non-aeronautical activity as an additional revenue stream. For this reason, varying business ventures were considered or commenced operations to enhance the overall product offering at the GAIA, whilst some ventures were not approved as the right concession mix at the airport.

Among the projects that were considered were:

- Allocation of spaces in the public car park for recharging electric vehicles.
- Establishment of a food truck village at Charnocks.
- Placement of the Concorde Facility under the management of the GAIA Inc. for further development as a tourist attraction and for the hosting of various events.

### **New concessions/operations at GAIA**

A number of new contracts were also signed which include the following:

- A lease was signed with SOL Barbados Ltd. for a larger service station at the Airport. As a newly constructed facility, the operations of the gas station are slated to commence in fiscal year 2021.
- Approval was granted to Private Aircraft Services for a new jet centre under a twenty-four year lease commencing the 1st of May, 2019. This development increases the private jet centre offerings at the Airport to a total of four.
- Culpepper's Delights offering Bajan preservatives began operations on the 1st of September, 2019 post-security.
- The lease with Select Car Rentals was approved for commencement on the 1st of December, 2019 bringing the total car rental complement of six in 2019.
- Advertising concessionaire Clear Channel Advertising began advertising, both digital and static, at the airport from the 1st of March, 2020.

### **Continued concessions/operations**

The concessions programme at the airport continued and a number of leases were renewed. Below is an outline of the leases that were renewed:

- The Barbados Agricultural Development & Management Corporation renewed their lease for the liquor and tobacco concession located post-security at the airport from July 2019 for four years. Additionally, Barbados Gemstones, which offers hand crafted jewelry post security, renewed their commitment for another year commencing the 1st of June.
- GAIA Inc. and Chefette Restaurants Limited entered into a lease agreement for fifteen (15) years effective 01 April 2019.
- The Meet and Greet Concessionaires, St James Travel & Tours and Caribbean International Airways Ltd., were afforded renew lease agreements for four (4) years each. In addition, a lease was extended to Platinum Services Ltd for said services commencing the 1st of September, 2019.
- S & W Car Rentals renewed a lease agreement for four (4) years effective the 1st of May, 2019.

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On a less positive note, Diamonds International and Soothing Touch Spa ceased operations at the airport.

With the on-going discussions of the Public Private Partnership (PPP) for GAIA, meetings between the airport management, the International Financial Corporation (IFC) and the concessionaires were held to apprise the concessions of the developments to allay any misconceptions and update these stakeholders at various intervals of the PPP phase.

# Human Resources Report



## HUMAN RESOURCES

### Training and Development

Training and Development continued to be of utmost importance to the Human Resource Department. The Department remained focussed and committed to ensuring that employees were adequately trained and equipped with the knowledge and skills to perform their duties efficiently and effectively.

During the financial year 2019 to 2020, GAIA Inc partnered with local entities including the National Union of Public Workers (NUPW), REA EnviroHealth International, the Barbados Employers Confederation (BEC) and the Labour Department, just to name a few, to facilitate various developmental seminars and workshops. Topics covered included health and safety and labour. The annual Security Enhancement training was also facilitated by the Security Department which covered Explosive and Narcotics Trace Detection using the 'IONSCAN 600' machine and procedures for conducting body and vehicular searches.

Additionally, employees were given the opportunity to travel overseas to attend courses including the ACI/ICAO Airport User Charges Course, the ICAO National Inspectors Course, ISC West Security Conference and Expo and the Airport Drone Protection 2019 Summit.

The end of the financial period saw the onset of the COVID 19 pandemic which presented a new set of challenges for the HR Department. We immediately partnered with the Ministry of Health to update our staff and share pertinent information about the virus through a series of workshops which were held during the period January 30th, 2020 to March 26th, 2020. The COVID Czar, Mr. Richard Cater, also met with staff to share his knowledge and answer questions about the virus and how to manage and operate safely during a pandemic.

Training sessions were also facilitated by the BTMI and the Ministry of Health where staff were advised about Personal Protective Equipment (PPE), and shown the correct way to use and dispose of PPEs.

### Employee Relations

#### Annual Awards

The GAIA Inc. Annual Awards were held on June 7th, 2019 where staff were acknowledged for their service to the company over the years. A total of one hundred and seven (107) employees were awarded for five, ten and fifteen years of service as well as for perfect attendance.



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## **Corporate Responsibility**

### *Common Entrance Initiative*

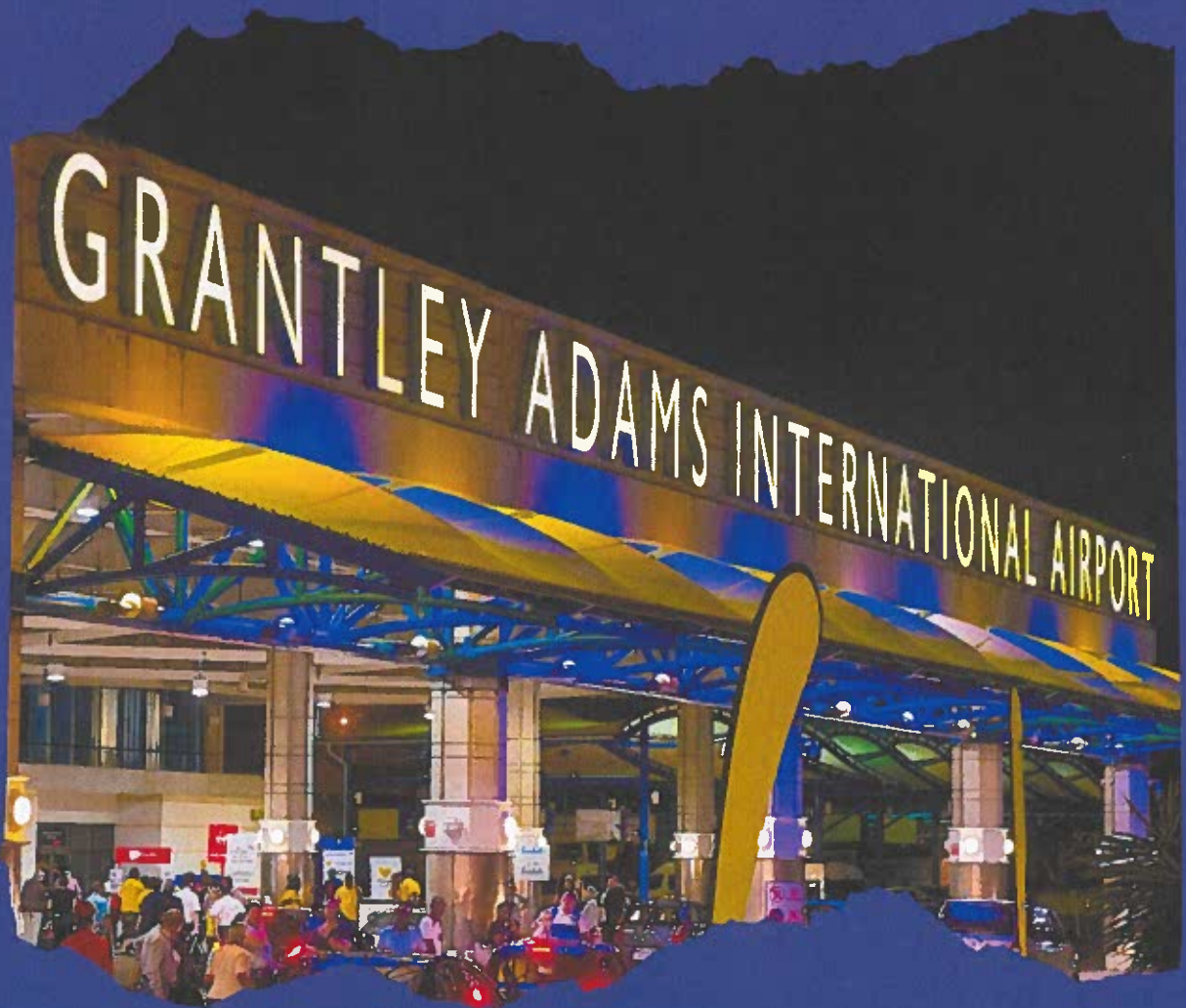
We continue to support children of our employees who took the annual Common Entrance Examination. This is the 8th year for this initiative and a formal presentation was held on July 8th, 2019. Twenty-two students, along with their parents, attended the presentation which was themed “Go the extra mile, it is never crowded”. The featured speaker was Rev. Jamal Medas, who challenged the students to make most of the opportunities given to them and to never give up on their goals.

### *Summer Internship Programme*

Annually, we assist in helping to prepare students for the world of work through our summer Internship programme. This year we facilitated twenty-eight students in the programme who were assigned to various departments within GAIA Inc. for periods ranging from 6-8 weeks commencing June 2019 to August 2019.



# Finance & Accounting Report



## FINANCIAL HIGHLIGHTS

### Revenue

During fiscal year 2020, net income after tax earned was \$5.0 million compared to \$13.4 million in 2019. The change in corporation tax rate from 30% in 2018 to 5% in 2019 created a positive impact on deferred tax generating an unusual high after-tax net income in 2019.

Total operating revenue was \$79.8 million, growing by \$1.9 million, or 2.4%, when compared to fiscal year 2019. This growth was mainly in non-aeronautical revenue led by Concessions and rentals; comparative figures are seen in Table 1 below.

### Revenue Categories

	2019	2020	Change	Change %
	\$	\$	\$	
<b>Aeronautical Revenue</b>				
Passenger service charges	51,161,438	51,609,397	447,959	0.9%
Direct charges to airlines	6,941,797	6,624,973	-316,824	-4.6%
	58,103,235	58,234,370	131,135	0.2%
<b>Non- aeronautical Revenue</b>				
Concessions and rentals	14,741,346	15,656,924	915,578	6.2%
Services Charged	1,321,912	1,350,213	28,301	2.1%
Lease of lands	1,092,370	1,430,038	337,668	30.9%
Car park revenue	1,045,216	1,236,544	191,328	18.3%
Other income	1,677,801	1,930,636	252,835	15.1%
	19,878,645	21,604,355	1,725,710	8.7%
<b>Total Revenue</b>	<b>77,981,880</b>	<b>79,838,725</b>	<b>1,856,845</b>	<b>2.4%</b>
<b>Aeronautical revenue as % total revenue</b>	<b>74.5%</b>	<b>72.9%</b>		
<b>Non- aeronautical revenue as % total revenue</b>	<b>25.5%</b>	<b>27.1%</b>		

Table 1

Aeronautical revenue increased marginally by 0.2% or \$131K to end the year at \$58.2 million (2019: \$58.1 million). Non-aeronautical revenue grew by \$1.7 million to reach \$21.6 million, which was 8.7% above the 2019 amount of \$19.9 million. The increase of \$915K in Concessions and Rentals was attributed mainly to the sustained levels of traffic and increased passenger spend, coupled with increases in rental rates. The increase in Lease of Lands of \$338K was attributable mainly to an increase in rates. Car park revenue also increased by about \$191K largely due to the increase in parking fee rates. Other Income also recorded an increase of \$253K over the \$1.7 million in earned in 2019.

### Accounts as a Percentage of Total Revenue

	2019	2020	2019	2020	Variance
<b>Revenue</b>					
Passenger service charges	51,161	51,609	65.6%	64.6%	-1.5%
Direct charges to airlines	6,942	6,625	8.9%	8.3%	-6.8%
Aeronautical revenue	58,103	58,234	74.6%	72.9%	-2.2%
Concessions and rentals	15,076	15,853	19.3%	19.9%	2.7%
Services charged	1,322	1,350	1.7%	1.7%	-0.2%
Lease of lands	1,092	1,430	1.4%	1.8%	27.9%
Car park revenue	1,045	1,237	1.3%	1.5%	15.6%
Other income	1,343	1,735	1.7%	2.2%	26.2%
Non-aeronautical revenue	19,879	21,604	25.4%	27.1%	6.6%
<b>Total Revenue</b>	<b>77,982</b>	<b>79,839</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>
<b>Total Expenses</b>	<b>68,153</b>	<b>74,531</b>	<b>87.4%</b>	<b>93.4%</b>	<b>6.8%</b>
<b>Income before taxation</b>	<b>9,829</b>	<b>5,308</b>	<b>12.6%</b>	<b>6.6%</b>	<b>-47.3%</b>
<b>Taxation</b>	<b>3,577</b>	<b>-350</b>	<b>4.6%</b>	<b>-0.4%</b>	<b>-109.6%</b>
<b>Net Income</b>	<b>13,406</b>	<b>4,958</b>	<b>17.2%</b>	<b>6.2%</b>	<b>-63.9%</b>

Table 2

As a percentage of total revenue, aeronautical revenue was 72.9% and non-aeronautical revenue represented 27.1%. Revenue from Passenger Service Charges was 64.6% of revenue recording a 1.5% decline against 2019. Revenue generated by Concessions and Rentals was 19.9% of total revenue, some 2.7% above the previous year's performance of 19.3%. Lease of lands was 1.8% of total revenue representing an increase of 27.9% over the previous year. Car park revenue was 1.5% of total revenue, an increase of 15.6% when compared to 2019. Other income 2.2% relative to total revenue, up over last year by 26.2%. Total expenses before income taxes ended the year at 93.4% of total revenue about 6.8% higher than 2019. Revenue streams earned during 2020 are depicted in Figure 1 below.

## Revenue

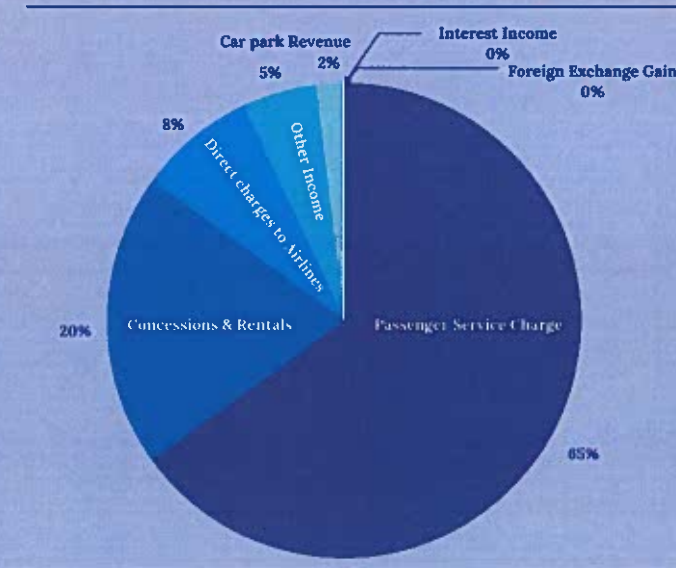


Figure 7

Revenue passengers for the fiscal year are seen in Table 3. Passenger numbers declined by 2.6% or 56,902 to 2,151,056 passengers, when compared to passengers recorded in 2019.

### Revenue Passengers (April - March)

	2019	2020
<b>Embarked</b>	1,015,385	983,016
<b>Disembarked</b>	1,104,278	1,073,031
<b>Transfers</b>	88,295	95,009
<b>Total</b>	2,207,958	2,151,056
<b>Change in passengers</b>	47,164	-56,902
<b>% change</b>	2.2%	-2.6%

Table 3

Revenue per passenger and revenue per aircraft movement is presented below in Table 4. Total operating revenue per passenger recorded a 4.8% increase when compared to 2019, \$37.12 compared to \$35.32. Both aeronautical and non-aeronautical revenue per passenger recorded growth when compared to the previous year. Notwithstanding a decline in total revenue passengers, there was an increase in unit passenger spend.

## Key Results Indicators

	2019	2020
<b>No. of Revenue Passengers</b>	<b>2,207,958</b>	<b>2,151,056</b>
<b>Total Operating Revenue per passenger</b>	<b>\$35.32</b>	<b>\$37.12</b>
<b>Aeronautical revenue per passenger</b>	<b>\$26.32</b>	<b>\$27.07</b>
<b>Concessions and rentals per passenger</b>	<b>\$6.83</b>	<b>\$7.37</b>
<b>Carpark &amp; other income per passenger</b>	<b>\$2.17</b>	<b>\$2.67</b>
<b>Total non-aeronautical revenue per passenger</b>	<b>\$9.00</b>	<b>\$10.04</b>
<b>Operating Expenses before taxation per passenger</b>	<b>\$30.87</b>	<b>\$34.65</b>
<b>Net income per passenger</b>	<b>\$6.07</b>	<b>\$2.30</b>
<b>Aircraft Movements</b>	<b>33,196</b>	<b>31,580</b>
<b>Operating Revenue per aircraft movement</b>	<b>\$2,349</b>	<b>\$2,528</b>
<b>Operating Expenses before taxation per aircraft movement</b>	<b>\$2,023</b>	<b>\$2,360</b>

**Table 4**

When compared to 2019, Net Income after tax per passenger declined in 2020 from \$6.07 to \$2.30. In 2019, net income after tax was positively impacted by deferred tax due to the reduction in the corporate tax rate from 30% in 2018 to 5% in 2019.

Concessions and Rentals which earned \$15.9 million or 19.9% of total revenue remained the major earner of non-aeronautical revenue. The comparative earnings in 2019 were \$15.1 million and 19.3% of total revenue. One additional car rental service started operations in May 2019. There are 29,534 square feet of concession space of which 98% was occupied at the end of March 2020. Concessions revenue earned was \$12.8 million, which represented an average of \$443 per square foot in 2020, compared with \$12.4 million and \$496 per square foot earned in 2019. The reduction in earnings per square foot is attributed to the fact that some space while allocated, was not yet occupied at year-end 2020.

## **Expenditure**

Total expenses for Financial Year ended 31 March 2020 were \$74.5 million approximately \$6.4 million (9.4%) higher than expenditure incurred in 2019 (\$68.2 million).

Employment expenses were \$24.9 million remaining the largest single expense and represented 31.2% of total revenue, compared to the previous year of \$21.8 million and 27.9% of total revenue. Utility costs of \$6.2 million were approximately 7.8% of total revenue compared with 7.6% in 2019 (\$6.0 million), recording an increase of 2.1%. The related fuel cost adjustment declined approximately 6% year-on-year while the kWh used increased by about 3%. Security screening costs of \$5.6 million were about 3.8% higher than the previous year and measured 7.1% of total revenue. The Company incurred finance costs of \$2.5 million, which increased by approximately \$517K reflecting loan disbursements from CDB during the year. Bad debt expenses of \$2.4 million include the sum of \$1.4 million due from Thomas Cook Airlines Limited consequential upon the liquidation of the Thomas Cook Group plc, which entered compulsory liquidation on 23 September 2019. LIAT (1974) Ltd. accounted for \$759K. The Government of Barbados, having restructured its domestic debt in October 2018, converted short-term instruments into long-term instruments maturity of which ranged from 15 to 35 years. Consequently, a non-recurrent loss on derecognition of the assets was recorded in the amount of \$3.2 million in 2019. Total expenses as a percentage of total revenue were 93.4% compared with 87.4% in 2019, an increase of 6.8%. The major expenditure increases were in property taxes (\$1.4 million), professional fees (\$1.2 million) and bad debts expenses (\$2.8 million).

## **Statement of Financial Position**

Current assets were \$57.0 million down from \$85.4 million as at 31 March 2019 due mainly to a depletion in cash resources. The current assets consisted primarily of cash, short-term investments and accounts receivables. Short-term investments were \$5.0 million or 1.9% of total assets compared to 3.8% at March 2019. Net accounts receivable was \$16.8 million being approximately 6.4% of total assets, reducing from \$19.2 million in 2019. Approximately 66% or \$13.2 million of the accounts receivable related to IATA, the collection of which is usually low risk.

The year ended with total assets of \$263.7 million. Capital assets net of accumulated depreciation were \$160.2 million. The major asset balances include terminal buildings, runways, taxiways, motor vehicles, furniture and equipment, security equipment and common-use equipment. Capital spending was \$5.6 million, the major categories being: computer equipment \$3.2 million; security equipment \$1.1 million and furniture & equipment \$0.9 million. Work-in-Progress at March 2020 was \$39.7 million, the majority of which represented sums spent on the rehabilitation pavements project.

At March 2020, the net amount of Airport Service Charge payable to the Government of Barbados was \$1.0 million reduced from \$13.3 million last fiscal year. These proceeds are utilized in funding the marketing and product development of the tourism sector.

Long-term loans were \$54.1 million, ending the year at 20.5% of total liabilities and shareholder's equity, in comparison with \$14.9 million or 5.7% in 2019. Shareholder's equity was \$186.8 million or 70.8% of total liabilities and shareholder's equity, decreasing from 81.1% in 2019. The decrease was primarily as a result of the payment of a dividend of \$30.0 million coupled with the reduction in net income for the fiscal year 2020.

The Company recorded a consistent stable financial performance again this year, demonstrated by the performance ratios which improved across all categories compared to the previous year.

The Financial ratios are found in Table 5 below.

### Financial Ratios

	2019	2020
<b>Net Income</b>	<b>13,405,832</b>	<b>4,957,896</b>
<b>Profitability Ratios:</b>		
Net Income % of Revenue	17.2%	6.2%
Return on total assets	5.2%	1.9%
Return on fixed assets	7.4%	2.6%
Return on Equity	6.6%	
<b>Liquidity Ratios:</b>		
Current ratio	2.54	2.76
Working Capital \$'M	\$51.70	\$36.40
<b>Efficiency Ratios:</b>		
AR days (DSO)	91	78
AR Turnover Ratio	4.0	4.4
<b>Solvency Ratios:</b>		
Debt-to-Assets ratio	0.19	0.29
Debt-equity ratio	0.23	0.41
Debt-Capital ratio	0.19	0.29
Asset-to-Equity ratio	1.23	1.41
Debt-to-EBITDA ratio	1.90	3.52
LT Debt-Capita ratio	0.07	0.22
Net Debt to EBITDA	-1.04	1.33
<b>Coverage Ratios:</b>		
Debt Service Coverage Ratio	1.67	1.98

Table 5

