



# **2017-2018 ANNUAL REPORT**

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## MESSAGE FROM THE MINISTER OF TOURISM



**Honourable Edmund Bartlett, CD, MP**  
Minister of Tourism

**T**he tourism industry is Jamaica's top performing sector, due to factors such as the decision to adopt an inclusive approach, unity among stakeholders and strong partnerships that have allowed us to make a meaningful contribution to the country's development. We have seen, based on years of experience that the many links in the tourism chain have resulted in many successes. In the past year we welcomed some 4.3 million visitors to the island, which translates to a 12% increase over 2016.

We introduced the Destination Assurance Councils and partnered with key organizations to ensure the safety of our visitors. Jamaica, also proudly hosted the UNWTO conference this year, welcoming over 1,500 participants and key representatives from 150 countries. The conference has helped to set the tone for further discussions and strategies surrounding the global agenda of partnerships for tourism, in view of the 2030 Agenda and advance the contribution of the sector to the Sustainable Development Goals. These figures and milestones take a great amount of collaborative effort. Through the Tourism Product Development Company Limited's (TPDCo) dedication to enhancing the visitor experience by way of various types of improvements, we have been able to expand our horizon and have taken a strategic look at how to maintain our competitive edge.

The organization, through its services such as training, assessment and other creative outputs have managed to impact the local population, and through the development of vital areas, we have propelled the skillset of many of our service providers, thereby impacting the sector. The implementation of beautification projects and other upgrades in many of our resort areas,

coupled with the enhancement of the emerging community tourism offering have increased our favourability in many parts of the world. The new type of traveller is appreciative of a country that offers a diverse and meaningful experience, and the build out of the product through the implementation of security measures and injection of authenticity through craft and heritage has made Jamaica stand out more than it ever has.

I applaud TPDCo for its consistent efforts to ensure that the links in the tourism chain remain intact. Their continued high-level performance has allowed for us to be proud to advertise our destination and achieve many goals.

A handwritten signature in black ink, appearing to be 'Edmund Bartlett'. The signature is stylized and written in a cursive-like font.

.....  
Honourable Edmund Bartlett, CD, MP  
Minister of Tourism

## MESSAGE FROM THE CHAIRMAN



**Ian Dear**  
Chairman

### TPDCo COMMITTED TO DESTINATION ASSURANCE

**T**ourism is now the largest foreign exchange earner for Jamaica and needs to be protected and developed in a sustainable manner. We are committed to this development and this year have particular focus on Destination Assurance. TPDCo took the charge given by the Minister as he announced the Destination Assurance Councils for the resort towns. This resulted in closer working relationships with the various agents of the state in a manner that has already shown that problems can be expeditiously dealt with based on this very strategic partnership.

Important areas of focus for these councils and the Destination Managers of TPDCo during the year ended; were reduction in harassment, the input of the stakeholders in the resort towns in defining projects and the increased capacity of Jamaica's human resource. The replacement of the Courtesy Corp programme by trained District Constables, the increased alignment of programmes like Spruce Up Pon di Corner to the expected outcome of improving the visitor experience while engaging a wider cross section of the communities and the setting up of Jamaica Centre for Tourism Innovation (JCTI) – represent the strategic positioning of the Agency during the year aimed at aligning itself to the goals of the Minister and the Ministry.

The projects involved in establishing that focus amounted to over \$549 million. The benefits expected to be derived from lower levels of visitor harassment which will among other things encourage the presence of cruise ships and support the efforts of the entity in providing businesses for the trained craft vendors will no doubt propel the country to the growth targets of the Honourable Minister's goal of 5x5x5 – five million tourists generating five billion dollars in earnings in five years ending 2021. The JCTI has targeted gastronomy as one of its first areas of emphasis which is strategic in expanding not only the reputation of the country for its food and hospitality but is aimed at retaining higher income jobs, important measures in the growth pursuit.

The entire tourism family took its bow as Jamaica hosted the UNWTO conference in its own conference center in Montego Bay to become the focus of the entire world for the period. Montego Bay, particularly the elegant corridor, truly represented the look and feel of a destination open for business and ready to welcome visitors of all types.

Congratulations to the Minister for being awarded the Tourism Minister of the year and for having the vision to bring such a conference to Jamaica to not only showcase the country further but prove that it has the capacity to deliver on world events. Congratulations also to TPDCo for the part it played while working along with the rest of the Ministry in ensuring the delivery was smooth. We are particularly proud that the decision to increase the budget for the Tourism Resort Maintenance programme to \$500,000,000 and the special provision for ensuring the Elegant Corridor was at its stunning best to receive the delegates from the numerous countries who visited resulting in positive feedback from visitors and locals alike. We expect TPDCo as an Agency to continue to exhibit the levels of energy and enterprise it showed in execution on these projects, while we look forward to even greater strides in the coming year.

The Board is satisfied that the entity is stronger than it was during the previous year and its internal processes of controls continue to improve. We welcome the new auditors appointed, C.R. Hylton and Company, which has a wealth of experience and expertise. We thank the previous auditors, PriceWaterhouseCoopers for their contribution to the Agency since its inception and are aware that they stand ready and able to be engaged in whatever specialist capacity we may invite.

Once again, we thank the staff for responding positively. We recognize that some might have moved on but they all have played an invaluable part in the common pursuit of the growth of this pivotal industry.

Ian Dear  
Chairman

## MESSAGE FROM THE EXECUTIVE DIRECTOR



**Dr. Andrew Spencer**

Executive Director

Tourism Product Development Company Ltd.  
(TPDCo)

**T**he Tourism Product Development Company Ltd. (TPDCo) is an agency of the Ministry of Tourism with a mandate to enhance the visitor experience by improving Jamaica's tourism product, diversifying its services, monitoring and regulating tourism entities while developing the human capital. Furthermore, our agency assists in the creation of a world class destination for sports and entertainment, health and wellness, gastronomy, knowledge and shopping in support of the priority programmes of the linkages network of the Ministry of Tourism.

I have had the good fortune of leading the organisation since March 2017 and I have developed a set of strategic objectives that outlines TPDCO's commitment to destination assurance.

1. To encourage a more experiential product through community tourism.
2. To assist in equipping tourism entrepreneurs with the requisite skills for sustainable business ventures.
3. To create a pristine environment in resort areas by continuous upgrading and maintenance of the natural and built environment.
4. To encourage a climate for tourism investment by product monitoring and supporting stakeholder interest through strategic partnerships.
5. To maintain employment in the sector as an attractive and fulfilling vocation.
6. To improve the resilience and sustainability of the sector.
7. To improve financial management, accountability and reporting.

8. To provide an enabling work environment that supports improved levels of productivity.

As we moved to improve our accountability, management and reporting capabilities, we recognized that this had to be done within the context of the new environment occasioned by the policy shift of the government. We entered into 2017-18 with set programmes and activities that were allocated for by budgetary provisions and it was our task to ensure we delivered on time and effectively.

Our Projects Expenditure for the year increased over the amount spent during the previous year by \$774 million. We ended the year successfully containing our expenditure while at the same time finishing well on the way with maintaining credibility with our suppliers and keeping operations afloat. The seeds to properly providing the accountability through the necessary amendments to our internal operations were planted by investing in our accounting software and improving the human resources in the Finance Unit.

This was particularly important in the new dispensation which requires consistent and accurate reporting on revenues and expenditure. Where previously projects were developed and implemented during the year, we had to show the alignment of expenditure with the budget submitted to justify the allocation of funds.

The Tourism Resort Maintenance programme which was budgeted at \$500,000,00 for the year, took on a renewed focus ensuring the type of continuity in activities that maintained the pristine appearance of each resort. We had reason to be particularly proud that this programme complimented our support for the staging of the UNWTO Conference through the expenditure on the Elegant Corridor.

The entire team could take pride in those efforts not only because by all accounts the appearance of the city hosting tourism's mecca event for the first time was consistent with the prestige of the event, but because we were able to support the event as a part of the Ministry in other spheres such as information technology infrastructure support. This ensured communication and presentation.

The Product Quality and Licensing teams continued to work assiduously to assess, monitor and license operators in the industry. A total of 1034 Quality Assurance Assessments were completed over the period. We are in the process of strategizing to improve the level of compliance and in the coming year we look forward to moving the facilitation process forward for entities that continue to have issues meeting the regulatory requirements.

The year moved us into the District Constable (DC) programme which was implemented as we terminated our Courtesy Corps programme at the end of June 2017. This new programme approved 200 DC's across all resort areas with the added benefit of the power of arrest. To date 192 DCs have been recruited, vetted and trained. This has allowed for a better deployment strategy consistent with the need to respond to the pockets of unwelcomed behaviour that still plague the resort areas.

The creation of Destination Assurance Councils (DACs) which commenced in June 2017 means that all the critical focal points in the assurance of the tourism product meet regularly with a view to coordinate and effect action. Under the immediate direction of the Deputy Executive Director, Miss Tova Hamilton, the six (6) Destination Assurance Managers (DAMs) for Portland and St. Thomas, Kingston and South Coast, Ocho Rios, Negril, Falmouth and Montego Bay, are mandated to monitor, respond and be proactive in not only protecting the product but ensuring that the necessary strategic partnerships are engaged.

Our Tourism Training programmes were expanded to include Approved Training Partners (ATPs) and twenty (20) ATPs were hired during the period to expand the reach of the Team Jamaica programme. A total of 3146 persons received TeamJamaica certification over

the period with another 2309 persons receiving skills training in the areas of Tour Guiding, Responsible Service of Alcohol, Professional Butler Service, Customer Service, Trainer Skills, Cultural Sensitisation and our Tourism Summer Intern Programme (TSIP). Income earned for the period was \$29,200,497.14.

During the year, the mantle of Product Development changed hands as TPDCo and the country showed appreciation for the contribution of Miss Sandy Ghung in the development and the diversity of the tourism product. She has laid the foundation on which the attempts to provide a more experiential product and the thrust into Community Tourism is being furthered by the new Director of Product Development and Community Tourism, Mr. Julian Patrick.

In June 2017, the Community Tourism Toolkit was completed with 25 persons trained in the use of the toolkit while 11 stakeholders were trained as facilitators. This is one of the legacies of Miss Chung's stewardship and an important marker in the tourism landscape as it is an essential tool in equipping the populace in the development of sustainable business ventures.

The Spruce Up 'Pon Di Corner' programme where MPs are guided into supporting projects which benefit their constituency development in alignment with our tourism goals, had 17 projects completed with another 26 in progress. This represents an improvement over the previous year where the programme struggled to get off the ground.

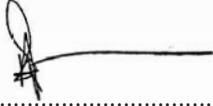
A new divestment strategy for TPDCo operated attractions to be managed and operated by private sector entities has been bearing fruit as we divested Lovers' Leap Attraction in November 2017 to Jakes Holdings while other attractions are being looked at similarly to ensure that the needed investments in tourism are undertaken to realize the full potential of our unique offerings.

As we like to say in our Craft Development Unit (CDU), "Creativity is the new currency", our Craft team is committed to upgrading

the skills sets of our craft traders as well as assist them in establishing opportunities for growth within the sector. The CDU had excellent results over the period as it trained over 196 persons in six (6) different craft skills: Calabash, Hardanger, Tie Dye, Glass Painting, Hand Embroidery and Batik. Over 350 traders have been trained in Entrepreneurial and Business Studies with our partnership with the Heart Trust NTA as well as over 1000 traders have received Team Jamaica certification. In addition, there is continued effort to ensure that traders are licensed with a total of 903 traders licensed for the period out of a total of 1464 trader representing 62% licensed.

The organisation also started the ISO certification process which it aims to complete by April 2019. This is not only significant in terms of providing the proper context for the development of the staff and the levels of performance but is also aimed at ensuring that we ourselves are consistent in the type of standards that are critical to our role as partners in providing the tourism product. I am happy to report that staff morale has improved over the period and this is expected to continue as we ensure that the service level advertised by our flagship Team Jamaica training is exhibited by all staff members.

I therefore thank the entire staff for their efforts and support for the executive management team as we try to chart a way forward. We anticipate some big wins in the future as we throw our support behind the type of drive and leadership provided by the Minister of Tourism, who has not only made Jamaica proud with the awards he has won on the international stage including that of Tourism Minister of the Year, but has put our own efforts into sharp focus if we are to match strides and support an equally world beating tourism product.

  
.....  
Dr. Andrew Spencer  
Executive Director

# BOARD OF DIRECTORS



**Mr. Ian Dear**



**Ms. Laura Heron**



**Ms. Tess Maria Leon**



**Ms. Vana Taylor**



**Mrs. Marilyn Burrowes**



**Mr. Christopher Jarrett**



**Mr. Robin De Lisser**



**Mr. Chris Whymms-Stone**



**Mr. Donovan Bennett**



**Mr. Evatt Bloomfield**



**Mr. Michael Baugh**



**Mr. Tyrone Robinson**



**Mr. John Gourzong**



**Mrs. Toni Spence**



**Mr. Brian Wallace**

EXECUTIVE  
MANAGEMENT TEAM



**Dr. Andrew Spencer**



**Ms. Tova Hamilton**



**Mr. Julian Patrick**



**Mrs. Nicole Haughton-Wright**



**Mrs. Violet Crutchley**



**Mrs. Marline  
Stephenson Dalley**



**Mrs. Karen Forrester-  
McPherson**



**Ms. Yvonne Gardner**



**Mrs. Ruth Harris**



**Ms. Lezley Bernard**



**Mr. Duane Nelson**



**Mrs. Deanne Keating-Campbell**



**Mr. Charles Scarlett**



**Ms. Georgeia Robinson**



**Mr. Deron Dixon**



**Mr. Stephen Edwards**



EXECUTIVE  
MANAGEMENT TEAM CONT'D



**Mr. Lionel Myrie**



**Mr. Daryl White-Wong**



**Ms. Antoniette Bernard**



**Mr. Stainton Baker**



**Mrs. Kenya Keddo-Laing**

**Mrs. Joy Roberts**, former Deputy Director – up to August 2017

**Ms. Allasandra Chung**, former Director of Attractions Development – up to January 2018

**Ms. Beverley Price**, former Regional Manager – up to January 2018

# FINANCIAL HIGHLIGHTS

## Revenues

Total revenue for the financial year ending March 31, 2018 was \$2.61B representing an increase of \$887M or 51.5% above the revenue of \$1.72B realized for the financial year ending March 31, 2017. The net increase in total revenue is due largely to an increase in GOJ warrants for the year.

## Recurrent Expenditures

Recurrent Expenditures for the financial year ending March 31, 2018 was \$847M reflecting an increase of \$112M or 15.2% above the expenditure of \$735M incurred for the previous financial year. There was an increase in departmental and programme related activities for the period.

## Project Expenditure

Total project expenditure for the financial year was \$1.59B reflecting an increase of \$774M or 94.4% when compared with the expenditure of \$820M for the previous financial year. There were more projects implemented within the period including several that were externally funded.

## Fixed Assets

The value of fixed assets acquired within the year was \$29.24M. Netbook value increased to \$55.06M as at March 31, 2018, up from the \$37.53M value the previous year.

## Conclusion

The audited financial statement reflects a surplus of \$167.12M (after providing for doubtful debts, taxation and depreciation charges), a 0.72% increase, compared to a surplus of \$165.93M recorded the previous year.

The Audited financial statements, with the related disclosures and figures presented therein, have been reviewed by management and can be relied on as reflecting a true and fair view of the state of the company's affairs as at March 31, 2018.

**Tourism Product Development Company Limited**

Financial Statements  
For Year Ended 31 March 2018  
(Expressed in Jamaican dollars unless otherwise indicated)



# Tourism Product Development Company Limited

Year Ended 31 March 2018

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## Independent Auditor's Report

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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 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 Company'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 Company'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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

## **Independent Auditor's Report (Continued)**

### **Report on the Additional Requirements of the Jamaican Companies Act**

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

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



Chartered Accountants  
Kingston, Jamaica

November 27, 2020

**Tourism Product Development Company Limited**

**Statement of Comprehensive Income**

**Year Ended 31 March 2018**

**(Expressed in Jamaican dollars unless otherwise indicated)**

	<b>Note</b>	<b>2018 \$'000</b>	<b>2017 \$'000</b>
<b>Revenue</b>		1,875,243	381,203
Other operating income	6	733,568	1,340,431
Operating expenses	7	<u>(2,441,680)</u>	<u>(1,555,696)</u>
<b>Surplus before taxation</b>		167,131	165,938
Taxation	10	<u>(11)</u>	<u>(3)</u>
<b>SURPLUS, BEING TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>167,120</u>	<u>165,935</u>

**Tourism Product Development Company Limited**

**Statement of Financial Position**

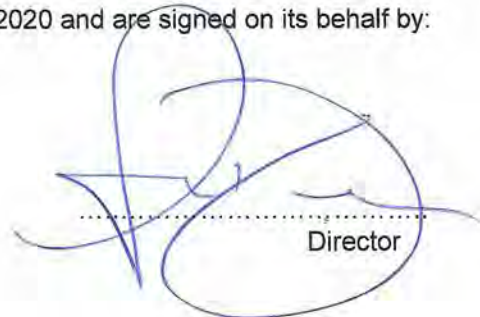
**As at 31 March 2018**

**(Expressed in Jamaican dollars unless otherwise indicated)**

	Notes	2018 \$'000	2017 \$'000
<b>Non-current assets</b>			
Property, plant and equipment	11	55,060	37,528
<b>Current assets</b>			
Receivables	12	66,411	156,755
Taxation recoverable		595	583
Cash and bank balances	13	365,563	121,108
		<u>432,569</u>	<u>278,446</u>
<b>Current liabilities</b>			
Payables and accruals	14	136,078	190,352
Taxation payable		4,769	4,758
Bank overdraft	13	59,704	906
		<u>200,551</u>	<u>196,016</u>
<b>Net current assets</b>		<u>232,018</u>	<u>82,430</u>
<b>Net total assets</b>		<u>287,078</u>	<u>119,958</u>
<b>Shareholders' equity</b>			
Share capital	15	1	1
Capital reserve	16	325	325
Accumulated surplus		286,752	119,632
		<u>287,078</u>	<u>119,958</u>

Approved for issue by the Board of Directors on November 27, 2020 and are signed on its behalf by:

  
 .....  
 Director

  
 .....  
 Director



Tourism Product Development Company Limited

Statement of Changes in Equity

Year Ended 31 March 2018

(Expressed in Jamaican dollars unless otherwise indicated)

	Number of Shares \$'000	Share capital \$'000	Capital reserve \$'000	Accumulated surplus \$'000	Total \$'000
<b>Balances at 1 April 2016</b>	<b>2</b>	1	325	(46,303)	(45,977)
Surplus being total comprehensive income for the year	-	-	-	165,935	165,935
<b>Balances at 31 March 2017</b>	<b>2</b>	1	325	119,632	119,958
Surplus being total comprehensive income for the year	-	-	-	167,120	167,120
<b>Balances at 31 March 2018</b>	<b>2</b>	1	325	286,752	287,078

**Tourism Product Development Company Limited**

**Statement of Cash Flows**

**Year Ended 31 March 2018**

**(Expressed in Jamaican dollars unless otherwise indicated)**

	<b>Note</b>	<b>2018 \$'000</b>	<b>2017 \$'000</b>
<b>Cash Flows from Operating Activities</b>			
Net surplus		167,120	165,935
Items not affecting cash resources			
Taxation expense	10	11	3
Depreciation	11	11,711	7,728
Increase allowance for doubtful debt		78,946	-
Interest income	6	(45)	(13)
Changes in operating assets and liabilities:			
Receivables		11,398	(39,728)
Payables		<u>(54,274)</u>	<u>(45,844)</u>
Cash provided by operations		214,867	88,081
Taxation paid		<u>(12)</u>	<u>(22)</u>
Net cash provided by operating activities		<u>214,855</u>	<u>88,059</u>
<b>Cash Flows from investing activities</b>			
Interest received		45	13
Purchase of property, plant and equipment		<u>(29,243)</u>	<u>(4,166)</u>
Cash used in investing activities		<u>(29,198)</u>	<u>(4,153)</u>
Increase in cash and cash equivalents		185,657	83,906
Cash and cash equivalents at the beginning of year		<u>120,202</u>	<u>36,296</u>
<b>Cash and cash equivalents at the end of the Year</b>	<b>13</b>	<u><b>305,859</b></u>	<u><b>120,202</b></u>

## Tourism Product Development Company Limited

### Notes to the Financial Statements

Year Ended 31 March 2018

(Expressed in Jamaican dollars unless otherwise indicated)

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#### 1. IDENTIFICATION AND ACTIVITIES

The Tourism Product Development Company Limited (the Company) was incorporated in Jamaica as a private company on 25 July 1975 and is owned by the Accountant General on behalf of the Government of Jamaica.

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

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

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) **Basis of preparation**

These financial statements have been prepared in accordance and comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the relevant requirements of the Jamaican Companies Act.

These financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of consideration given in exchange for assets.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. Although these estimates are based on management's best knowledge of current events and action, actual results could differ from those estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

**Amendments to published standard effective in the current year that is relevant to the company's operations**

There were no standards and interpretations that were applied in the year that affected the presentation and disclosures in these financial statements.

The following additional new and revised Standards and Interpretations have been adopted in these financial statements. Their adoption has not had any impact on the amounts reported in these financial statements but may impact the accounting for future transactions or arrangements.

Notes to the Financial Statements

Year Ended 31 March 2018

(Expressed in Jamaican dollars unless otherwise indicated)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (cont'd)

Amendments to published standard effective in the current year that is relevant to the company's operations  
(Continued)

<u>Amendments to Standards</u>		Effective for annual periods beginning on or after
IAS 7	Statement of Cash Flows -Amendments as a result of the Disclosure initiative	January 1, 2017
IAS 12	Income Taxes - Amendments regarding the recognition of deferred tax assets for unrealised losses	January 1, 2017
IFRS 12,	Amendments arising from 2014 – 2016 Annual Improvements to IFRS (clarifying scope)	January 1, 2017

• **Amendments to IAS 7 as a result of the Disclosure Initiative**

The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes.

The application of these amendments has had no impact as the company has not undertaken any financing activities necessitating disclosure in its statement of cash flows.

**Standards and amendments to published standard that are not yet effective and have not been early adopted by the company**

At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue but not effective or early adopted for the financial period being reported on:

<u>New Standards</u>		Effective for annual periods beginning on or after
IFRS 9	Financial Instruments	January 1, 2018
IFRS 15	Revenue from Contracts with Customers	January 1, 2018
IFRS 16	Leases	January 1, 2019
IFRS 17	Insurance Contracts	January 1, 2021
<u>Revised Standards</u>		
IFRS 2	Share-based Payment: - Amendments to clarify the classification and measurement of share-based payment transactions	January 1, 2018
IFRS 7	Financial Instruments: Disclosures - Amendments requiring disclosures about the initial application of IFRS 9 - Additional hedge accounting disclosures (and consequential amendments)	When IFRS 9 is first applied When IFRS 9 is Applied

**Tourism Product Development Company Limited**

**Notes to the Financial Statements**

**Year Ended 31 March 2018**

**(Expressed in Jamaican dollars unless otherwise indicated)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(a) Basis of preparation (cont'd)**

**Standards and amendments to published standard that are not yet effective and have not been early adopted by the company (Cont'd)**

		<u>Effective for annual periods beginning on or after</u>
IFRS 4, IFRS 9	Amendments regarding the interaction of IFRS 4 Insurance Contracts and IFRS 9 Financial Instruments	
	- Overlay approach applied retrospectively to qualifying financial assets	When IFRS 9 is first applied
	- Deferral approach	January 1, 2018
IFRS 9	Financial Instruments	
	Amendments regarding prepayment features with negative compensation and modifications of financial liabilities	January 1, 2019
IFRS 1, IAS 28	Amendments arising from 2014 – 2016 Annual Improvements to IFRS	
	- Removing short- term exemptions; Clarifying certain fair value measurements	January 1, 2018
IFRS 2, 11, IAS 12, 23,	Amendments arising from 2015 – 2017 Annual Improvements to IFRS	
	- Measurement of previously held interest; Income tax consequences of dividends; Borrowing costs eligible for capitalisation	January 1, 2019
IAS 28	Investments in Associates	
	- Amendments regarding long –term interest in associates and joint ventures	January 1, 2019
IAS 39	Financial Instruments: Recognition and Measurement	
	- Amendments to permit an entity to continue to apply hedge accounting requirements	When IFRS 9 is applied
IAS 40	Investment Property	
	- Amendments to clarify transfers of property to, or from, investment property	January 1, 2018
<u>New Interpretations</u>		
IFRIC 22	Foreign Currency Transactions and Advance Consideration	January 1, 2018
IFRIC 23	Uncertainty over Income Tax Treatments	January 1, 2019

Notes to the Financial Statements

Year Ended 31 March 2018

(Expressed in Jamaican dollars unless otherwise indicated)

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (cont'd)

**Standards and amendments to published standard that are not yet effective and have not been early adopted by the company (cont'd)**

Of the above, the following are considered relevant to the operations of the company and are likely to impact amounts reported in the company's financial statements:

**IFRS 9, *Financial Instruments*, (effective for annual reporting periods beginning on or after January 1, 2018)**, replaces the existing guidance in IAS 39, *Financial Instruments: Recognition and Measurement*. IFRS 9 includes revised guidance on the classification and measurement of financial assets and liabilities, including a new expected credit loss model for calculating impairment of financial assets and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. Although the permissible measurement bases for financial assets – amortized cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL) – are similar to IAS 39, the criteria for classification into the appropriate measurement category are significantly different. IFRS 9 replaces the „incurred loss“ model in IAS 39 with an “expected credit loss” model, which means that a loss event will no longer need to occur before an impairment allowance is recognized.

IFRS 9 requires the Company to record expected credit losses on all of its debt securities, loans and receivables, either on a 12-month or lifetime basis. The simplified approach requires the recording of lifetime expected losses on all trade receivables. This is expected to have a significant impact on the company's equity due to unsecured nature of its receivables, but it will need to perform a more detailed analysis, which considers all reasonable and supportable information, including forward-looking elements to determine the extent of the impact.

The company does not apply hedge accounting so these amendments would not apply.

**IFRS 15, *Revenue from contracts with Customers*, (effective for annual periods beginning on or after 1 January 2018)**. IFRS 15 establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the goods or service. The standard replaces IAS 18 “Revenue” and IAS 11 “Construction contracts” and related interpretations. The directors and management have not yet assessed the impact of the application of this standard on the Company's financial statements.

**IFRS 16 *Leases*, (effective for annual periods beginning on or after 1 January 2019)**. This new standard requires lessees to account for all leases under a single on-balance sheet model, subject to certain exemptions in a similar way to finance leases under IAS 17. Lessees recognize a liability to pay rentals with a corresponding asset, and recognize interest expense and depreciation separately. The standard provides guidance on the two recognition exemptions for leases – leases of “low value” assets and short-term leases with a term of 12 months or less. Lessor accounting is substantially the same as IAS 17. Early adoption is permitted but not before the Company applies IFRS 15. The directors and management have not yet assessed the impact of the application of this standard on the Company's financial statements.

Notes to the Financial Statements

Year Ended 31 March 2018

(Expressed in Jamaican dollars unless otherwise indicated)

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

(c) Financial instruments

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

**Financial assets**

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

**Financial liabilities**

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

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

Notes to the Financial Statements

Year Ended 31 March 2018

(Expressed in Jamaican dollars unless otherwise indicated)

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**(d) Property, plant and equipment**

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

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

Office equipment	5 years
Office furniture	10 years
Motor vehicles	5 years
Computer equipment	5 years

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

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

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

**(e) Impairment of non-current assets**

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

**(f) Receivables**

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

**(g) Cash and cash equivalents**

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



Notes to the Financial Statements

Year Ended 31 March 2018

(Expressed in Jamaican dollars unless otherwise indicated)

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) **Revenue recognition**

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

**Government grants**

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

**Sales of services**

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

**Interest income**

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

(i) **Employee benefit costs**

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

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

(j) **Payables**

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

(k) **Provisions**

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

Notes to the Financial Statements

Year Ended 31 March 2018

(Expressed in Jamaican dollars unless otherwise indicated)

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) **Leases**

(i) As lessee

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

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

(ii) As lessor

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

(m) **Income taxes**

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

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

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

(n) **Share capital**

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

Notes to the Financial Statements

Year Ended 31 March 2018

(Expressed in Jamaican dollars unless otherwise indicated)

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**3. FINANCIAL RISK MANAGEMENT**

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

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

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

**Audit Committee**

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

**(a) Credit risk**

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

***Credit review process***

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

**(i) Trade and other receivables**

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

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The Company has a moderately high concentration of trade or other receivables credit risk, as 44% (2017: 49%) of the total receivables is due from Tourism Enhancement Fund.

**(ii) Cash**

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

Notes to the Financial Statements  
Year Ended 31 March 2018  
(Expressed in Jamaican dollars unless otherwise indicated)

3. FINANCIAL RISK MANAGEMENT (Continued)

(a) Credit risk (continued)

**Exposure to credit risk for trade receivables**

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

	2018 \$'000	2017 \$'000
Rental/lease properties	75,855	75,865
Less: Provision for credit losses	(24,055)	(14,908)
	<u>51,800</u>	<u>60,957</u>

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

Trade receivables that are less than 30 days past due are not considered impaired. As of 31 March 2018, trade receivables of \$2,623,000 (2017: \$1,635,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables was as follows:

	2018 \$'000	2017 \$'000
31-60 days	<u>2,623</u>	<u>1,635</u>

**Ageing analysis of trade receivables that are past due and impaired**

As of 31 March 2018, trade receivables of \$24,055,000 (2017: \$14,908,000) were impaired and an impairment provision assessed. The ageing of these receivables was as follows:

	2018 \$'000	2017 \$'000
Over 90 days	<u>24,055</u>	<u>14,908</u>

**Movement analysis of provision for impairment of trade receivables**

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

	2018 \$'000	2017 \$'000
At 1 April	14,908	14,908
Provision for impairment	<u>9,147</u>	<u>-</u>
At 31 March	<u>24,055</u>	<u>14,908</u>

Notes to the Financial Statements  
Year Ended 31 March 2018  
(Expressed in Jamaican dollars unless otherwise indicated)

3. FINANCIAL RISK MANAGEMENT (Continued)

(a) Credit risk (continued)

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

(b) Liquidity risk

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

**Liquidity risk management process**

The Company's liquidity management process includes:

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

**Undiscounted cash flows of financial liabilities**

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

	Within 1 Month \$'000	1 to 3 Months \$'000	3 to 12 Months \$'000	Total \$'000
<b>2018</b>				
<b>Financial liabilities</b>				
Bank overdraft	59,704	-	-	59,704
Payables	79,375	-	-	79,375
	<u>139,079</u>	<u>-</u>	<u>-</u>	<u>139,079</u>
<b>2017</b>				
<b>Financial liabilities</b>				
Bank overdraft	906	-	-	906
Payables	23,146	54,284	74,366	151,796
Payables	<u>24,052</u>	<u>54,284</u>	<u>74,366</u>	<u>152,702</u>

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

Notes to the Financial Statements

Year Ended 31 March 2018

(Expressed in Jamaican dollars unless otherwise indicated)

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3. FINANCIAL RISK MANAGEMENT (Continued)

(c) **Market risk**

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

**Currency risk**

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

The Company manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The Company has no significant exposure to currency risk at 31 March 2018 and 31 March 2017.

**Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the Company to cash flow interest risk, whereas fixed interest rate instruments expose the Company to fair value interest risk. The Company has no significant exposure to interest rate risk at 31 March 2018 and 31 March 2017.

(d) **Capital management**

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

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

The Company is not subject to externally imposed capital requirements.

4. FAIR VALUE ESTIMATION

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Market prices used to determine fair value where an active market (such as a recognized stock exchange) exists as it is the best evidence of the fair value of a financial instrument. In assessing the fair value of financial instruments, the Company uses a variety of methods and makes assumptions that are based on market conditions existing at the end of the reporting period.

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

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

(b) **Key sources of estimation uncertainty**

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

(i) *Depreciable assets*

Management exercises judgement in determining whether the costs incurred can accrue significant future economic benefits to the company to enable the value to be treated as a capital expense.

Estimates of the useful life and the residual value of property, plant and equipment are required in order to apply an adequate rate of transferring the economic benefits embodied in these assets in the relevant periods. The company applies the straight-line method in an effort to arrive at these estimates from which actual results may vary.

Actual variations in estimated useful lives and residual values are reflected in profit or loss through impairment or adjusted depreciation provisions.

(ii) *Impairment of trade receivables*

The company periodically assesses the collectability of its trade receivables. Provisions are established or increased as described in Note 3. There is, however, no certainty that the company will collect the total remaining unimpaired balance, as some balances that are estimated to be collectible as at the end of the reporting period may subsequently become doubtful. Trade receivables amounted to approximately \$51.8 million at the end of the reporting period (2017: \$60.9 million) net of a provision of \$24 million (2017: \$14.9 million) See Note 12.

**Tourism Product Development Company Limited**

**Notes to the Financial Statements**

**Year Ended 31 March 2018**

**(Expressed in Jamaican dollars unless otherwise indicated)**

**6. OTHER OPERATING INCOME**

	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>
Tourism Enhancement Fund	612,520	1,244,183
Income from fees and tourist attractions	121,482	96,010
Interest income	45	13
Foreign exchange (loss)/gain	(479)	225
	<u>733,568</u>	<u>1,340,431</u>

**7. EXPENSES BY NATURE**

Total direct, administration and other operating expenses:

	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>
Advertising and promotions	3,186	2,533
Audit fees	1,902	1,902
Expected credit loss allowance	78,946	-
Bank charges	3,111	2,872
Beautification projects	1,594,383	820,243
Depreciation (Note 11)	11,711	7,728
Directors' fees	1,513	1,540
Insurance	1,394	1,156
Legal and professional fees	10,445	8,003
Office expenses	22,498	12,675
Other goods and services	46,515	60,458
Rental property and equipment	72,395	66,005
Repairs and maintenance	18,350	13,670
Rio Grande related expenses	31,260	29,551
Lovers Leap related expenses	3,836	4,976
Salaries and wages (Note 8)	480,445	483,511
Travelling and subsistence	26,818	23,906
Utilities	32,972	14,967
	<u>2,441,680</u>	<u>1,555,696</u>



**Tourism Product Development Company Limited**

**Notes to the Financial Statements**

**Year Ended 31 March 2018**

**(Expressed in Jamaican dollars unless otherwise indicated)**

**8. STAFF COSTS**

	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>
Duty allowance	9,787	9,225
Gratuity	16,389	21,968
Laundry allowance	5,340	5,338
Meal allowance	16,566	16,766
Motor vehicle upkeep	78,237	80,552
Pension costs	7,186	6,823
Performance incentive	18,894	21,788
Statutory contributions	16,365	16,985
Uniform	13,445	6,995
Wages and salaries	294,008	277,302
Other	4,228	19,769
	<u>480,445</u>	<u>483,511</u>

**9. OPERATING LEASE COMMITMENTS**

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

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

	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>
Not later than 1 year	6,395	26,472
Subsequent to 1 year but less than 5 years	22,461	15,820
Later than 1 year and not later than 5 years	194,512	5,907
	<u>223,368</u>	<u>48,199</u>

**Tourism Product Development Company Limited**

**Notes to the Financial Statements**

**Year Ended 31 March 2018**

**(Expressed in Jamaican dollars unless otherwise indicated)**

**10. TAXATION**

- (a) The Company is exempt from taxation on surpluses arising from normal operating activities.
- (b) Taxation is charged on interest and other income received during the year, adjusted for taxation purposes and comprises income tax at 25%:

	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>
Current tax	<u>11</u>	<u>3</u>

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

	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>
Surplus before tax	<u>167,131</u>	<u>165,938</u>
Tax calculated at a tax rate of 25%	41,783	41,485
Net revenue not subject to tax	<u>(41,772)</u>	<u>(41,482)</u>
Tax charge	<u>11</u>	<u>3</u>

**11. PROPERTY, PLANT AND EQUIPMENT**

	<b>Office Equipment \$'000</b>	<b>Office Furniture \$'000</b>	<b>Motor Vehicles \$'000</b>	<b>Computer Hardware \$'000</b>	<b>Computer Software \$'000</b>	<b>Total \$'000</b>
<b>At Cost</b>						
At 1 April 2016	88,312	27,716	15,317	26,206	5,292	162,843
Additions	<u>467</u>	<u>326</u>	<u>-</u>	<u>3,373</u>	<u>-</u>	<u>4,166</u>
31 March 2017	88,779	28,042	15,317	29,579	5,292	167,009
Additions	<u>455</u>	<u>4,469</u>	<u>9,147</u>	<u>12,789</u>	<u>2,383</u>	<u>29,243</u>
31 March 2018	<u>89,234</u>	<u>32,511</u>	<u>24,464</u>	<u>42,368</u>	<u>7,675</u>	<u>196,252</u>
<b>Depreciation</b>						
At 1 April 2016	84,507	19,083	7,340	8,618	2,205	121,753
Charge for the year	<u>427</u>	<u>895</u>	<u>1,597</u>	<u>4,192</u>	<u>617</u>	<u>7,728</u>
31 March 2017	84,934	19,978	8,937	12,810	2,822	129,481
Charge for the year	<u>469</u>	<u>1,254</u>	<u>3,105</u>	<u>5,912</u>	<u>971</u>	<u>11,711</u>
31 March 2018	<u>85,403</u>	<u>21,232</u>	<u>12,042</u>	<u>18,722</u>	<u>3,793</u>	<u>141,192</u>
<b>Net book values</b>						
31 March 2018	<u>3,831</u>	<u>11,279</u>	<u>12,422</u>	<u>23,646</u>	<u>3,882</u>	<u>55,060</u>
31 March 2017	<u>3,845</u>	<u>8,064</u>	<u>6,380</u>	<u>16,769</u>	<u>2,470</u>	<u>37,528</u>

**Tourism Product Development Company Limited**

**Notes to the Financial Statements**

**Year Ended 31 March 2018**

**(Expressed in Jamaican dollars unless otherwise indicated)**

**12. RECEIVABLES**

	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>
Trade receivables	75,855	75,865
Less: Provision for impairment	(24,055)	(14,908)
	<u>51,800</u>	<u>60,957</u>
Tourism Enhancement Fund (Note 19)	69,799	77,194
Less: provision for impairment	(69,799)	-
	<u>-</u>	<u>77,194</u>
Staff loans and advances	8,643	10,010
Prepayments	2,563	2,563
Other	3,405	6,031
	<u>66,411</u>	<u>156,755</u>

**13. CASH AND CASH EQUIVALENTS**

	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>
Cash and bank balances	365,563	121,108
Bank overdraft	(59,704)	(906)
	<u>305,859</u>	<u>120,202</u>

Cash includes amounts held in current accounts and cash on hand and at bank. The weighted average effective interest rates on bank accounts denominated in Jamaican dollars was 0.3% and on bank accounts denominated in United States dollars was 0.1%.

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

**14. PAYABLES AND ACCRUALS**

	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>
Trade payables	12,207	59,719
Accrued charges	34,865	21,723
Contractor's levy, retention and deposits payable	32,756	28,601
Statutory payables	1,689	(1,586)
Accrued vacation	16,330	18,419
Stale dated cheques payable	21,838	17,964
MTE Adaption Fund	-	10,527
Other payables	16,693	34,985
	<u>136,078</u>	<u>190,352</u>

**Tourism Product Development Company Limited**

**Notes to the Financial Statements**

**Year Ended 31 March 2018**

**(Expressed in Jamaican dollars unless otherwise indicated)**

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**15. CAPITAL**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Authorised - 100 Ordinary shares - at the beginning and end of the year		
Issued and fully paid - 2 Ordinary shares – at the beginning and end of the year		
Stated capital	<u>200</u>	<u>200</u>

The stated capital is denoted as \$1,000 in the statement of financial position to recognize a balance.

**16. CAPITAL RESERVE**

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

**17. CONTINGENCIES AND OTHER COMMITMENTS**

A lawsuit was filed against the Company on 2 February 2004 by Exterior III Constructions Ltd. a former contractor. The claim is in respect of work done on the Portland Craft Village for which final payment of \$5,894,136 was not received. The Company has filed a counter suit in response, claiming \$9,613,200 in damages, interest and costs. The matter has been dormant for several years but the Company's legal counsel, received referral from the Supreme Court for the matter to be set for mediation before 20 September 2012. To date, the lawyer has not received any written communication from the claimant's attorney regarding the schedule for the mediation.

**18. PENSION SCHEME**

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

The scheme is funded by employee contributions at 5% of salary with the option to voluntarily contribute an additional amount provided that their total contributions to the scheme do not exceed 20% of salary. See Note 8 for the amount recognised in the statement of comprehensive income for the year. Pension at normal retirement age is based on the amount that can be obtained from both the employer's and employees' accumulated contributions, with interest.

**Tourism Product Development Company Limited**

**Notes to the Financial Statements**

**Year Ended 31 March 2018**

**(Expressed in Jamaican dollars unless otherwise indicated)**

**19. RELATED PARTY TRANSACTIONS AND BALANCES**

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

	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>
Ministry of Finance		
Subvention fee income	1,863,319	381,203
Tourism Enhancement Fund		
Subsidiary income and project reimbursement	599,989	789,351
Other income	<u>12,530</u>	<u>73,629</u>
	<u>2,596,887</u>	<u>1,244,183</u>
Bad debt provision recognised against Tourism Enhancement Fund	<u>(69,799)</u>	<u>-</u>

- (b) The statement of financial position includes the following balances with government agencies:

	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>
Due from Tourism Enhancement Fund	<u>69,799</u>	<u>77,194</u>

The balances due from TEF of \$69.799 million was fully provided during the year and included in expenses (Note 7).

- (c) Key Management compensation

	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>
Salaries and wages	86,010	69,078
Gratuity	5,643	17,838
Other short-term benefits	<u>37,832</u>	<u>28,318</u>
	<u>129,485</u>	<u>115,234</u>
Directors' emoluments		
Fees	<u>1,513</u>	<u>1,540</u>

# HUMAN RESOURCE AND ADMINISTRATION

The Human Resources Department sets a lofty vision and has been striving step by step to achieve this ideal. Its mission offers focus and meaning to its multiplicity of activities aimed at enabling TPDCo to meet its objectives. The vision and mission are as follows:

## **Vision**

The Tourism Product Development Company is admired nationally and regionally as an Employer of Choice and a model of best practice in human resource management.

## **Mission**

To provide quality human resources and administrative services in order to attract, develop, motivate and retain a competent workforce within a healthy work environment.

## **Performance Management**

For the period there was improvement in the management of performance as majority of our employees submitted work plans at the outset of the appraisal period thus ensuring timely clarity on their objectives.

Improved individual performance was facilitated and enhanced by our recognition system which included a staff awards and recognition function at the Caymanas Golf and Country Club at which the best performers per department, per region and across the entire organization were recognized and rewarded. We also showed appreciation to those who had long committed years of service to TPDCo.

## **Recruitment & Staffing**

Our human capital remains our most critical resource and given the company's important mandate the department ensured the required staffing was in place to provide the capacity for TPDCo to carry out its remit. Some twenty two (22) staff members were recruited inclusive of a Deputy Executive Director, Director, Product Development and Community Tourism and an Accountant.

Consistent with best practice, we sought to recruit from within resulting in seventeen (17) members of staff being promoted, thus creating an atmosphere in which employees feel that they can be upwardly mobile.

We facilitated our employees in moving towards their ultimate

career goals by expanding our cross training programme. In this regard, nineteen (19) persons received organized cross training. The rich partnership between TPDCo and Tourism Management and Hospitality training institutions paid dividends as we maintained our experiential learning/ internship programmes with students from those organizations. This contributed to our mandate to improve human capital in the tourism sector.

## **Training and Development**

Staff attended over Forty (40) training and development sessions to include performance management sensitization, leadership, employee engagement, government accounting, project management, minute writing, webpage design and ISO 9001.

## **Human Resources Policy Update**

The Human Resources Policy was updated and received Board approval. The policy now includes best practice provisions such as sexual harassment and a framework for flexible work arrangements.

## **Staff Wellness Programme**

TPDCo views the wholesome development of its people as contributing to their sustained capacity to meet and exceed objectives, thus a keen attention is paid to its wellness activities.

The company continued to provide a wellness programme for its employees by subsidizing gym fees, professional affiliation fees, having wholesome monthly lunch-time talks and health screenings.

Recognizing the importance of fostering healthy interpersonal relationships in the workplace, TPDCo is proud to have held a very successful staff fun day, quarterly socials, Children's day, participated in fun runs (including Sigma) and was a part of the Ministry of Tourism and its agencies staff party at Christmas.

## **Uniform**

Uniformed staff were provided with high quality uniforms over the period thus enhancing staff morale as well as our corporate image.

## LICENCE PROCESSING UNIT

The Licencing Processing Unit is responsible for coordinating all licensing functions on behalf of the Jamaica Tourist Board (JTB). We are also responsible for generating all statistical data with regard to the various tourism entities. A Board submission is generated and submitted to the JTB on a monthly basis or more frequently as requested for review and approval by the Board of Directors of the Jamaica Tourist Board. The report below reflects the objectives achieved over the period April 2017 to March 2018.

### LICENCE PROCESSING

Six Thousand Two Hundred and Eighteen (6,218) licences were approved by the Jamaica Tourist Board resulting in data being collated on the sector in order to inform and guide development.

### SECTOR REPORTS

#### Accommodation Sector

As at March 31, 2018 there were one hundred and ninety-four (194) hotels operating in the sector with one hundred and forty-one (141) licensed.

**During the year, nine (9) new hotels entered the sector and they are as follows:**

Name of Operation	Location	# of rooms
The Prestige Hotel(formerly Sandhurst (Hotel)	Kingston	43
San San Tropez Limited	Portland	10
Jakes Hotel Villas & Spa (formerly licensed as a guest house	South Coast	67
Luna Sea Hotel Limited	Negril	11
Hotel RIU Reggae	Montego Bay	681
Cuckoo's Place	Montego Bay	11
Secrets & Breathless Resorts Montego Bay (the Breathless concept was added to the Secrets which was previously licenced)	Montego Bay	850
Verney House Hotel	Montego Bay	21
The Village Hotel	Ocho Rios	34
<b>TOTAL</b>		<b>1,728</b>

In addition to the above there were three (3) hotels that underwent name change/new owner management for the period. They are as follows:

Name of Operation	Location	# of rooms
Sunscape Resort & Spa(formerly Sunset Beach Resort)	Montego Bay	430
Zoetry (formerly Coyaba Beach Resort & Club)	Montego Bay	49
Sandals Ochi Beach Resort (The Manor) (formerly Sandals Grande Riviera)	Ocho Rios	529
<b>TOTAL</b>		<b>1,008</b>

**LICENCE  
PROCESSING UNIT**

The total active hotel accommodations (licensed and unlicensed.) as at March 2018 included the following:

<b>REGION</b>	<b># OF HOTELS</b>	<b># OF ROOMS</b>
Kingston	19	1,357
St. Catherine	6	243
St. Thomas	4	97
Clarendon	4	79
Manchester	6	226
St. Elizabeth	5	120
St. Mary	7	684
St. Ann	26	859
Portland	7	143
St. James	36	7,604
Trelawny	7	972
Hanover	11	2,932
Westmoreland	55	2,929
<b>TOTAL</b>	<b>193</b>	<b>18,245</b>

In addition to the above, sixteen (16) Non-hotels (apartments/guest houses/villas//homestay) entered the sector.

<b>NAME OF OPERATION</b>	<b>LOCATION</b>	<b># OF ROOMS</b>	<b>TYPE OF ENTITY</b>
642 Breadfruit Villa (Apartment)	Ocho Rios	3	Apartment
Point of View Villa and Spa	Ocho Rios	4	Villa
Wayne Sunspot Villa	Ocho Rios	4	Villa
Pink Rock Inn	Ocho Rios	9	Villa
Villa Turrasann	Ocho Rios	3	Villa
Seaview Black & White Villa	Portland	6	Villa
Comfort Kingdom Villa	Montego Bay	5	Villa
Seaclusion	Montego Bay	5	Villa
Someday Soon	Montego Bay	5	Villa
Windward Villa	Montego Bay	6	Villa
June Sutherland-Boucher	Ocho Rios	4	Home Stay
Geddes Great House Attraction	Ocho Rios	7	Home Stay
Agapantha Cottage	South Coast	3	Home Stay
The Hills at Rose Hall	Montego Bay	2	Home Stay
Paw-EE Mountain Side Mansion	Kingston	4	Home Stay
Hillcrest Lodge	Kingston	4	Home Stay
<b>TOTAL</b>		<b>71</b>	



## LICENCE PROCESSING UNIT

### ATTRACTIONS

As at March 31, 2018, there were one hundred and twenty-eight (128) Attractions in the sector with seventy seven (77) of these operations licensed. Eleven (11) new operators entered the sector.

NEW ATTRACTIONS
Chukka Caribbean Adventures Limited, Westmoreland (formerly Reggae Style Mayfield Falls)
Jamaica Swamp Safari Village
Margaritaville Negril
Supreme Ventures Racing & Entertainment Limited
Chukka Caribbean Adventures Limited, Ocho Rios
Reggae Hill
Holywell Recreational Area
Bunkers Hill Cultural Xperience & River Tour
Margaritaville Falmouth
White Witch Golf Club
Yardy River Tour Adventures Limited

### WATER SPORTS

As at March 31, 2018 there were one hundred and thirty-three (133) operators in the sector with Ninety-Nine (99) being licensed. Ten (10) new watersports operators entered the sector during this period; they were:

NEW WATERSPORTS OPERATORS		
NEGRIL	MONTEGO BAY	OCHO RIOS
Stanley's Sea Sports Limited	Stanley's Sea Sports Limited	Water Striders Holdings Limited
Kymera Adventures Limited	"H20 Getaway Adventures"	Sports & Diver Club Ltd
Master Chris Negril Water Sports	Faithful Waters	
Jamaican Tourxpert Limited		
The Boardwalk Village Limited		

### Car Rental

As at March 31, 2018 there were eighty-three (83) Car Rental operations in the sector of which forty-nine (49) were licensed. Three (3) new car rental operators entered the sector for the period. The new operators are:

New Car Rental Operators – Montego Bay
Kiuki Car Rental Limited
OJ's Auto Sales & Rentals Limited
Drivus Ran Rentals Limited

# LICENCE PROCESSING UNIT

## DUTY CONCESSION – CAR RENTAL OPERATORS

The Department provides secretariat support for the Duty Concession programme on behalf of the Ministry of Tourism and is responsible for monitoring the operators that received the duty concessions.

The total number of vehicles recommended for concession for the period April 2017 – March 2018 is eight hundred and three (803). Six Hundred and Fifteen for the Rental Car Association and One Hundred and Forty-One (141) for other JTB licensed Car Rental operators.

## BIKE RENTAL

As of March 31, 2018, there were eleven (11) Bike Rental operations in the sector. For this reporting period four (4) operations were licensed.

## TOUR OPERATORS

As at March 31, 2018 there were one hundred and ninety-six (196) Domestic Tour operators of which One Hundred and thirty-six (136) were licensed. These include tour operators with vehicles and destination management companies.

Thirty-three (33) new domestic tour operators entered the sector for this reporting period; they were:

LISTING NEW DOMESTIC TOURS OPERATORS TO THE SECTOR				
Negril	Montego Bay	Kingston	Portland	Ocho Rios
Errol Flynn Tours Company Limited	TUI Jamaica Limited	Tropic Island Trading Company Limited	JUTA Portland Chapter Limited	Historic Tours Jamaica
	Jamaican Tourxpert Limited	Vibzen	Peregrine Transportation and Tours	Karandas Tours Limited
	Hylton's Transportation Service Limited	On-line Tours and Transfers Limited		Shadow Travel and Tours Limited
	PPP Tran Tours	Swiss Island Tours Jamaica		Cheap Tours Jamaica.com Ltd
	Ride Jamaica Taxi App	Culture and Entertainment Limited		
	SNL Jamaican Tours Limited	Sports Explorers		
	Jamrock Tours Limited	Travelr Taxi & Tours Services		
	Kamash Transport Limited	Walkgood Adventure Tours		
	Future Jamaica Tours Limited	Liberty Trails Limited		
	Elegant Jamtours and Transfer Limited	Meet Jamaica UP Close and Personal		
	Safari Tours Limited			
	Seasons Oyster Bay Tours Limited			
	Buen Tours Limited			
	DJR Vacations and Tours Limited			
	"MNM Marketing & Management"			
	Jamaica America Zion Trips, Limited			

## LICENCE PROCESSING UNIT

### **TRAVEL HALT**

As at March 2018 there are Eighty-two (82) Travel Halts of which twenty (20) are licenced Travel Halts in the sector. Two (2) new Travel Halts that entered the sector for the period were Cuckoo's Place and D'Rehab Lounge, Sports Bar & Pool Hall, Montego Bay.

### **CONTRACT CARRIAGE**

Owners that operate in the sector have to obtain a Contract Carriage licence from the Jamaica Tourist Board before they are eligible for a road traffic contract carriage licence. For this reporting period four thousand three hundred and sixty-seven (4,367) were licensed. Of this amount two hundred and seventy-nine (279) were new operators.

### **CRAFT**

The Department continued to conduct assessments of the craft markets in its effort to have the markets listed as Places of Interest by the Jamaica Tourist Board and to have all the vendors in the markets licensed as Craft Traders. As at March 2018, nine hundred and seventy-one (971) Craft Traders were licensed with twenty-eight (28) new vendors entering the sector for the period.

## PRODUCT QUALITY & TOURISM TRAINING DEPARTMENT

The Product Quality and Training Department, as it monitors standards within the tourism sector, seeks to promote the quality of the tourism product and assist all stakeholders to attain/maintain a quality tourism product. Engagement with supporting regulatory agencies such as the Public Health Department, the Tourism Liaison Police and the Jamaica Fire Brigade continued with a view to representing the concerns of the sector and to effecting compliance with standards at a minimum cost. Efforts were made to develop partnerships with educational institutions such as HEART/NTA in order to have a greater reach in training sector workers. The report below reflects the objectives achieved over the period April 2017 to March 2018.

The objective of the Tourism Training Division is to design, organize and conduct training programmes which will facilitate human resource development in the tourism sector.

### Quality Assurance Assessments

One thousand and thirty-four (1034) assessments were conducted with the tourism sector including accommodations, attractions, water sports operations, car rentals, bike rentals, tour operations, travel agencies, in bond shops, contract carriage operators and craft sites.

### Accommodation Standards

TPDCo in collaboration with the Bureau of Standards Jamaica (BSJ) participated in the CARICOM Regional Organization for Standards and Quality (CROSQ) meetings to establish Caribbean Regional Accommodation Standards. This process has been completed. Monthly online meetings were arranged by CROSQ based in Trinidad and Barbados and involved some 14 Caribbean territories. Participants were from regional Bureaus of Standards and Tourism Authorities. Deanne Keating Campbell was selected by Executive Director, Dennis Hickey to represent TPDCo in the meeting. Accommodation standards were developed.

### River Rafting Authority

All fourteen (14) entities that fall under the purview of the River Rafting Authority were assessed. Of the 14, 12 were licensed. There was one new operator in Falmouth – Rock Wharf Limited. Two operators are no longer conducting activities on their respective rivers. These are River Bumpkin Farm Tours (Martha Brae) and Jamaica Jungle River Promotions (Great River).

The River Rafting Authority (RRA) commissioned a Terms of Reference (TOR) for a carrying capacity study of the White River. The TOR was received and accepted by the RRA's Board at its meeting held in July 2017.

The River Rafting Authority requested NEPA to seek funds to conduct this study. This study is scheduled to be conducted during the period – April to June 2018.

<b>RIVER RAFTING AUTHORITY</b>		
<b>FINANCIAL REPORT FOR THE PERIOD APRIL 1, 2017- MARCH 31, 2018</b>		
EXPENDITURE		YE MARCH 31, 2018
COMPENSATION OF EMPLOYEE		3,247,031.17
TRAVEL EXPENSE AND SUBSISTENCE		261,698.20
RENTAL OF PROPERTY AND MACHINERY		-
OTHER GOODS AND SERVICES		190,474.09
	<b>TOTAL</b>	<b>3,699,203.46</b>
INCOME		
FEES COLLECTED		337,334.50
NET FUNDING SUPPORT FROM TPDCo.		3,361,868.96
	<b>TOTAL</b>	<b>3,699,203.46</b>

**PRODUCT QUALITY & TOURISM  
TRAINING DEPARTMENT**

The River Rafting Authority requested NEPA to seek funds to conduct this study. This study is scheduled to be conducted during the period – April to June 2018.

**Visitor Information Programme**

For this reporting period the following is an estimation of activities at the information kiosks islandwide for this reporting period April 2017 – March 2018:

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

<b>Regions</b>	<b>Number of non-residents that utilize kiosks</b>	<b>Number of residents that utilize information kiosks</b>	<b>Enquiries</b>
Ocho Rios	41,867	81	45,082
Montego Bay, Harbour Street And Historic Falmouth Cruise Ship Pier	617,188	5,150	622,338
Portland	0	0	626
<b>Total</b>	<b>659,055</b>	<b>5,231</b>	<b>668,046</b>

A total of five hundred and sixty three (563) vessels arrived in Jamaica during the reporting period, of which there were one million nine hundred and fifty seven thousand four hundred and sixty seven (1,957,467) passengers and seven hundred and twenty six thousand six hundred and ten (726,610) crew members.

# PRODUCT QUALITY & TOURISM TRAINING DEPARTMENT

## **Training**

The Goals of the training and development programmes are:

- 1) To assist in the development of a standardized approach to tourism training and human resource development by assisting educational institutions in the design and delivery of tourism programmes e.g. Team Jamaica and Skills Upgrading through institutional strengthening.
- 2) To provide suitable access to specialized training programmes for the tourism sector via in house, community groups and on demand training via scheduled programmes and specialized programmes. Foster Team Spirit and improve the rate of certification for skills and Team Jamaica.
- 3) To expand the reach of Team Jamaica to the sector through Approved Training Partners.

## **ACHIEVEMENT OF THE UNIT**

The training activities for the period APRIL 2017 - MARCH 2018 were:

### **TEAM JAMAICA TRAINING**

Two Hundred and Nine (209) Team Jamaica programmes were delivered with Three Thousand One Hundred and Forty-six (3,146) participants.

### **SKILLS UPGRADING PROGRAMMES**

A total of Fifty-nine (59) Skills Upgrading programmes were held with a total of Two Thousand Three Hundred and Nine (2309) participants.

Programmes conducted were as follows:

- Tour Guiding
- Responsible Service of Alcohol
- Professional Butler Service
- Customer Service
- Trainer Skills
- Cultural Sensitization
- Tourism Summer Intern Programme

## **INCOME**

The income earned by the unit for the April 2017 to March 2018 period was \$29,200,497.14.

## **Approved Training Partners**

Overall, a total of twenty (20) ATPs and thirty one (31) Trainers were authorized to facilitate and deliver the programme as shown in the table below:

**PRODUCT QUALITY & TOURISM  
TRAINING DEPARTMENT**

Region	# Approved Training Partners	# Trainers
Kingston	7	13
Ocho Rios	4	6
Montego Bay	6	9
Negril	2	2
Mandeville	1	1
Total	20	31

**HIV/AIDS AWARENESS PROGRAMME**

For the period the following activities took place under the HIV/AIDS Awareness Programme:

- 24 Awareness sessions with 6,647 participants
- 19 HIV/AIDS Policy consultations
- Participation in 13 Health Fairs where 957 persons visited the booth

**Participation in Community Fairs**

Objective: To showcase and highlight TPDCo's HIV Programme via the viewing of TPDCo's "WANTED" and "HOTEL PARADISE", other HIV Media Campaigns, DVDs, male and female condom and dental dam demonstrations as well as other general information on HIV and AIDS and STIs. Three (3) booths were setup for the period:

- Beaches Negril Health & Wellness Fair held on Friday February 10, 2017 – 40 persons visited TPDCo's booth for information on HIV and AIDS and other STIs, TPDCo's HIV Programme to include the viewing of the DVDs "WANTED" and "HOTEL PARADISE".
- February 21, 2017 – 64 persons visited TPDCo's booth for information on HIV and AIDS and other STIs, TPDCo's HIV Programme to include the viewing of the DVDs "WANTED" and "HOTEL PARADISE".
- TPDCo set up booth at Hotel Four Seasons Voluntary Compliance Programme (HIV) Awareness/Sensitization on Monday March 20, 2017 and Tuesday March 21, 2017 – 86 persons visited the booth on Monday March 20, 2017 and another 45 visited the booth on Tuesday March 21, 2017 for information on HIV and AIDS and other STIs, TPDCo HIV Programme to include the viewing of the DVDs "WANTED" and "HOTEL PARADISE".

# PROJECTS

A total of thirty-two (32) projects of varying sizes and complexities were undertaken, beginning at different times throughout the period. Of these, there were two (2) programmes with sixty-three (63) and thirty-four (34) sub-projects respectively. Fourteen (14) of the projects, and nineteen (19) of the sub-projects were completed within the period, while all other projects are in various stages of progress.

PROJECTS IN THE PERIOD 17/18	EXPENDITURE
Barrett Town Community Center	\$ 7,089,757.08
Rehabilitation of St. Peters Church, Phase 3	\$ 826,411.19
Storyboards, Trench Town Directional Signs	\$ 4,582,241.14
Milk River Mineral Spa and Hotel	\$ 2,803,465.00
Milk River Rehabilitation – Follow-on Contract	\$13,725,914.45
Harmony Hall to Accompong Road Repairs	\$ 45,300.00
Devon House Ice Cream Shop (Practical Completion achieved)	\$ 3,904,529.12
Spruce Up Pon Di Corner 17/18	\$104,714,067.41
Tourism Resort Maintenance 2017/2018	\$316,662,677.13
Treasure Beach Main Road Rehabilitation	\$ 18,182,687.50
Montego Bay Traffic Islands	\$ 5,315,250.00
Teen Challenge Dormitory	\$ 8,626,818.09
Creation of the Eastern Entrance of the City of Montego Bay	\$134,107,534.41
Lyssons Beach Upgrade and Rehabilitation Phase I	\$ 761,500.00
Repairs to Shaw Park Road	\$ 8,840,727.88
<b>TOTAL EXPENDITURE FOR COMPLETED PROJECTS 17/18</b>	<b>\$640,188,880.40</b>



# PRODUCT DEVELOPMENT & COMMUNITY TOURISM DEPARTMENT

## Heritage/Community Based Tourism

TPDCo collaborated with the Ministry of Tourism to complete agreed projects under the Sustainable Destination Alliance of the Americas (SDAA) Project. Projects executed in 2017/18 included Falmouth Heritage Exposition which was held in October 2017 as well as the Signage Project which saw four (4) heritage locations receiving signage under the project; i.e. -Albert George Market, Baptist Manse, Water Square, Court House.

## Heritage Inventory of Jamaica

A detailed Cultural Heritage Inventory List of Declared Heritage Sites and Monuments of Jamaica was completed. The list is broken down by parish and includes; the name of the site, a historical overview of the site, the address of each site and the year of declaration. The list also breaks down each site into the following categories: Natural, Pre-Columbian, Historic, Monument, Mixed and World Heritage Site. This categorization makes it easier to understand the diverse nature of historical spaces within Jamaica. The list also looked at which sites have a potential for development into an attraction.

## Community Tourism Enterprises (CTE)

The two-part Community Tourism Toolkit was completed in June 2017. Twenty-five (25) persons were trained in the use of the toolkit while eleven (11) stakeholders were trained as facilitators.

The entity established agreements with Jamaica Social Investment Fund (JSIF) to ensure continued development of community tourism enterprises. It also collaborated with JSIF to issue, recruit and select an experienced consultant to hand-hold and develop (8) community tourism enterprises – handholding will include coaching and capacity building for Community Enterprises.

Community Tourism Portal – [www.MoretoJamaica.com](http://www.MoretoJamaica.com)  
The Community Tourism Secretariat assumed responsibility for the Community Tourism Portal and continued to act on leads generated to the site. TPDCo has also been granted rights of access to the social media pages associated with [www.moretojamaica.com](http://www.moretojamaica.com); this has been sent to the Community Outreach Unit. A formal agreement remains outstanding for site management.

## Homestay Mapping

An inventory of Homestays island-wide was completed and plotted on a map for the Air B and B consultation.

## Lime Cay Stakeholder Consultation

TPDCo organized a site visit to Lime Cay, inclusive of the relevant agencies that would be considered the key stakeholders in the development of the Cay. The main objective of the site visit was to conduct a reconnaissance of the property in order to identify the requirements for the

development of the property as a Public Recreational Site. A report was completed with recommendations made and best practices as suggested by agencies present at the site visit.

Discussions have been in progress with National Environment and Planning Agency (NEPA) regarding management of Lime Cay.

## Resort Assessment

Resort Assessments were conducted for Portland, Negril and Falmouth Resort Areas and reports submitted. The assessments are comprised of a situation analysis and recommendation for future development.

## Spruce Up Jamaica – ‘Pon di Corner’

2017/2018 phase of the program commenced. Seventeen (17) projects have been completed and Twenty-Six (26) projects are in progress.

The projects which remain were:

- In procurement (3)
- Scoping (9)
- Payments were prepared for projects to commence

There were challenges with the program that are currently being worked out internally as well as with the external agencies with which TPDCo collaborates. It is the intention to remedy the issues before the roll out of the next phase 2018/2019.

## MANAGEMENT OF PROPERTIES

### 1. Lovers’ Leap Attraction:

The Lovers’ Leap Attraction was divested effective November 1, 2017.

A licence was issued by the Commissioner of lands to TPDCo for the Lovers’ Leap Forest Reserve in September 2017. The Lovers’ Leap Forest Reserve formed part of the property licenced to Jakes Holdings Ltd.

### 2. Rafting on the Rio Grande: Operations:

A short trip was introduced because cruise ship visitors desired a shorter time on the river as they had a time constraint because the original trip from Berrydale to Rafter’s Rest was a minimum of 2 1/2 hours.

- Raft Captains lost rafts in the flood rains of January 2018 and financial assistance was given to the Captains on January 12, 2018 by the Minister of Tourism, Hon. Edmund Bartlett.

- The Officers from the Tourism DC programme continue to monitor both properties and make arrests as deemed

## PRODUCT DEVELOPMENT & COMMUNITY TOURISM DEPARTMENT

necessary. At least two (2) Captains have been convicted, paying fines of \$10,000 with approximately 15 Captains currently before the court all for conducting rafting without a raft ticket.

Rehabilitation/upgrading works

Scope of works Rafters Rest and Berrydale –

- Upgrade sewage system
- Upgrade drainage
- Upgrade roofing – main office
- Upgrade flooring
- Installation of sewage system
- Electrical Upgrade

Expenditure during the year 2017-18 – (\$15 million)

### 3. **Roaring River Park & Caves:**

#### **Operations:**

- JTB licence maintained.
- The kitchen was outfitted with equipment transferred from Lovers' Leap, along with other furniture/equipment.

### 4. **Blue Hole, White River:**

TPDCo continues to pursue tenureship from the Commissioner of Lands. Arrangements were being made for a survey of the proposed boundary.

### 5. **Holland Bamboo:**

Property was retendered for a concessionaire on March 13, 2018. Having received five (5) expressions of interest, only one (1) bid was returned. Interview of the prospective concessionaire was scheduled for May 10, 2018.

### 6. **Hardwar Gap:**

Concessionaire indicated an interest to enter into a new contract. The property was in need of renovation and the scope of works for this is to be finalized.

### 7. **Lime Cay:**

Site visit was conducted on July 9, 2017 to include monitoring agencies, after which a fulsome report was generated. NEPA was then contacted regarding subletting the cays for development on which a response was pending.

### 8. **Lyssons Beach:**

Lease arrangement with Eastern Attractions was terminated and keys handed over to TPDCo on June 30, 2017. The lease was cancelled after efforts to collect outstanding fees of Ninety Seven Thousand Six Hundred Dollars (\$97,600.00) for the period June 2011 to March 2017 from the operator Eastern Attractions Limited failed. An interim manager and contract security services were engaged until a new lease arrangement has been finalized. The property was advertised for tender on Saturday, April 21 and Tuesday, April 24, 2018. The Pre-Bid site visit was slated for May 16, 2018 and return of tender on May 31, 2018. Rehabilitation & upgrade of Phase 2 commenced and was scheduled to be completed on May 14, 2018.

### 9. **Falmouth Swamp Safari:**

This property was JTB licensed. A new license agreement was prepared, while arrangements were finalized for a NEPA permit to keep endangered species.

### 10. **Rafting on the Martha Brae:**

The property sustained extensive damage in the flood rains of January 2018. A new license agreement was prepared with additional clauses. The licensee was responsible for paying the property tax.

### 11. **Gunboat Beach:**

Talks are ongoing between TPDCo, the NLA and the lessees to address the lessees' concerns in respect of investment requirements and amendments to the lease. Further amendments have been granted by NLA and this is to be finalized with the sub-lessee.

### 12. **Jackson Bay:**

The exit strategy to the lease was put forward to NEPA. A presentation was later made to the NEPA Beaches Committee on February 27, 2018 and an approval was being awaited from the NEPA Board.

### 13. **Portland Craft Village:**

The Portland Municipal Corporation (PMC) carried out upgrading work in preparation for cruise ship calls. Following meetings between TPDCo and PMC, lack of information hindered a decision on the tenureship of this property which was being operated by the PMC. These discussions will resume on May 17, 2018.

### 14. **Folly Estate:**

Contractors for the NWC's Port Antonio sewage project were depositing and levelling excavated material on the property, which was expected to be completed by the mid-June, 2018.

### 15. **Old Ocho Rios Courthouse:**

Board approval was received for TPDCo to accept expressions of interest for the divestment of this property. The procedure on the way forward is being discussed with the TPDCo Procurement Department with a timeline of May 31, 2018 for completion of this aspect.

# CRAFT DEVELOPMENT

## MAJOR OBJECTIVES

The major objectives for the period under review 2017-2018 were as follows:

- To improve the quality and variety, visibility and marketability of artisanal products
- To upgrade the available craft skills and designs
- To create a Data Bank of relevant information for the Sector through research on current trends, skill set and availability of raw materials
- To develop and offer training and give oversight on the Craft Clusters island –wide

## ACHIEVEMENT OVER THE PERIOD MARCH 2017 – APRIL 2018

To date over 196 persons including traders have been trained in six different craft skills namely:

- Calabash - 18 persons trained to make handbags, clutch purses and decorative items
- Hardanger - 20 persons trained to make utility items – runners, pillow-cases and cushions
- Tie/Dye - 65 persons taught to tie/dye their “t” shirts for sale
- Glass Painting - 23 persons taught to paint on glass to make decorative items
- Hand Embroidery 22 persons taught embroidery skills
- Batik – 48 persons taught the craft skills in Batik

Tourism Product Development Company Limited received high commendation for its participation and output from the communities where most of the training took place.

In December 2017 two Christmas Craft Fairs were held which were very successful. This allowed traders to showcase and sell their products while enhancing their marketability.

## SURVEY CONDUCTED

A survey was conducted during the months of August to early September 2017 to determine the status of product offering and the experience of the shopper. The survey was conducted in all resort areas and revealed the following:

**TABLE 1**

VARIABLES	RATING SCALE 1-10 QUALITY	RATING SCALE 1-10 VARIETY	RATING SCALE 1-10 PRICE	RATING SCALE 1-10 PACKAGING
Product Offering	4.5	4.0	8.5 (OVERPRICED)	4.0
Quality of Products	4.0 -5.5	3.8-5.0	8.0(OVERPRICED)	3.0
Customer service	4.8 - 6.4			
Safety and Security	4.5			
Return visitors	5 %			

The survey revealed that persons were not very comfortable when shopping in the craft markets as security and safety reveals. It was observed that many of the visitors were from England and were millennials. All indicators showed that there needs to be improvement in the product offering and that lack of security affected sales. Improvement is also needed in customer service.

## HEART TRUST/NTA – Entrepreneurial Training

To date over three hundred and fifty (350) traders have been trained in Entrepreneurial Training and Business Studies. This is still ongoing as presently thirty-five traders should begin the course in May 2017. 180 traders that completed the course, received certificates. Over 1,000 traders have already completed the Team Jamaica Course.

# CRAFT DEVELOPMENT

## LICENSING OF TRADERS

Effort has been made to have all traders licensed, the data to date shows there has been some improvement in licensing. The table below highlights

CRAFT SITE	NUMBER OF TRADERS	LICENSED TRADERS	NUMBER OF SHOPS CLOSED
Ocho Rios	624	462	2
Kingston	123	92	1
Montego Bay	479	267	2
Negril	195	107	1
Portland	43	2	
<b>GRAND TOTAL</b>	<b>1,464</b>	<b>903</b>	<b>6</b>

## THE FUTURE:

Going forward there are many plans which should see improved craft market experience and improved opportunity for selling craft products. As such, plans are presently in place for training in product development, customer service and design development.

Traders and artisans have been encouraged to see craft production as a serious business and to apply the many lessons learnt in all areas including Customer Service.

# MANAGEMENT INFORMATION SYSTEMS

The Management Information Systems (MIS) department's vision is to equip the company with state-of-the-art information, communication and technology infrastructure that will allow the company to achieve its mission of providing the tourism sector with services that surpass their expectations. The environment in which we operate requires an Information Technology infrastructure solution that is scalable, extensible, flexible and cost effective. For the fiscal year 2017/18, the department focused on several initiatives to improve business processes and support organizational objectives. The department's activities were project driven to assist other departments within the company to work smarter, not harder in fulfilling the tourism mandate – to transform and enhance the product.

The following projects were undertaken:

## Human Resource Management Capital System (HRM)

In keeping with the department's objective to improve the delivery of services to staff using modern technology, we identified an HRM Software built on the renowned Oracle PeopleSoft HCM platform, aimed at addressing the human resource management needs of the organization. As a result of this initiative, the company would realize significant improvement in the management of its human capital, through the use of an automated computerized system. The HR Department was now able to manage personal and job records with a world class application and database. For the Fiscal year 2017/18, the MIS department continued post implementation monitoring and management of the HRM System implemented throughout the organization. Training on use of the HCM application was conducted for new HR employees. The following configurations were made to the systems:

- GP supporting elements used to calculate the PAYE tax amount payable by each payee and each pay-period
- Payroll element for Special Pensionable Allowance (including retro payments)
- Change in Gratuity element to be completely tax free.
- Addition of ISP Finance Services Limited as a payroll deduction.
- Deduction element for Carib Cash added.

## Unified Communication Solution (UCS)

Providing a converged infrastructure where voice and data communication flow over a common transport medium across the Ministry and its agencies, ultimately, linking all PBXs together. The solution is intended to reduce call charges, including cell phone calls which would allow extension to extension dialing across the regions; Providing a framework for future services including VoIP technology, i.e., Video Conferencing.

The UCS was fully implemented during the 2017/18 period. Cabling for the 4th floor and a newly fitted server room in the Kingston office successfully completed with all servers online. The works included relocation of server room UPS circuits, air conditioning, and implementation of environmental monitoring systems, rewiring/cabling, relocation of switches & router and fibre cable. The renovation significantly improved the day to day operations of the business as it provides centralized monitoring & management of the equipment & services. The relocation also provides improved security for IT infrastructure. The Video conferencing infrastructure continues to be utilized for Board/Department meetings/presentations. The Bandwidth was also upgraded within all Regional offices.

## Spiceworks Help Desk Application

A single point of contact for: Call Management; Problem Management; Inventory Management; Web-based Asset Management and Reporting, the MIS Team initiated the implementation of a help desk application.

The unit continues to manage the Spiceworks Help Desk system that provides:

- Single point of communication (one stop solution for IT assistance).
- Improved customer relationship (online interaction with IT Team to monitor and track requests)
- Better problem-solving timing (minimizes the total time spent on resolving a problem).

# MANAGEMENT INFORMATION SYSTEMS

## Records Management

The passing of the Access to Information Act in 2002, lends itself to a greater level of transparency and the need to create an environment that facilitates easy access to information. Also, granting the public a general right of access to official documents held by public authorities. Consequently, the government mandated that all Ministries and their agencies establish a Records and information Management (RIM) Programme aimed at efficiently and systematically controlling the creation, receipt, maintenance, use and disposition of our official records throughout their lifecycle. The portfolio which includes Access to Information was placed under MIS.

The Access to Information Unit for the period 2017/18 in conjunction with the Office of the Prime Minister, conducted a sensitization session to Senior Managers. The presentation highlighted the Access to Information Act, compliance with the Reporting Requirement under the Law, the Appeal Process and the extent to which managing records support the ATI Act.

Records Inventory completed for the following departments- Kingston:

- Audit;
- Procurement;
- Finance;
- Product Development & Community Tourism/ South Coast;
- Former Media Unit

Two (2) Access to Information (ATI) request received during the period:

### **1. The public re waterslides at Grand Palladium Hotel:**

- a. Number of reported waterslides incident at Grand Palladium – Lucea, Hanover for the period 2014 to present;
- b. If there were any recommended adjustment to the slides before they were installed; and
- c. If those recommendation(s) were done

### **2. The Gleaner Company:**

- a. The company's latest Audited Annual Account and Annual Report.
- b. A copy of the company's current monthly operating accounts.

There has been a significant reduction in the number of boxes containing files occupying office spaces in the Kingston offices. The Records stored at our offsite storage facilities are now properly labeled and arranged for easy retrieval of records. TPDCo was selected to be part of the pilot phase for the implementation of the Records and Information Management Programme (RIM) throughout Government. Dr. Kaydene Duffus of the Office of the Cabinet made a presentation to the Executive Management team on the Records and Information Management Programme and a Project Charter signed for the 5-Month Implementation. SAGE 300 ERP – Upgrade and POS Implementation. The Board of Directors made the decision to strengthen the IT infrastructure within the Finance/Accounting Department in order to provide better reporting outputs as well as implement Point of Sale (POS) systems across the organization and at the attractions managed by TPDCo.

New Chart of Accounts implementation continued for the period. The purchase workflow was incorporated as a part of the implementation and New Chart of Accounts uploaded. The SAGE 300 application was upgraded to 'Service Pack 4' with Inventory Control was installed.

### **Tourism Entity Management System (TEMS)**

TPDCo, given its thrust to provide an improved service to the sector and to streamline its processes to be cost effective and efficient, embarked on the implementation of a comprehensive information system. The application is an online system enabling the Product Quality Department to electronically capture all information collected during the licensing and inspection process. Major benefits to be derived includes real-time information and alerts, engendering a

# MANAGEMENT INFORMATION SYSTEMS

greater level of efficiency and effectiveness within the department; Database (storing historical information) on all entities; Readily accessible information on all entities at a glance; Expiry date alert to internal customers - regulatory agencies, and property operators; Generate Schedule for 'inspection' date to be utilized by Product Quality Officers; Replace the use of paper inspection form with electronic form by the use of hand-held device.

The project continued its phase of development into user acceptance testing with full implementation. The system went live in January 2018 for full utilization by the quality and licensing units. Post Implementation ongoing and with the objective of enhancing user experience, an app is being developed for implementation next year.

## Meraki Wireless Solution

The Ministry and its agencies support several wireless systems across its locations. The existing access points were not able to sufficiently support the rapid demand for wireless access. Management of the disjointed services is reactive and time-consuming. Utilizing Cisco Enterprise Meraki Cloud Solution, the Wireless Internet Access Points will provide regulated and secured Internet access to the Ministry of Tourism, TEF, & TPDCo at all of their major locations. Coverage encompasses up to five (5) floors and offices island wide with easy monitoring and control from TPDCo MIS administrators.

## Key Benefits:

- Expanded Wi-Fi range and user device capacity within Offices
- Intuitive and seamless Control for all systems
- Separation of Guest networks and Corporate Networks
- Improved access for large meetings – reduced connectivity and capacity issues.
- Customizable Splash pages for Guest Access

The centralized wireless solution has been fully implemented across all regions for the Ministry and its agencies. The Meraki Wireless solution was designed to block rogue Wi-Fi in order to avoid hacking signals of

unrelated Wi-Fi connections.

## Support Services

MIS continues to provide Information Technology services to the Ministry of Tourism and its Agencies. Technology refresh was undertaken with the change of number of equipment (computers, printers, scanners) for staff across all regions. The Agencies continue to benefit from the following services:

- Shared access to Microsoft Exchange Server including maintenance, patching, upgrading, monitoring, and problem resolution.
- Managed e-mail services
- File Storage and Archiving;
- Intranet Support;
- Internet Services;
- Security: Antivirus Protection, Intrusion Detection, and Monitoring System;
- Consultancy;

# VISITOR SAFETY & EXPERIENCE

## The Tourism Courtesy Corp Programme

The Tourism Courtesy Corp Programme ended on June 30, 2017 and no new contract was put in place.

### Anti-harassment video entitled “Cum Yah”

As part of our quest to innovate and support the Visitor Safety and Experience efforts at curbing harassment, the Community Awareness Department embarked on the production of an anti-harassment video entitled “Cum Yah”. This video made possible through funding from the Tourism Enhancement Fund (TEF) and was used for sensitization of parish judges, clerks of the court, TPDCo staff and communities in the immediate target area of Trelawny such as Clarkes Town, Albert Town, Wakesfield, Falmouth and Duncans. The “Cum Yah” video utilized some of our in-house talent which was not only cost effective but gave our team members an immersion in the challenges faced in the industry.

## The District Constable Program

Approval was granted for 200 District Constables, 192 were recruited, vetted and trained. Six persons have since left the program due to 5 resignations and 1 dismissal. Recruitment will take place to fill these vacancies. Of the numbers to be recruited, four (4) will be deployed in the vicinity of Bath, St. Thomas. The additional vehicular resources for the programme have now been procured; one (1) pick up van has already been deployed in Portland, 2 ATV's will be deployed in Negril; and a Noah bus for Ocho Rios are now with customs awaiting clearance. The District Constables are strategically placed in the resort areas focusing on the areas below:

- **Negril:**  
West End, 7 miles Beach and Town Centre, Bloody Bay.
- **Montego Bay:**  
Gloucester Ave, Sam Sharpe Square, Town Centre, Howard Cooke and Harbour Street, Golden Triangle / Ironshore.
- **Falmouth:**  
Anglican Church, Market and Duke Street, Water Square, Sea Board and Falmouth Street and Falmouth Pier, Burwood and Blue Waters Beach (surrounding areas)

- **Runaway Bay:**  
Flavours and vicinity of Royal DeCameron Hotel.

- **Ocho Rios:**  
Town Centre, DaCosta Drive, Main Street

- **Port Antonio:**  
Musgrave Market, Errol Flynn Marina, Titchfield Hill, Shan Shy Beach, Port Antonio Craft Market, Boston ,BerryDale and Rafters Rest

- **Kingston:**  
New Kingston business district

- **St. Elizabeth:**  
Treasure Beach

Over the period the district constables have issued 8276 tickets and made 782 arrests while making 726 patrols.

## Horse Removal Programme

Illegal horseback riding continues to be a major problem in Negril with at least one tourist being seriously injured. There were two operations carried out for the reporting period. These operations led to the seizure of six horses.

## Social Intervention

Harassment continues to be a major cause for concern in the tourism sector and persons believed to have a history of drug abuse contribute to this problem. This group of persons would include but is not limited to drug addicts, pimps, prostitutes and drug pushers. The aim of this project is to expand the existing Teen Challenge Jamaica facility for increased accommodations for substance abusers who are willing to change their practices and behaviour. The selected individuals will go through behavioural modification exercises and the requisite skills training programme to be rehabilitated and reintegrated into society for gainful employment. Persons deemed to be affected by drug abuse across the resort towns of Negril, Montego Bay, Falmouth and Ocho Rios, will be identified and subject to their willingness are then enlisted to participate in a rehabilitation program. As such, four additional dormitories which will be able to facilitate twenty-eight (28) persons, a green house,



## VISITOR SAFETY & EXPERIENCE

playing field, and a bus to further the outreach program; were donated by TPDCo. The program will aid in minimizing the level of harassment faced in the resort areas and aligns with the mandate of the Visitor Safety and Experience department; to create a hassle free environment resulting in positive visitor experience. The total cost of the project is \$35,292,372.30.

### **Building New Partnerships**

In keeping with the mandate of one of the Five Pillars of Ministry of Tourism which is to build new partnerships, The Visitor Safety and Experience department convened three meetings with hotel security heads, for the financial year 2017/2018. The purpose of these meetings was to build a stronger relationship with security stakeholders and to create an ease of access when sharing information among the network of security personnel within the industry. The meetings were held in the Montego Bay Resort area with plans to convene meetings in the Ocho Rios and Negril Resort areas as well. The head of security for each property welcomed the initiative and agreed on having quarterly meetings.

### **Administrative Procedure**

Administrative procedures were in the process of being implemented to address breaches committed by Contract Carriage Operators. The procedures were not yet approved by the Jamaica Tourist Board for the 2017/2018 period. Board approval was however expected in April of 2018, request for JTB approval submitted to the office of the Director of Tourism on February 22, 2018.

### **Canine Operation on Montego Bay Hip Strip**

In an effort to lessen the complaints of the sale of drugs, the Visitor Safety and Experience Department organized and executed several canine operations on the Montego Bay Hip Strip. The operations involved the search of several businesses based on information garnered from investigation. These were successful operations as several quantities of vegetative substance resembling marijuana were seized and some arrests made.

### **Illegal Rafting at Rafter's Rest and Berrydale**

Since the district constables have been deployed in the Rafter's Rest and Berrydale area, there has been a decrease in illegal rafting activity. The Visitor Safety and Experience department in consultation with the police, review the strategies on an ongoing basis to create deterrence from the illegal practice.

# COMMUNITY AWARENESS

The Community Awareness Department renewed our goals in tandem with the Tourism Ministry's Five (5) pillars and Five (5) networks for economic growth, with one of the main objectives being the implementation of an effective, coherent and sustainable communication strategy focused on building awareness around TPDCo's core business areas and improving the image of the organization.

Along those lines the unit supported all departments in the organization and registered a high level of success. We were pleased to participate in the historic United Nations World Tourism Organization (UNWTO) conference, as Co-Chair of the volunteer sub-committee and as a member of the sub-committee for communications, marketing and events.

We supported the Jamaica Centre of Tourism Innovation (JCTI) in their first phase, up to the graduation of their inaugural cohort of graduates as well as the Tourism Service Excellence Awards for 2017 with all communication elements. We worked very closely with both activities and ensured that both these big ticket items received the publicity they deserved.

## Media Relations

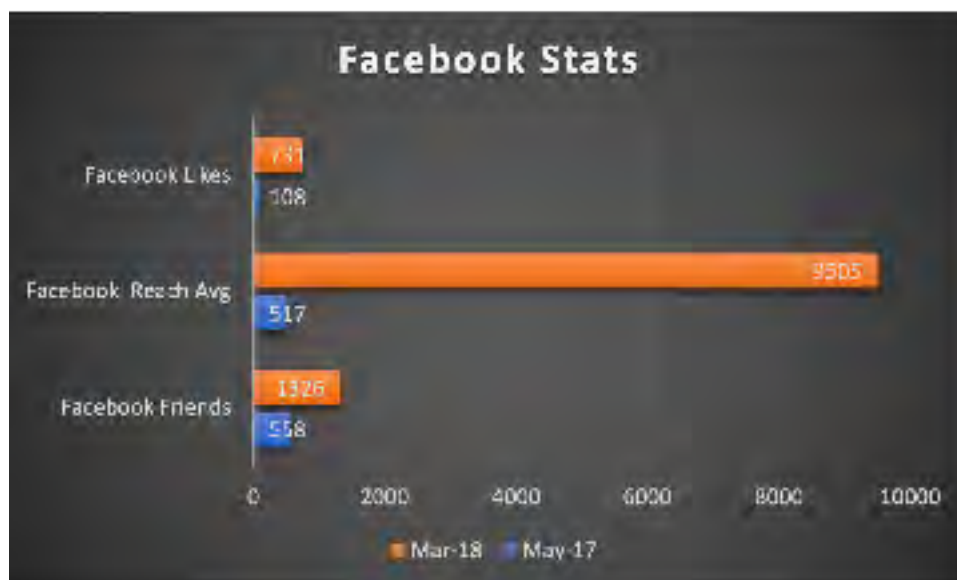
Our profile was raised in the market place through numerous press releases, radio and television interviews and print media placements which chronicled the achievements of the organization. In addition to the big ticket TSEA and JCTI, some of the other publicity items included the launch of Destination Assurance Councils, Craft Development Institute, New District Constables programme, TPDCo honouring outstanding Team members, Tourism Minister hailing TPDCo, among other things.

## Staff & Long Service Awards

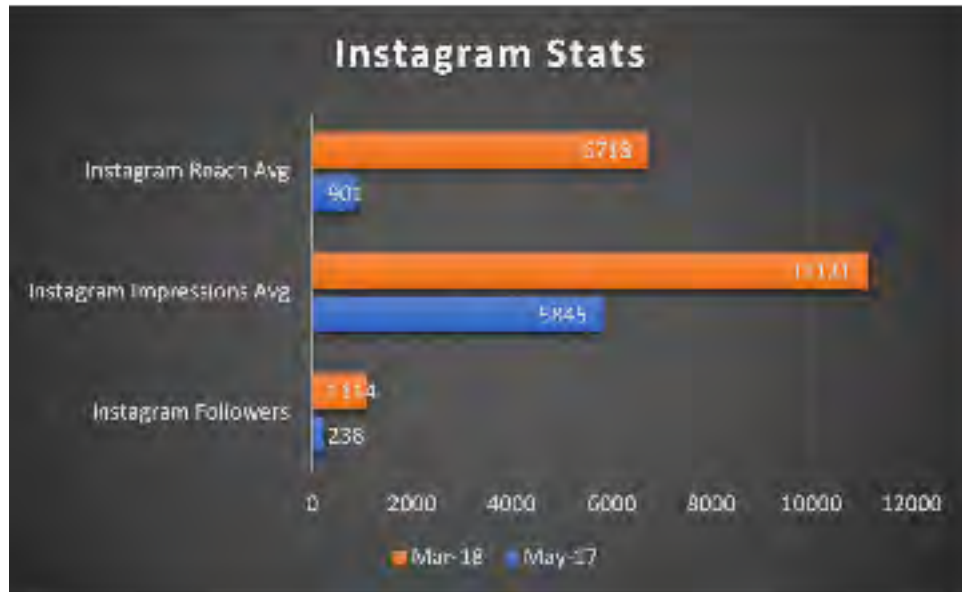
The Community Awareness Department worked closely with the Human Resource Department for the implementation of our long awaited Staff and Long Service Awards which was held in July at Caymanas Golf & Country Club. It was well received by the staff and helped to boost morale. Collaterals shared with staff were also highly appreciated.

## Website and Social Media Content/Management

The department benefitted greatly through the employment of a Social Media Officer and the replacement of our Web Content Writer. The improvement in the quantity and quality of the human resource allowed us to accomplish much more. At the end of the period under review we completed several updates to our site to make it more accurate, relevant and user friendly. After several campaigns and regular maintenance our social media status was as follows:



# COMMUNITY AWARENESS



## Cruise Ports Extravaganzas

The Community Awareness Department also coordinated some 54 concerts dubbed “Cruise Port Extravaganzas” in Ocho Rios, Montego Bay and Falmouth on ship days between January and May 2017. The concerts were well received and derived savings as the department collaborated with community groups for the provision of the entertainment at discounted prices. The series concluded on May 10, 2017. Of note an additional extravaganza to welcome the crew of Logos 3 book ship at the Montego Bay Port was facilitated at their request.

## Spruce Up TSIP/HOPE Summer Internship Programme

Spruce Up Jamaica Summer Intern Programme initially targeted 1000 participants. The programme was expanded to include the Housing Opportunity Productivity & Employment (HOPE) programme. Combined, we employed One Thousand Seven Hundred & Thirty-Nine (1739) interns and had participation from fifty-two (52) Members of Parliament. We continued to get support from the market place even though we were late in approaching our partners due to uncertainty of funding.

## Internal Communication/Employee Relations

One of the means by which this aspect of the organization was supported by the department was in the production of a bi-monthly, internal E-zine - “TPDConnect”. Through this organ we were able to highlight several of our achievements, meet new staff members and keep abreast of developments in the industry. Five (5) publications were completed over the period and they can be accessed at Issuu and Joomag.com.

## Additional Highlights

Another highlight of the Department’s work was the production of a desk calendar which highlighted several of our achievements including the JCTI launch, MOU with The Travel Foundation for the Warm Welcome

## COMMUNITY AWARENESS

programme, Community Tourism, Falmouth Tour Guide Service, our long service awardees among other activities of the organization.

As part of our quest to innovate and support the Visitor Safety and Experience efforts at curbing harassment, the Community Awareness Department embarked on the production of an anti-harassment video entitled “Cum Yah”. This video was made possible through funding from the Tourism Enhancement Fund (TEF). It was used for the sensitization of parish judges, clerks of the court, TPDCo staff and communities in the immediate target area of Trelawny such as Clarkes Town, Albert Town, Wakesfield, Falmouth and Duncans. The “Cum Yah” video utilized some of our in-house talent which was not only cost effective but gave our team members an immersion in the challenges faced in the industry.

The development of branding guidelines, to ensure standards and consistency of outward facing documents and collaterals started in this period and we developed departmental SOP’s for all positions in the department to guide the consistent quality of our actions.

A marching band was initiated under the “Pon de Corner” Programme for youth development and as a means of encouraging marketable skills. We had challenges of a flare up of violence in the community which affected the turn out. Efforts were made to have an MOU signed with the Barrett Town Police Youth Club in a bid to get the community involved for sustainability. In addition the club secured some instruments which they were willing to contribute to the cause.

The Department interacted with the community through sensitization sessions, fairs, and expos as well as provided graphic design, photographic and desk top publishing services for all departments of TPDCo. We ended the year on a very positive note with an opportunity to publish “The Adventures of Sprucey & Limey” comic strips in the Gleaner Children’s Own at no cost to the organization. Twenty Four (24) episodes highlighting the treasures of Trelawny, creating a better understanding of the tourism industry while building esteem, were prepared to be shared with the target group (age 8-12) in all primary schools across Jamaica.

Plans were made for the staging of a pilot national tourism quiz for primary and prep schools in our resort areas sheduled to be televised on a national station.

## SENIOR EXECUTIVE COMPENSATION

Financial year April 2017–March 2018

NAME AND POSITION	SALARY (\$)	GRATUITY OR PERFORMANCE INCENTIVE (\$)	TRAVELLING ALLOWANCE OR VALUE OF ASSIGNED MOTOR VEHICLE (\$)	PENSION OR OTHER RETIREMENT BENEFITS (\$)	OTHER ALLOWANCES (\$)	NON-CASH BENEFITS (\$)	TOTAL (\$)
Dr. Andrew Spencer - Executive Director	9,034,216	342,854			342,369	m/vehicle	9,719,439
Tova Hamilton - Deputy Executive Director	2,789,203	714,212	591,468		314,528		4,409,411
Joy Roberts - Deputy Executive Director (up to Aug 2017)	2,201,109		559,010		99,083		2,859,202
Deron Dixon - Director, Corporate Services	5,032,701	190,994	1,341,624		342,369		6,907,689
Duane Nelson - Executive Human Resource Manager	3,755,123	158,014	1,341,624	177,766	1,183,221		6,615,749
Nicole Haughton Wright - Corporate and Strategic Management Specialist	3,739,896	148,114	707,448		326,612		4,922,070
Deanne Keating Campbell - Director of Product Quality	3,737,042	158,014	1,341,624	177,766	769,008		6,183,455
Julian Patrick - Director of Attractions	379,818		97,375		18,015		495,208
Allasandra Chung - Director of Attractions (up to January 2018)	3,857,948		1,085,561	192,897	607,340		5,743,746
Georgeia Robinson - Financial Controller	3,265,257	130,362	1,341,624	156,434	472,731		5,236,047
Yvonne Gardner - Chief Information Officer	3,737,042	158,014	1,341,624	177,766	769,008		6,183,455
Ruth Harris - Executive Tourism Training Manager	3,420,352	124,154	1,341,624	163,545	342,369		5,392,045
Violet Crutchley - Craft Co-ordinator	3,747,860	1,873,800	1,341,624		769,005		7,732,290

## SENIOR EXECUTIVE COMPENSATION

Financial year April 2017–March 2018 Cont'd

NAME AND POSITION	SALARY (\$)	GRATUITY OR PERFORMANCE INCENTIVE (\$)	TRAVELLING ALLOWANCE OR VALUE OF ASSIGNED MOTOR VEHICLE (\$)	PENSION OR OTHER RETIREMENT BENEFITS (\$)	OTHER ALLOWANCES (\$)	NON-CASH BENEFITS (\$)	TOTAL (\$)
Karen Forrester-Mcpherson - Chief Audit & Risk Executive	3,724,062	288,752	1,341,624	177,766	484,582		6,016,787
Leslie Bernard - Destination Manager Kingston & South Coast	4,183,301	1,850,612	1,453,426		535,040		8,022,379
Daryl Whyte-Wong - Destination Manager, Portland & St Thomas	521,448		223,604		144,203		889,255
Antonette Bernard - Destination Manager, Ocho Rios	333,864		101,179		447,180		777,412
Beverley Price – Regional Manager, Ocho Rios (up to Jan. 2018)	2,336,359	259,595	1,006,218		178,354		3,780,526
Lionel Myrie - Destination Manager, Negril	532,170		223,604		39,633		795,407
Kenya Keddo-Laing - Destination Manager Montego Bay	3,420,168	129,797	1,341,624		342,369		5,233,959
Stainton Baker -Regional Coordinator	2,499,813	103,697	1,052,722		1,117,665		4,773,897
Stephen Edwards - Director Projects	4,395,607	371,541	1,214,915		425,320		6,407,385
Kamille Jackson - Director of Projects	795,810		223,604		39,633		1,059,047
Charles Scarlett - Director Visitor Safety & Experience	4,823,005	2,558,408	1,341,624		342,369		9,065,406
Marline Stephenson Dalley - Community Awareness Coordinator	3,735,576	128,699	1,341,624		769,008		5,974,908
<b>GRAND TOTAL</b>							<b>125,196,174</b>

## DIRECTORS COMPENSATION

Financial year April 2017–March 2018

Name of Director		Director Fees	Travelling/ Mileage	Total
Ian	Dear	98,500.00	64,612.80	163,112.80
Laura	Heron	94,000.00	75,341.00	169,341.00
Tess Maria	Leon	22,500.00	18,800.00	41,300.00
Vana	Taylor	162,000.00	155,861.00	317,861.00
Marilyn	Burrowes	101,000.00	65,800.00	166,800.00
Christopher	Jarrett	87,500.00	64,634.00	152,134.00
Robin	De Lisser	67,000.00	142,316.00	209,316.00
Chris	Whyms-Stone	91,000.00	62,087.00	153,087.00
Donovan	Bennett	22,000.00	39,950.00	61,950.00
Evatt	Bloomfield	130,500.00	331,975.00	462,475.00
Michael	Baugh	111,500.00	185,698.00	297,198.00
Tyrone	Robinson	25,500.00	8,507.00	34,007.00
John	Gourzong	37,500.00	80,100.00	117,600.00
Toni	Spence	44,000.00	18,800.00	62,800.00
Brian	Wallace	15,000.00	7,614.00	22,614.00
<b>Total</b>		<b>1,109,500.00</b>	<b>1,322,095.80</b>	<b>2,431,595.80</b>

# CORPORATE DATA



## **HEAD OFFICE KINGSTON:**

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

## **MONTEGO BAY:**

Block G, Montego Bay Convention Centre, Rose Hall, St. James  
Tel: 979-7987; 979-7988; 940-0374; Fax: 952-2868

## **NEGRIL**

NEPT Building, Norman Manley Boulevard, Negril Westmorland  
Tel: 957-3962 Fax: 957-9371

## **OCHO RIOS:**

Office # 3, Ocean Village Shopping Centre, Ocho Rios  
Tel: 974-2093; 974-7705; Fax: 974-2586

## **MANDEVILLE**

Suite #5 The Ashlar, 71 Manchester Road, Mandeville, Manchester  
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## **WEBSITE ADDRESS:**

[www.tpdco.org](http://www.tpdco.org)

## **BANKERS:**

The Bank of Nova Scotia Jamaica Limited

## **AUDITORS:**

C.R. Hylton and Company

## **ATTORNEYS-AT-LAW**

Attorney General's Department