

## MISSION STATEMENT

“To be the principal provider of safe, reliable and efficient mass transit services and to consistently deliver the highest level of customer satisfaction to users of public transport in Barbados”

## VISION

The Transport Board shall be an exemplary transportation institution, exhibiting the highest standards of excellence and contributing to the social and economic landscape of Barbados, and in so doing assist in the sustainable development of the nation.



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**Board of Directors** (until April 2006)

Chairman	Senator Ian Gooding-Edghill
Deputy Chairman	Mr. Roger Gill
Director	Miss Julia Weekes
Director	Mr. Ramon Alleyne
Director	Mr. Eustace Waterman
Director	Mr. Victor Lowe
Director	Mr. Ebert Edey

**Board of Directors** (effective July 1, 2006)

Chairman	Senator Ian Gooding-Edghill
Deputy Chairman	Mr. Roger Gill
Director	Ms. Santia Bradshaw
Director	Mr. Anderson Johnson
Director	Mr. Emerson Howard
Director	Mr. Ramon Alleyne
Director	Mr. Mervyn Hope

**Senior Management**

General Manager	Mr. Ian Jessamy
Deputy General Manager	Mr. Malcolm Bovell
Marketing Manager & Corp. Comm.	Mrs. Lynda Holder
Operations Manager	Mr. Desmond Sabir
Human Resources Manager	Mr. Markley Clarke
Financial Controller	Mrs. Felicia Sue
Quality Assurance Manager	Mr. Sylvan Codrington
Manager Information Technology	Mr. Phillip Lashley
Board Secretary/Admin Officer	Mrs. Dolores Catwell

**Auditors**

Ernst & Young

**Legal Counsel**

Mr. Patrick Phillips, LL.B.,

**Bankers**

Barbados National Bank Inc.



## CHAIRMAN'S STATEMENT

In accordance with section 12(4) of the Transport Board Act, Cap 297, Laws of Barbados, the Board of Directors has the honour to submit to you in your capacity as Minister of Public Works and Transport the institution's annual report for the year ended March 2007.

The Board of directors is pleased to report that during the financial year, total revenue increased by \$2.877 million. Fares increase by \$2.23 million, school tickets by \$337,614 and charters by \$67,983. The strong performance in fares is due to improved bus availability and the phased introduction of new units during the last quarter of the financial year. We anticipate an improved revenue performance in the next financial year with the utilisation of all 65 units year round.

The Board has realised a reduction of \$1.1 million in bus maintenance costs compared to the last financial year with overall vehicle maintenance cost increasing by \$326,656. The reduction in bus maintenance cost is due to the Board's enhanced maintenance programme, fleet quality initiatives, and the utilisation of warranty provisions on repair jobs and new units which contributed significantly in reducing the board's maintenance costs amongst other measures. The directors would like to congratulate management for achieving the Board's policy objective of cost containment.

In accordance with the Board's fleet replacement policy, an additional seventy units comprising of five specially fitted units for the disable and sixty-five general passenger units were received during the last quarter of the financial year. These units were delivered to the Board on a phased basis between January and March, 2007. The newer units boast Euro III emission standards, built-in speed limiters, increased seating, larger fuel tanks, non-slip floors, and other features. The Board of directors is extremely pleased with the performance of the units thus far.

The advanced vehicle locator system is being implemented on a phased basis. This will assist management in accurately forecasting bus arrivals and departures and facilitate the publication of information on passenger display terminals. It will also assist with the identification of bus locations thus providing commuters with up-to-date bus schedules, and the gathering of additional data to improve efficiency and effectiveness at the Board.

Following the successful implementation of the first phase of the Board's electronic ticketing system, we have commenced preparatory work for the implementation of the second phase to be launched in the next financial year. The second phase will mark the introduction of the smart card technology which will bring significant benefits to our customers including the purchasing of bulk fares, discounts and the flexibility of using smart cards on board all passenger units therefore reducing the use of cash. Point of sale terminals will be strategically located across the island to assist passengers in accessing this new initiative.

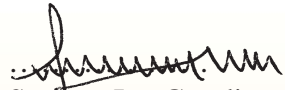
The Board continued with the phased implementation of a dedicated school bus service. The service was well received by principals and students alike. Currently, the units assigned to the school bus service are from the general passenger service pool. The Board has furnished a request to its parent ministry for the purchase and phased delivery of additional units to efficiently maintain an island-wide dedicated school bus service whilst maintaining scheduled general passenger services.



Permission was granted to utilise additional crown land adjacent to our headquarters to accommodate the additional units. However, there is a need for additional land but consideration must now be given to the acquisition of a new headquarters. The Board has commenced discussions with its parent ministry to address this issue.

The shareholder continues to meet its capital and operating obligations.

On behalf of the directors, I would like to thank management and staff for their extraordinary contribution in this financial year. The general manager must be congratulated for his leadership and the implementation of policy directives at the Board which are contributing to the success of the Transport Board.



Senator Ian Gooding-Edghill  
Chairman

## GENERAL MANAGER'S STATEMENT



The Financial Year 2006/2007 was a year, on reflection, wherein the Transport Board made significant strides in the provision of transportation services to the public of Barbados. Of significant note was an overall increase in ridership of 1,615,136 rides or 9.5% higher than those recorded for the previous financial period. Revenues increased from \$29.506m to \$32.42m an overall increase of \$2.914m or 9.876% over those recorded for the previous year. Expenditures however rose from \$65.104m to \$73.843m, an increase of \$8.739m or 13.42% over those recorded for the previous financial period.

A careful analysis of revenues reflects that those generated for bus fares were \$2.6395m or 9.26% higher than the previous year. School ticket sales, Charters, Advertising and Interest Income all reflected marginal increases with the exception of Interest Income which recorded significant gains over those recorded in the previous year, as the Board's management utilized equitable financial instruments to provide returns on the RBTT bus purchase loan until the funds

became payable to the Bus Agents. Insurance claims however declined over those received and recorded last financial year.

The Board's management of its expenditures and cost containment measures ought to be commended as Vehicle Maintenance reflected a marginal increase of \$0.786 or 5.43% over those recorded for the previous financial year, although bus availability averaged 143 buses which was as an increase of 20 buses or 16.3% over those experienced in the previous period. Of significant importance were the \$2.996m or 44.06% increase in Depreciation charges, a non-cash expense, as the Board accounted for an increase in fleet size of seventy (70) new buses, also the \$3.929m or 13.396% increase in Vehicle Operation costs, as the Board struggled with increases in fuel costs and usage, which reflected an increase of \$1.577m or 23.911% over those recorded last year.

The Board, having receipt of these seventy (70) new units during the last quarter of the financial period under review, significantly improved service delivery gradually with service returns to some previously serviced routes, increased frequencies on the By-Pass routes and the separation of routes previously doubled or tripled in particular the Northern and Central districts.

Also, of major importance was the commencement of the process of automation for bus scheduling which commenced in September 2006, the provision of Park and Ride facilities for World Cup 2007 which commenced in March 2007, and the phased implementation of an Advanced Vehicle Locator (AVL) system for the Board's fleet of buses.

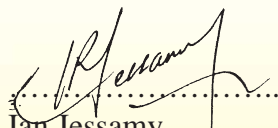
Staff moral towards the end of the financial period under review was high as new employees, in particular Bus Operators, Security Guards and General Workers entered the Board's employ. New buses were received and pressed into operations, and the provision of buses for World Cup 2007, Park and Ride and shuttle services commenced with pronounced appreciating and acceptance. Training opportunities were maximized, in particular in the areas of bus operations, Supervisory Management, Customer Services, First Aid and administrative duties.

In summation, the financial period April 1, 2006 to March 31, 2007 reflected significant improvements and gains for the Board and Management anticipates that these will be built and expanded upon into the new finan-

cial period to better position and enable the Board to deliver optimal transport solutions in the future.

Priority will be given in the new financial period to the commencement of the Smart Card project; completion of the Automated Bus Scheduling project; completion of the Advanced Vehicle Locator (AVL) project; improved security for the Board's buses and Terminals/Depots; full advertising on all of the Board's units and at the Terminals/Depots; passenger display information systems commencing with the Fairchild Street Terminal; further enhancements to the Board's maintenance programs; enhanced training programs for the Board's employees and continued improvements to bus services.

The Financial Year 2006/2007 has been a productive one for the Board, such productivity could not have been achieved without the support, direction and dedication of the Board's parent ministry; the Ministry of Public Works and Transport, other ministries of Government, in particular the Ministry of Finance and Planning, Statutory Bodies, the Barbados Workers' Union, UCAL, suppliers of goods and services and most importantly the public of Barbados. My office appreciates this support, and expresses gratitude to the shareholders for the significant contributions made. Furthermore, the Board certainly looks forward to the continuation of the support experienced in the financial year and to build on that experience in the new Financial Year 2007/2008.



.....  
Ian Jessamy  
General Manager



**MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION**  
.....**ADMINISTRATION**

The Management wish to advise that remedial work was done at some of the facilities at the Transport Board. This included refurbishment of the Human Resources building at the Weymouth Headquarters to better accommodate the employees, repairs to the hand rails and the guttering on the roof of the Fairchild Street Terminal and reconstruction of the Car Park at the Mangrove Depot.

Additionally, as part of easing the congestion at its present location on Roebuck Street, approximately 1699 square metres (18,288 square feet) of residual lands that was acquired for the Bridgetown Road and Safety Improvement project on Roebuck Street, and approximately 2,993 square metres (32,216 square feet) of crown lands situated at Roebuck Street were vested in the Transport Board.

**OPERATIONS**

One of the major events on the calendar of Barbados and the rest of the Caribbean was the ICC Cricket World Cup 2007 which started on Tuesday 13th March 2007 and continued until Saturday 28th April 2007. The role of the Transport Board in this major event was to provide the Park and Ride services for public transportation. The professional manner in which this was done remains one of the highlights and positive elements of this international event and has left a legacy of improved traffic management by utilisation of the Park and Ride facility.

**Operational Achievements and projects**

The Operations Department conducted a project aimed at collating and collecting information on the running times of the route network or distribution system. This rescheduling exercise was conducted for both peak and off peak periods.

With the collation of this information the Transport Board was able to commence the rescheduling programme with the approved vendor Schedule Master Inc. which is anticipated to lead to improved journey times with the resulting improved customer services.

In addition to the scheduling exercise the department took the opportunity provided by the ever increasing bus availability to modify and improve the services provided to the members of the travelling public. Therefore by the end of the financial year 2006/7 the following route enhancements where achieved:

- The separation of the combined services in the north for Boscobel, Pie Corner, Connelltown and Josey Hill. With the separation of these routes, it was possible to establish an hourly service for each of these routes.
- There were increases in service frequency to Rock Dundo
- A Speightstown to Bridgetown line service was started in addition to a Holetown to Oistins service
- Service improvements were also seen along the Shorey Village route during the midday session.
- The Board also extended its services to Maynard's St. Peter and Windsor Tenantry, St. Philip.

These services commenced within the last quarter of the financial year 2006-2007. The final major route programme undertaken formed part of the Pilot dedicated school bus project.



### Pilot School Bus Project

On 8th January 2007 the Transport Board commenced a Pilot school bus project. This programme has been divided into three phases. Phase 1 started with three Zone 1 schools being identified to participate in the programme. These schools included Coleridge and Parry Secondary, Alexandra Secondary and Alleyne Secondary. The objectives of this initiative were:

- To reduce the instances of overcrowding on the school buses
- To provide scheduled and reliable bus services to schools
- To create or design services which would reduce the need for students to enter into Bridgetown
- Where practicable to provide dedicated school services along traditional routes to lighten the strain on normal route services.

Roving inspectors were assigned to monitor the punctuality of the services and to provide an interface mechanism between the schools and the Transport Board. Additionally, a series of meetings were held with the principals of the schools to ensure that the services met their needs on an ongoing basis and to address any instances of improper conduct on the buses. At the end of the school term in March 2007 all of the schools were happy with the service and the programme. Phase 2 is scheduled to commence in April 2007 in the new financial year with the addition of an additional three schools.

Table 1: Comparative Ridership by category for FYE March 2002-03 to 2006-07

Passenger Types	2002/3	2003/4	2004/5	2005/6	2006/7	%Change 05/6 to06/7
General Passengers	12,771,526	12,882,527	13,005,987	12,681,349	13,929,725	10%
Schools	3,192,561	3,179,073	3,182,232	2,442,527	2,719,181	11%
Pensions	2,292,361	2,295,033	2,050,095	1,708,493	1811745	6%
Other Passengers(Police)	0	0	0	97,797	84,651	-13%
<b>Total</b>	<b>18,256,448</b>	<b>18,356,633</b>	<b>18,238,314</b>	<b>16,930,166</b>	<b>18,545,302</b>	<b>10%</b>
Budgeted	18,814,951	18,932,213	19,762,842	19,762,842	19,149,800	
Actual/Budgeted	97%	97%	92%	86%	97%	

As can be seen in table 1 total passenger ridership for the financial year ending March 31st 2007, was 10% greater than the last financial year. Ridership for the period under review grew from 16,930,166 to 18,545,302. Additionally, 97% of the Budgeted ridership was achieved in 2006/7 compared to 86% in 2005/6. However, it must be noted that budgeted ridership for 2006/7 had declined to 19,149,800 compared to the 19,762,842 level which was budgeted for the last two consecutive financial years of 2005/06 and 2004/05 as shown in Table 1 above.

Ridership in the schools segment of the Board’s business grew by 11% in 2006/7 when compared to 2005/6. In the last quarter of the year the effect of the injection of the new buses into service improved the Board’s reliability and service levels. Although ridership levels in the school segment have not reach the levels of the financial years 2002/3 and 2003/4, the growth reported is reassuring.

General Passenger ridership was 9.5% higher than the previous financial year of 2005/6. This level of ridership has been the highest level of patronage reported by the Transport Board for the last five years.

Table 2: Comparative bus Availability for FY2005/6 to 2006/7

	<b>FY2005/6</b>	<b>FY2006/7</b>	<b>% Change</b>
Buses Available	123	143	16%
Ave Buses Used	120	132	10%
Buses Required	179	164	-8%
Bus Fleet	240	308	28%
Requirement to Available	69%	87%	18%
Buses Used to Requirement	67%	80%	13%
Bus Output to Bus Fleet	51%	47%	-4%

Table 3 below gives a month by month listing of the bus availability. Bus availability peaked in March 2007 with output reaching 197 buses. This improvement can be attributed to the Board's implementation of a special works programme which was geared at improving the state of the current fleet and the injection of the new buses in December 2006.

Table 3: comparison of average monthly bus availability for 2005/6 and 2006/7

	<b>2005/2006</b>	<b>2006/2007</b>
<b>April</b>	131	135
<b>May</b>	130	136
<b>June</b>	122	146
<b>July</b>	124	145
<b>August</b>	121	144
<b>September</b>	124	148
<b>October</b>	122	148
<b>November</b>	120	150
<b>December</b>	112	152
<b>January</b>	118	176
<b>February</b>	122	191
<b>March</b>	133	197
<b>Average bus availability</b>	123	143
<b>Peak Vehicle Requirement</b>	179	194

For the Financial Year 2006/7 bus availability was 16.26% greater than the same period last year. Bus Availability moved from an average of 123 buses to 143 buses being available for this financial period. With the handing over of the 65 new buses which arrived on the island in December 2006 the fleet size increased to 308. The two burnt units were taken out of the fleet complement. The additional five units which were received later were specifically adapted to work with the physically challenged and formed the fleet assigned to the Call-A-Ride Special Project.

**Call-A-Ride Special Project**

The Transport Board was represented on an adhoc committee which was established to look at the best way to implement the proposed Call-A-Ride programme. This committee met on several occasions and launch a PR campaign to encourage potential users of the Call-A-Ride System to register. The results of this ongoing campaign will be used to schedule potential routes.

**MARKETING & CORPORATE COMMUNICATIONS**

The increase in bus availability has assisted the Marketing and Corporate Communications department in increasing the Board’s revenue base during the financial period under review. However it must be noted that increases in bus availability are first distributed to cover the Board’s core function of transporting persons across the island and then the charters potential is addressed. This is reflected in the increased revenue recorded in Advertising and Charter Services. Unfortunately due to other activities on the island the regular Sunday Scenic Tour did not reflect an increase in attendance, which translates in to a loss in revenue.

Table 4 below highlights the revenue increased in the advertising segment of the Board’s business. Although this is not at the level generated during the financial periods 2003-2004 and 2004-2005, the figures reflect that this segment of the Board business is on a growth path. This reduction when compared to previous period can be directly attributed to challenges with bus availability during 2005-2006. This resulted in many buses with advertising being removed from daily service and the subsequent loss of visibility of the advertisement, and the resultant loss of revenue and goodwill from the customer. The rebuilding of this segment of the Board’s business will be an ongoing project.

Table 4: Comparative Advertising revenue for the period 2002-03 to 2006-07

	2006-07	2005-06	2004-05	2003-04	2002-03
<b>INCOME \$</b>					
Advertising Revenues	174,212.00	172,282.00	376,154.00	244,329.00	72,730.00

**Sunday Scenic Tour**

The revenue generated by the Sunday Scenic Tour for the period under review reflects a decline of 3.62% when compared to the same period last year. This decline was a continuation of slow tour attendance during the period under review, either as a result of inclement weather causing the cancellation of the tour, the lack of units during the period when bus availability was experiencing no growth, or other activities being held around the island which resulted in poor attendance.



Mother’s Day Scenic Tour - May 2006

Table 5: Comparative Scenic Tour revenues for the period 2002-03 to 2006-07

	2006-07	2005-06	2004-05	2003-04	2002-03
<b>INCOME</b>					
Scenic Tour Revenues	150,853.00	156,313.00	88,661.00	130,780.00	122,515.00

### Charters

This sector of the Board’s business shows potential for generating additional revenue. However the true potential was not realised during the period under review due to declines in other areas of the Board business as a result of issues with the Board’s stock. The Board’s decision to concentrate its efforts on improving the efficiencies of its core business, resulted in a lack of resources being available to this sector. As the Transport Board is very cognizant of its social responsibility to the travelling public, it could not maximise the potential of this sector.

It must be noted that the level of charters that can be conducted is dependent on the daily bus availability. Any reduction in bus availability would have an impact on the level of charters which could have been conducted on specific days.

Table 6: Comparative Charter revenues for the period 2002-03 to 2006-07

	2006-07	2005-06	2004-05	2003-04	2002-03
<b>INCOME</b>					
Charter Revenues	2,241,298.00	2,172,223.00	2,672,591.00	2,566,924.00	2,181,518.00

### Public Relations

In an effort to enlighten the public of the many changes that are taking place at the Transport Board, the marketing department has been steadfast in updating its website, responding to emails and issuing various Press Releases to ensure that the public is kept informed.

The Transport Board’s website was utilized not only as a tool to promote the activities and innovations at the Board, but continues to be utilized by persons who are interested in choosing Barbados as their travel destination to collect information on the island. Additionally, all of the Board’s routes and schedules are posted on the website for easy access.

Other public relations packages promoted during the period under review included television packages aimed at promoting the availability of school services, the innovations at the Board such as electronic ticketing and public appeals to desist from vandalism of the Board’s units.

During the period under review the public address system (PA system) was reinstalled at the Fairchild Street Terminal and a second one was installed at the Princess Alice Terminal. This feature is being widely used by the Supervisors and the Terminal Managers, who are announcing the necessary boarding information to the waiting commuters. This allows the commuters to have better knowledge and prompt information pertaining to their required services and assist with the Board’s customer service programme.



## QUALITY ASSURANCE

Since the Board received sixty-five (65) new Mercedes Benz Marcopolo and ninety-five (95) others have been refurbished and returned to service the daily availability continues to reflect growth during the period under review. The Board also received five (5) Mercedes Benz Sprinters and they have been commissioned for the transporting of the members of the Physically Challenge community.

The 2004 Mercedes Benz buses have now recorded 200,000 km, which is a remarkable achievement since the engines have not developed any mechanical failures. The Quality Assurance Department continued to follow through on all of the recommendations and specifications set out by the Manufacturer of Mercedes Benz in their manual and this has resulted in the above achievement.

The 2006 Mercedes Benz buses are all computerized and electronically operated. They are very fuel-efficient; and the gear selection functionality is operated like that of a computer key board. The driver's cabins are comfortable and operators appear to be happy with the new changes.

### Alternative Fuel

The General Manager and Quality Assurance Manager sat with a committee from the Ministry of Energy and the Environment to discuss alternative fuel for the Board's buses and by extension the public Barbados. Liquefied Natural Gas (L.N.G) and Compress Natural Gas (CNG) along with Bio-diesel were three fuels widely discussed. As a result of these meetings a draft Energy Policy was presented to the Ministry of Energy and the Environment.

### Fuelling Station

The Speightstown Depot fuel station was re-opened in February 2007 therefore, buses are now re-fuelling at the Speightstown Depot. Travelling to Weymouth for refuelling is now reduced which will allow for greater efficiencies in the servicing of the travelling public and reduce cost with the travelling of buses on "dead" miles being reduced.



### Numbering of the Fleet

The Board has also introduced a Fleet Numbering System which will be applicable for each bus. The number is located at the front of the bus and on the rear windscreen to the right. All numbers will carry the prefix S, M or W, which indicates the depot of the assigned bus. The purpose of this programme is to enable greater visibility and by extension greater accountability of the Board's buses on the roads of Barbados.

### Automatic Vehicle Locator Monitoring system

During the period under review fifteen (15) buses were fitted with an Automatic Vehicle Locator (A.V.L) monitoring system. This is an ongoing project and will eventually include all of the Board's buses. This system allows the Board's personnel to view the activities of those buses which are delayed on the route and to ascertain if the bus is stuck in traffic or is otherwise delayed. Additionally it will also assist in improving the Board's security by being able to contact the bus to ascertain if it is delayed on the route for a more sinister reason.

## HUMAN RESOURCES

Employees in various work categories benefitted from different courses that related mainly to employee development, understanding of industrial relations, customer service and the management of their health. These courses included a one day workshop entitled “Managing Labour and Industrial Relations Functions” facilitated by Industrial Relations Solutions Ltd and a one-day seminar “A New Approach” facilitated by the Board’s insurers Consumers’ Guarantee Insurance Co. Ltd. and brokers Insurance & General Service Ltd.

Additionally, select employees were trained in basic emergency first aid by the St. John’s Ambulance Association of Barbados. The objective of the training was to equip a cross section of employees with the skill and knowledge that would enable them to assist in the event of an emergency or disaster.

As part of the global approach to HIV/AIDS and other diseases, and the eradication where possible or containment and acceptance where not, the Board facilitated the attendance of personnel at various seminars/workshops on the topics “HIV/AIDS and its effects on Young Workers”, The Impact of Substance Abuse on Young Workers”, “ILO Code of Practice on HIV/AIDS and the World of Work” and “Health and Safety at Work legislation” among others.

During the year under review ninety-four (94) prospective Driver recruits commenced training and acquired their omnibus license. Eighty-three (83) have been employed as Drivers assigned to Operations, nine and two as Duty Drivers assigned to Administration and Finance respectively.

The Mercedes Benz representative visited Barbados through the local agent Simpson Motors and held training sessions in Vehicle Management System, Diagnostic Testing, Electronic Management System and Transmission Functionality relative to the electronics application on the Marcopolo 2006 Series. Quality Assurance Vehicle Inspectors, United Commercial Autoworks Limited and Simpson Motors technicians attended the training.

### Employee Relations Programme

Presentations were made during the year to award drivers who excelled in the areas: Accident-free driving, Driver productivity (kilometers travelled), Perfect attendance and Punctuality. Thirty (30) persons received monetary “Driver of the Month” awards. The programme is sponsored by Consumers’ Guarantee Insurance Co (CGI) and Insurance General Services Ltd. (IGS) and ultimately acknowledges one driver as Driver of the Year.



John Springer - Driver of the Year 2006-2007

### Industrial Relations

Management continued to meet with the Barbados Workers’ Union relative to the Revised Collective Agreement including the Code of Conduct and Discipline. Additionally, management continued the policy of meeting with the local delegation on a continuous basis to discuss employees’ concerns and to resolve any outstanding matters.

**Employment Statistics**

Table 7 highlights employment statistics as at March 31, 2007 with comparative information for the four previous years.

**Table 7 Employment Statistics**

Category	March 2007	March 2006	March 2005	March 2004	March 2003
Administrative/ Clerical	114	104	129	132	109
Drivers	445	411	412	413	406
General Workers	76	75 8	3	75 7	1
Fuel Porters	13	12 7	9	1	0
Fleet Quality Assistant	14	-	-	-	-
Supervisors/ Inspectors	54	41	28	26	28
Security Guards	35	30 2	3	21 2	4
Vehicle Inspectors	12	11 1	0	11 1	1
<b>Total</b>	<b>763</b>	<b>684</b>	<b>692</b>	<b>687</b>	<b>659</b>

**Accident Report**

Tables 8 and 9 detail the number of accidents involving the Board’s buses: as of March 31, 2007 with comparative information for the period 2005/06.

**Table 8 Accidents by Depot/Terminal**

	Other Vehicles	Passengers	Pedestrians	Property	TOTAL 2006- 2007	TOTAL 2005- 2006
Speightstown	87	29	2	26	144	104
Mangrove	75	33	2	36	146	119
Weymouth	304	75	9	58	446	369
<b>TOTAL</b>	<b>466</b>	<b>137</b>	<b>13</b>	<b>120</b>	<b>736</b>	<b>592</b>

**Table 9 Liability for accidents**

	<b>TOTAL 2006 - 2007</b>	<b>TOTAL 2005- 2006</b>	Percent Change
Transport Board liability	<b>262</b>	<b>192</b>	+36%
Other party's liability	<b>242</b>	<b>224</b>	+8%
Undecided accidents	<b>232</b>	<b>177</b>	+31%
<b>TOTAL</b>	<b>736</b>	<b>593</b>	+24%

Accidents increased by 24% over the previous year. This was attributed in part to the increased number of buses on the road due to the acquisition of sixty-five (65) new units between December 2006 and April 2007. In addition, the inexperience of some of the recently recruited drivers, as well as the regular operators' unfamiliarity with the new features of the new buses also contributed to the increased accident level.

## FINANCE

### Revenue

#### Operating Revenue

For the year 2006-07, revenues earned from bus fares at the Transport Board were \$26.395m. This \$2.23m or 9.26% increase over the \$24.158m collected in 2005-2006 was due primarily to increased ridership during the same period.

Revenue earned from Charters also increased to \$2.24m for 2006-07 compared to \$2.172m for the previous year, an improved position of \$0.068m or 3.1%.

Bus and Terminus Billboard advertising increased by 1.12% to \$0.174m, up from \$0.172m.

Similarly, 2006-07 School ticket sales of \$2.494m reflected an improved performance over 2005-06, when revenue earned was \$2.156m. This is a \$0.338m or 15.7% increase over the previous year's showing.

#### Other Revenue

Revenue earned from Booth Rentals, Insurance, Loss of Use Claims and Miscellaneous Income & Interest in 2006-07 was \$0.693m; decreasing by \$0.154m or 18.2% compared to the previous year, when the amount earned was \$0.847m. This was due primarily to the reduction by \$0.225m or 52.8% in Insurance Claims, down from \$0.477m.

### Expenditure

#### Operating Expenditure

Operating expenditures incurred for 2006-07 were \$73.843m, an increase of \$8.739m or 13.42% when compared to those recorded in 2005-2006 of \$65.104m. Increases were primarily reflected in Vehicle Operation and were due primarily to higher bus operational costs, as a result of an increase in bus availability. This category increased by \$3.928m or 13.394%.



## Other Expenditure

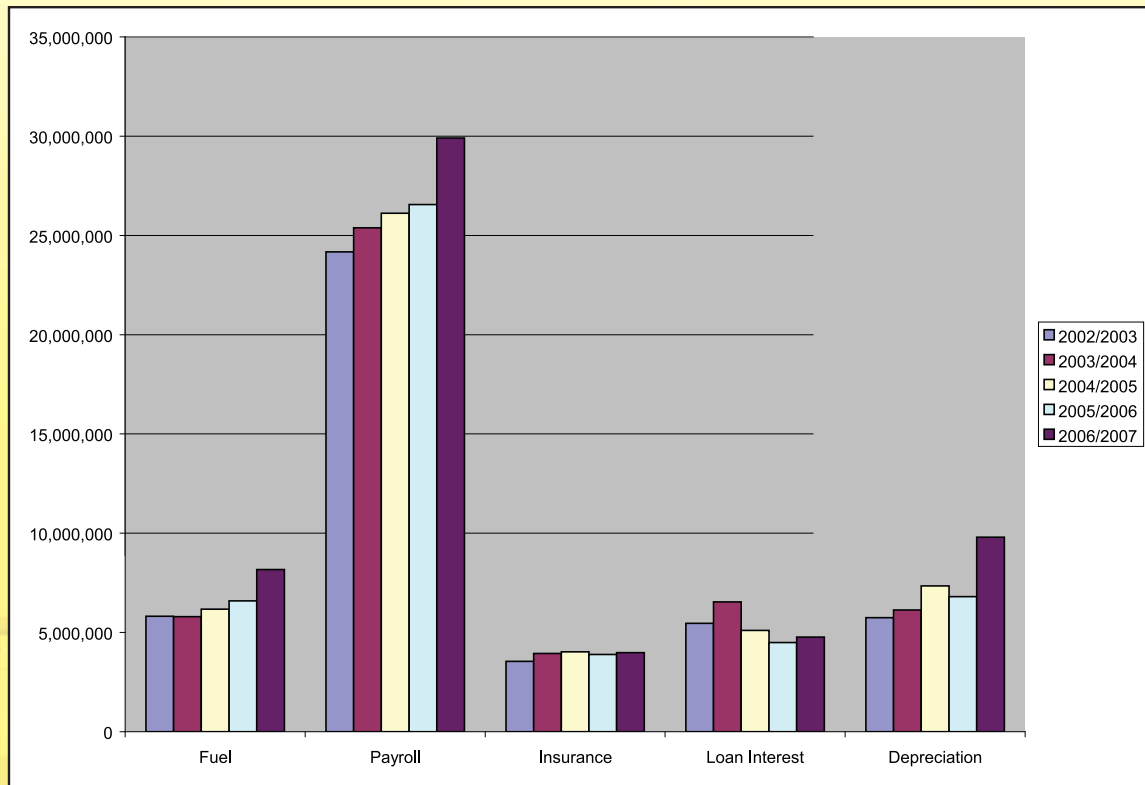
### Significant Items of Expenditure

The significant items of expenditure for the previous five years are depicted in the following table and graph.

Table 10: Five-year Comparison of Significant Items of Expenditure

Year	Fuel	Payroll	Insurance	Loan Interest	Depreciation
2002/2003	5,818,655	24,176,349	3,547,500	5,463,246	5,744,707
2003/2004	5,794,313	25,385,581	3,940,843	6,544,021	6,132,032
2004/2005	6,169,360	26,118,651	4,021,954	5,104,881	7,343,770
2005/2006	6,594,934	26,557,459	3,887,894	4,494,105	6,799,947
2006/2007	8,171,867	29,909,843	3,986,526	4,770,677	9,794,338

Figure 1 - Five-year Comparison of Significant Items of Expenditure



**Fuel Expenses**

Diesel costs for 2006-2007 were \$8.172m, an increase of \$1.577m or 23.9% over the \$6.595m for 2005-2006. This was due to the increase in buses available to provide services to the public of Barbados.

**Payroll Expenses**

Payroll costs increased from \$26.557m in 2005-2006 to \$29.91m in 2006-2007, a \$3.353m or 12.6% increase. This was due primarily to the increase in wages and salaries, based upon the conclusion of the Collective Agreement for the two (2) year period ending March 2008. 2006-2007 was the first year for this new Agreement.

**Insurances – Buses**

For the year under review, bus insurance costs were \$3.987m, an increase of \$0.099m or 2.5% over the \$3.888m incurred the previous year.

**Loan Interest**

Interest on current loans increased by 0.549m or 12.22%. This was due to the increase in the principal borrowed to facilitate bus purchases. \$5.043m in interest expense was spent in 2005-2006. This was due to a loan from RBTT Merchant Bank, to facilitate the purchase of seventy (70) buses.

**Depreciation**

Depreciation expenses rose to \$9.796m from \$6.799m for 2006-07. This \$2.997m or 44% increase was due to the fact that many assets were acquired during the year, including the seventy buses.

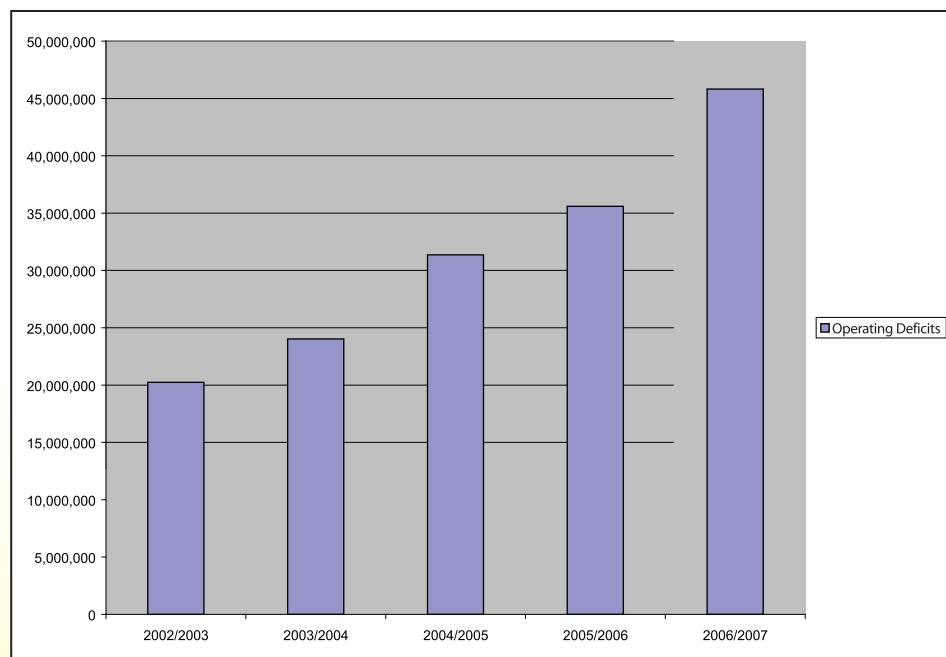
**Operating Loss**

The Transport Board experienced an operating loss of \$41.42m for the year ended 2006-07 before loan interest and Government Subsidy. This deficit was \$5.83m or 16.36% higher than those incurred the previous year. The following table depicts the Transport Board’s operational costs for the previous five years:-

Table 11: Five-year Comparison of Operating Deficits for the period 2002-03 to 2006-07

Year	Operating Losses
2002/2003	20,240,464
2003/2004	24,029,773
2004/2005	31,359,126
2005/2006	35,598,616
2006/2007	41,423,727

Figure 2: Five-year Comparison of Operating Losses for the period 2002-03 to 2006-07



**Net Losses (After Loan Interest and Government Subsidies)**

The Board incurred a net loss of \$36.68m. This was \$9.498m or 34.9% higher than those recorded for 2005-06 and was due to the decrease in Government subsidy by \$5.911m, an increase in loan interest and an increase in operating expenditure.

The Transport Board’s overall losses for the past five (5) years are depicted below:

Table 12: Five-year Comparison of Overall Losses for the period 2002/03 to 2006/07

Year	Net Losses
2002/2003	20,838,014
2003/2004	25,945,291
2004/2005	31,521,824
2005/2006	27,181,721
2006/2007	36,680,018

**Subsidy**

The operational subsidy received for the financial year 2006-07 was \$7m. Government also made further contributions to the Transport Board through the facilitation of loan payments inclusive of interest and principal payments as well as through a Supplementary of \$33.234m. The latter was used primarily to pay outstanding obligations and to purchase capital items in order to enhance security on buses and terminals, to implement scheduling software and to improve the electronic ticketing system.

The following table depicts the operating subsidies received for the past five years:

Table 13: Five-year Comparison of Overall Subsidies for the period 2002-03 to 2006-07

<b>Year</b>	<b>Subsidies</b>
2002/2003	4,930,000
2003/2004	4,930,000
2004/2005	5,000,000
2005/2006	12,911,000
2005/2006	7,000,000

