



Annual Report 2012



CORPORATE VISION

The Small Business Association will be the national organisation of choice for entrepreneurial development.

MISSION TENETS

We will strive to attain our vision by:

- Providing our members value-added benefits, ennobling opportunities, and a greater feeling of stakeholder ownership in the association;
- Cultivating for employees a working environment that is purposeful, meaningful and fulfilling;
- Stimulating and supporting the growth and development of an entrepreneurial culture in Barbados;
- Engendering increased support from Government and other social partners toward the development of the SME sector;
- Achieving the financial objectives and enhancing the market profile of the association;
- Being an outstanding corporate citizen contributing to the sustainable development of the community in which we operate.



TABLE OF CONTENTS

Notice of Meeting	2
Board of Directors	3
Staff & Company Values	4
President's Report	5-10
CEO's Report	11-20
Highlights of 2011-2012	14-15
Report of the Corporate Governance Committee	21-24
Report of the Finance and Audit Committee	25-27
Partially Consolidated Financial Statements	28-40



NOTICE OF MEETING

Notice is hereby given of the 19th Annual Meeting of Members of the Small Business Association to be held on Tuesday, November 20, 2012, at 6:00 pm, at the Bagnall's Point Gallery Pelican Industrial Park, St. Michael.

AGENDA

1. **Ascertainment of Quorum & Call to Order**
2. **Prayers**
3. **Excuses**
4. **Welcome & Opening Remarks**
5. **Presentation by Dr. Delisle Worrell, Central Bank Governor**
6. **Commencement of Voting**
7. **Reports**
 - 7.1. Board of Directors
 - 7.2. CEO's Report
 - 7.3. Financial Report
 - 7.4. Sub-Committee Reports
 - 10.3.1 Finance Committee
 - 10.3.2 Governance Committee
8. **Appointment of Auditors**
9. **Result of Elections**
10. **Any other business**
11. **Termination**

By Order
Lani Daisley
Secretary



BOARD OF DIRECTORS



Celeste Foster



Lani Daisley



David Simpson



Charles Carter



Richard Gittens



Robert Homer



Harold Oxley

STAFF & COMPANY VALUES

Management

Ms. Lynette Holder
Chief Executive Officer

Ms. Andrea Taylor
Business Operations Manager

Operations & Administration

Ms. Beverley shepherd
Executive Assistant

Ms. Michelle Tull
Administrative Assistant

Mr. Wendell Scantlebury
Finance Officer

Ms. Lisa Turner
Customer Care Representative

Ms. Janice Stoute
Custodian

Core Values

- **Leadership:** having the courage to act on our convictions; aligning actions with shared values; fostering collaboration, building trust, and facilitating meaningful relationships among stakeholders; seizing initiatives and looking outward for innovative ways to improve; providing examples for our members to emulate.
- **Responsiveness:** valuing the business of our customers; being highly sensitive to their needs; committing to be open, flexible, reliable and accountable in delivering service.
- **Integrity:** being trustworthy and standing for what is right; honouring our commitment to our stakeholders; treating all individuals with courtesy and dignity; impressing on our stakeholders to be transparent in their business practices.
- **Trust & Mutual Respect:** acknowledging the dignity and value of each employee, member and customer; willing at all times to seek the best interest and wellbeing of employees, members and other stakeholders.
- **Excellence:** exhibiting exemplary behaviours and maintain the highest standards of performance, aiming for continuous quality improvement in our day-to-day operations; encouraging members and industry partners to value the importance of consumers.
- **Interdependence:** enlisting others in a common vision by appealing to share aspirations; engaging in the sharing of ideas and knowledge among employees, members and other stakeholders; encouraging cooperative efforts at all levels in the association.
- **Social Responsibility:** being recognised as a good corporate citizen by demonstrating support for our communities and environment and seeking to influence our members likewise.



President

Celeste Foster

PRESIDENT'S REPORT

INTRODUCTION

This past year has indeed been exciting, yet challenging for the Small Business Association. The Board took the opportunity to review the Work Plan for 2011/12, and establish goals for the year which were more in concert with the prevailing financial and economic environment. In keeping with our new strategic direction announced last year, our focus was on "Building Networks, Creating Wealth".

There were four pillars on which our strategic plan 2015 has been built and these informed our goals.

- **Goal I – Networking** was designed to create a multifaceted framework which sensitized members to the value of SMART partnerships and alliances.
- **Goal II – Creating** Wealth focused on member education, examining accessibility and delivery of financing solutions, with a view to creating wealth through better business management and enhancing efficiency.
- **Goal III – Capacity Building** addressed the operational deficiencies in the sector and considered the promotion of ICT as an enabler to enhance competitiveness.
- **Goal IV – Institutional Strengthening** considered improving the resources and acumen of the Secretariat, which should enhance the national image of the SBA, improve wider stakeholder engagement and grow membership.

Some success was recorded in each pillar, with the SBA forging new partnerships and maintaining its position as the representative and voice of the Micro, Small and Medium Enterprise sector, locally and internationally.

BOARD OF DIRECTORS

Four positions were filled at the elections held in October 2011 – Vice-President, Treasurer and two Directors. The Board of Directors for 2011-12 comprised:

Celeste Foster - *President*
David Simpson - *Treasurer*
Charles Carter - *Director*
Robert Homer - *Director*

Vernon Williams - *Vice-President (2011- May 2012)*
Lani Daisley - *Secretary*
Richard Gittens - *Director*
Harold Oxley - *Director*

The Board sought to establish three Committees - Finance & Audit, Corporate Governance and Human Resources. The Finance & Audit and the Corporate Governance Committees were functional during the year; however the Human Resources Committee did not materialise.



The members of the Committees are:

Finance & Audit

David Simpson - *Chairperson*
Robert Homer - *Member*
Doneisha Alleyne - *Member*
Oral Dowell - *Member*

Corporate Governance

Lani Daisley - *Chairperson*
Charles Carter - *Member*
Frank Hunte - *Member*
Robert Gall - *Member*
Alison Holder - *Member*

THE SME DEVELOPMENT PROGRAMME

At the beginning of 2012 the Board reviewed the work plan and sought to revise its strategy and align its goals with the prevailing financial and economic environment. The SME Development Programme – Building the Capacity of SMEs to be Competitive and Sustainable was approved for the year 2012-13. This programme is aimed at building the capacity of small and medium enterprises (SMEs) in Barbados in order that they may be more competitive and capable of sustainability within the current environment of trade liberalisation and globalisation.

The programme seeks to provide entrepreneurs with the tools for education and development, methodologies for building economies of scale and modalities for coordinating a network among SMEs for improved efficiencies. Facilitating the attainment of international certification through a process of standardisation, quality control and reengineered business processes will be resultant outcomes of this programme.


The programme has four component parts namely, to use ICT tools to create a database of SMEs, enhance research capabilities & create an interactive website for trade among SMEs; to provide technical support through education and training; to provide technical support targeted at quality control, standardisation and enhancing the internationalisation of SMEs, and to build the capacity of firms through creating clusters and networks. These elements are designed to work synergistically to ensure the effectiveness of the programme objectives and the realisation of deliverables.

The deliverables of the programme include better coordination and networking among SMEs through database development and management; improved advocacy for an enabling environment for the sector; resource allocation within the sector; educational programmes that are geared to the developmental needs of small entrepreneurs; and the establishment of a cadre of SMEs capable of export and growth as a result of capacity building and international certification.

ADVOCACY

Social Partnership

The SBA continued its membership in the Barbados Private Sector Association (BPSA), the umbrella body for the private sector of Barbados. Under the aegis of the BPSA, we are a member of the Social Partnership, working with Government and the Congress of Trade Unions and Staff Associations (CTUSAB), to discuss, evaluate and promote change on a wide-range of issues affecting the economy and society as determined by Protocol VI of the Social Partnership.



The President serves on the Barbados Action Team, as a representative of the BPSA. The Barbados Action Team, established by the Prime Minister of Barbados, is an action-oriented team comprising of members of the Social Partnership. The team comprises three working groups/ task forces – focused respectively on Efficiency, Growth, and Social Issues (Protecting the Vulnerable)-which examine challenges and opportunities facing the country.

Legislation & National Policy

Our involvement in the Social Partnership has provided the vehicle for us to provide input on several national issues. The Secretary of the Association was a member of the sub-committee of the BPSA which examined the proposed Prevention of Corruption Bill, 2010 and a review of the Public Service Act with a view to proposing amendments to the Act. Additionally the SBA commented and/or participated in the review of the following pieces of legislation –Employment Rights Act, 2012, Employment (Sexual Harassment) Bill, 2004, and the Holidays With Pay draft Bill 2012.

We were invited to comment on the proposed Barbados National Employment Policy. The National Employment Policy of Barbados has been prepared with the ultimate intention of ensuring that workers in Barbados have access to full, productive and freely chosen employment. It therefore charts a pathway for the molding of an environment that embraces the decent work concept. We contributed to National Policy and/or Legislation via our representation on NACOSH (National Advisory Committee on Occupational Safety and Health).

Government's Financial Statement and Budgetary Proposals

The SBA was invited to make representation to the Ministry of Finance on behalf of the SME sector. Our presentation entitled “Promoting SME Development in Barbados” was made on May 14, 2012. We shared the statistics on the sector – annual revenues, export details, transition of entities from sole traders to companies.

We tabled some areas which continue to challenge the sector, namely: Access to Finance and Use of ICT in Business. Representation made on outstanding issues of the administrative burden faced by the sector in regard to the Factoring programme, acquisition of Approved Small Business Status, 40% procurement for SMEs and Micro enterprise legislation.

SBA shared its Vision 2015 SME Development Programme as part of the overall solution to the challenges encountered. The Programme comprises four components:

1. Development of a database in the Secretariat to enhance research
2. Provision of technical support through education and training of our members
3. Implementation of technical support for the creation of standards leading to internationalization
4. Strengthening the supply of capacity of SMEs through clusters and networks

Additionally a detailed plan for 2012/13 was submitted to the Ministry of Industry, Small Business and Rural Development, outlining the programmes of the SBA and the impact of these on Barbadian economy and society. The plan provided justification of chosen programmes and outlined for government the socioeconomic benefits of its implementation, with the annual financial support of government being a major enabler in its execution.



CREATING WEALTH

Educational opportunities were afforded members to improve their business acumen. Seminars and workshops were held in conjunction with strategic partners in an array of financial topics.

During the year negotiations were started with two strategic partners with a view to facilitating the establishment of an e-commerce mechanism. Discussions should be concluded in the ensuing year.

CAPACITY BUILDING

The MIF Project for Tourism Micro Loans capacity building programme continued for three clusters which support the tourism industry – agro processing, wood-based arts & craft and small accommodation hotels.

Educational sessions complemented the capacity building programmes. These included monthly industry workshops, computer training and the “Entrepreneur Survival Series” by the Cave Hill School of Business.

In collaboration with the Ministry of Family, Youth and Sports the SBA and its members participated in a job attachment programme. This apprenticeship programme allowed members to interact with potential future employees.


INSTITUTIONAL STRENGTHENING

The SBA worked in collaboration with strategic partners to improve the positioning of the sector and influence change in the entrepreneurial/ SME environment. Highlighted below are the results of some of these collaborative efforts.

The SBA was featured in the Commonwealth Secretariat’s Year Book 2012. Participation in the publication which is showcased to governments, institutions, donor agencies, NGOs and businesses throughout and beyond 54 countries, which are demonstrably keen to partner with centres of excellence in the Commonwealth, provided a global platform for the Association.

infoDev Consultants worked with the SBA team to conduct research for the development of programmes to support women entrepreneurs. The study considered the needs of women entrepreneurs on four islands (Trinidad, St. Vincent, Antigua and Barbados) and recommended an appropriate programme for pilot implementation. We are pleased to report that due to the successful outcome of the study, a programme has been approved for implementation. SBA will be a strategic partner for the programme in the region.

The SBA partnered with the Cave Hill School of Business to lobby its members to participate in the Global Entrepreneurship Monitor Study 2011, which resulted in Barbados being included in the report for the first time. The “Global Entrepreneurship Monitor 2011 Report: Entrepreneurs and Entrepreneurial Employees Across the Globe” offers entrepreneurial profiles of countries along three important dimensions: (1) Entrepreneurial attitudes and perceptions, (2) Entrepreneurial activity and (3) Entrepreneurial aspirations. An analysis of the report findings will be used to inform the future strategies of the Association.



The CEO was a member of Team Barbados which coordinated the recently concluded FOROMIC conference “Unlocking Entrepreneurship: Towards Innovative Solutions”. FOROMIC -the Inter-American Forum on Microenterprise is the leading annual microfinance and microenterprise development event in Latin America and this was the first time the event was held in the English speaking Caribbean or in an English speaking country.

FINANCIAL PERFORMANCE

The Small Business Association (SBA) continued to operate against the backdrop of the continuing economic recession and the effects that it has had on its members both directly and indirectly. For the financial year ended June 30, 2012 the Board reinforced its strategy of cost reduction and cost control, with a focus on extracting and providing more value per dollar incurred and earned respectively.

The new Board was appointed to the Small Business Venture Capital Inc. was asked to review its mandate, since the venture capital portfolio was not performing, to identify and create new opportunities to revitalize its operations.

In accordance with International Financial Reporting Standards and in line with the desire of the Board and management to present members with a holistic picture of the SBA and its sub-entities, we once again present partially consolidated financials for the SBA group. Unfortunately, ongoing challenges and other priorities for survival have caused the results of the SBAEI to be excluded.

The SBA has limited resources with which to overcome its challenges and still carry out its mandate to members and the public. The way forward therefore, is to concentrate on our core activities, while seeking to attract revenue generating opportunities and reducing our expenditure in line with revenue.

OUTLOOK

SBA will continue to execute its SME Development Programme 2012-13 – Building the Capacity of SMEs to be Competitive and Sustainable, as well as integrate other elements of the Strategic Plan 2015. We need to continue to forge strategic alliances with all stakeholders in the SME landscape, to improve and enhance the environment for micro, small and medium enterprises.

The SME SMART campaign, an innovative marketing strategy, is one vehicle that can be used to, educate the public, energize the SME sector and drive membership growth. The “BE SME SMART” should be extended to include all Fridays, which could serve to influence positive consumer behaviour towards small business, propelling SMEs to be “top of mind” for the public.

Team SBA must work at efficiently delivering its core services and mandate, while attracting new opportunities to the organization. Membership growth and retention must be a priority for the SBA, as it seeks to become self-sufficient by 2020. This can be attained through the delivery of quality service, characterized by anticipating, meeting and surpassing the expectations of our members, partners and the public at large.



ACKNOWLEDGEMENTS

As I demit office as the President of this esteemed organisation, and reflect on the challenges, achievements and outcomes over the past four years, I am overawed by the resilience and fastidiousness of the SME sector, particularly in this period of recession.

The progress made in facilitating a better environment for the SME sector, was driven by the vision of fellow Board members, executed by the CEO and the Secretariat team, supported by Government, embraced by members and bolstered by the partnerships of strategic alliances. I wish to thank all of you, for working together to build a better small business and entrepreneurial eco-system that serves to stimulate economic recovery.

Prepared by



Celeste J Foster
President



CEO

Lynette Holder

CEO's REPORT FOR THE FINANCIAL YEAR 2011 - 2012

INTRODUCTION

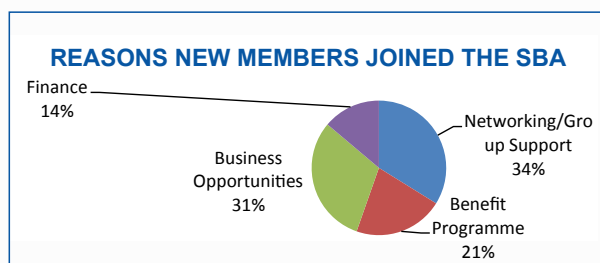
Barbados' economic performance for FY 2011 - 2012 continued in similar vein to the previous fiscal period, owing to the prevailing international financial crisis and the attendant impact on the local economy. The year was characterised by increase unemployment, high oil and commodity prices driving increase inflation, and a decline in the major foreign exchange earners such as tourism and international business. Consequent to the protracted recession in the international community, the economy continued to experience stagflation and according to Central Bank estimates, projected growth of 0.6% for the first six months of 2012. This macro situation further challenged the ability of small and medium enterprises (SMEs) to maintain growth owing to the high cost of doing business, reduced disposable income by consumers, and the limited flexibility in the cost models of most SMEs to reduce prices. The year in review therefore represented one of the most challenging in recent memory relative to the performance of the association.

Consequently, the work plan of the secretariat was implemented against a background of reduced income by members and a reduction in government support to non-state actors. This was coupled with an increase need to be competitive and strategic in catering to the needs of members and stakeholders within an environment of limited resources within the secretariat. The secretariat therefore continued its roll out of activities along the lines of critical areas of member development. Activities were implemented in the four pillars of the strategic plan including:

1. **Networking**
2. **Creating Wealth**
3. **Building the Capacity of Members**
4. **Institutional Strengthening of the SBA**

1. NETWORKING

Research conducted by the SBA during the past three years continually suggested that networking was a major factor in firms choosing to join the association. Accordingly, this was established as one of the pillars of the SBA's work plan for the year. Activities implemented included networking sessions among members and industry partners to facilitate the opportunities for trade and to provide discounted products to members to improve their operational efficiencies. Additionally, the association used its publication – **Members' Discount Booklet, Volume 3** – to further promote the goods and services offered by participating firms.

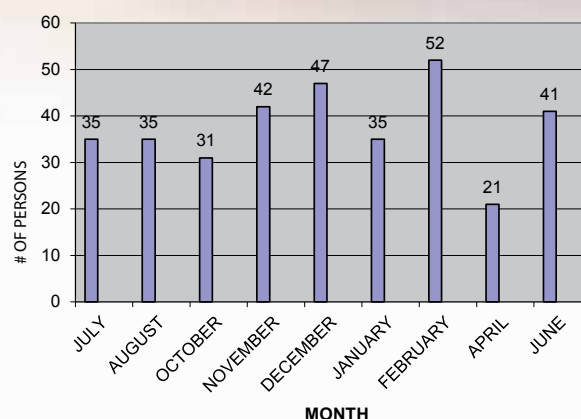


The secretariat further introduced a technology assistance programme dubbed Tech Bundle Package, in collaboration with Digicel (Barbados) Ltd. and Unicomer (Barbados) Ltd. – Courts.

Four networking sessions were coordinated by the association for members and strategic partners to meet and build new business relationships and generate business opportunities. Additionally, one business meeting was held in the month of April and four education sessions held to provide members with further opportunities to build their networks with key industry partners.

The graph the right shows the attendance of all meeting fora for members.

MEMBERS' FORUM ATTENDANCE FOR FY 2012



2. CREATING WEALTH

Fully cognisant of its obligation to assist with facilitating a viable SME sector, the secretariat commenced several activities along the pillar of wealth creation. The focus of this area is to influence the motivation and sense of responsibility of members to contribute through their business endeavours to the socio-economic development of Barbados.

As such the association started by creating a Performance Management System toolkit to assist members in beginning the process of measuring their firm's productivity with a view to quantifiably realising economic return in their business. The philosophy with this initiative is for firms to improve the productivity of their organisations through improving business efficiencies, developing their human capital and to take ownership of their business performance – becoming producers of wealth and not consumers. The toolkit was made available to members at a nominal fee and included business tools to assist with the administration of the Employment Rights Bill, business finance, human resources management, and contracts, among several other disciplines.

The association also used its January 2012 members' meeting to discuss the topic **“Wealth Creation through Development Finance.”** The funds administered by FundAccess, IADB, the Central Bank, Enterprise Growth Fund Ltd – Energy Smart Fund – were presented to members to assist with them accessing capital.

Enterprise in Action Programme 2011-2012

The Enterprise In Action (EIA) Youth Programme further served as an opportunity to build out this pillar through the creation of a continuity programme for young persons through understudying entrepreneurship and enterprise development. To this end, the EIA was implemented during the academic year 2011 – 2012 among fifteen (15) schools, an increase over the eleven enrolled in the previous year. The programme

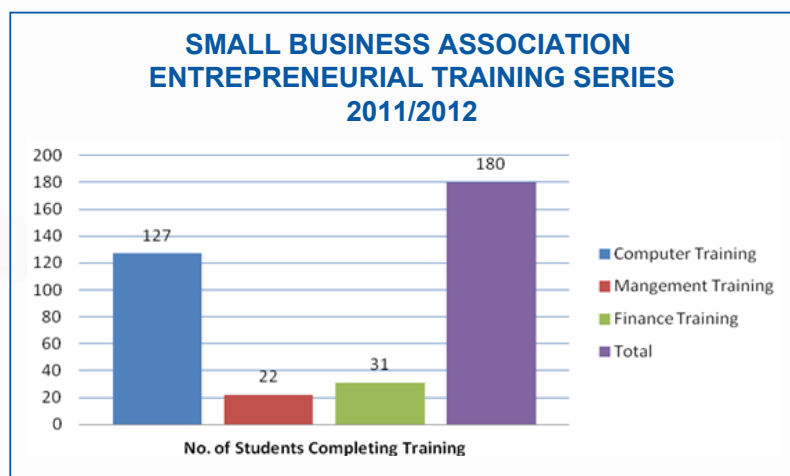
included a series of theoretical training workshops on business start-up, a practical component of business plan development and a symposium for participating schools to showcase their business projects. Qualifying students further participated in a job attachment exercise among member firms during the summer period.

3. BUILDING THE CAPACITY OF MEMBERS

The SBA continued to focus on the capacity building of members through its Entrepreneurial Training series and various educational fora such as industry workshops and seminars. The entrepreneurial training was provided for some 180 persons through funding from the TVET Council and facilitation by the Productivity Council. Courses were offered in various computer-based programmes, management for small businesses and finance.

In addition, workshops were held in the follows areas:

- **Tax clinics -Value Added Tax**
 - National Insurance Scheme
 - Inland Revenue
- **Proposal Writing in conjunction with Caribbean Export Development Agency**
- **Food Production Processing, and Technology**
- **Food Safety and Hygiene for Agro-processors**
- **Export Labelling**
- **Marketing Basics**
- **Human Resources Management – Recruitment by the Small Business**
- **German Agency for International Cooperation (GIZ) Economic Partnership Agreement (EPA) series**



During the reporting period the SBA further strengthened its export programme, earlier started, through the creation of an Exporters' Forum for those members who were currently exporting. The forum was designed to provide a meeting framework for members to meet and discuss areas of challenge and to provide the association with a feedback mechanism to enhance its lobbying and education programmes. The forum examined issues such as:

- **Accessing finance to build capacity for export**
- **Certification of key industries**
- **Cluster formation/value chain development**

Members participated in project proposal writing workshops facilitate by Caribbean Export Development Agency, and two firms from the agri-business sector took part in a capacity building workshop in the Dominican Republic. At the end of the financial year the exporters were being registered for an Export Training programme by GIZ with a view to building capacity for a study tour and business-to-business meeting to Europe in the next financial year.

HIGHLIGHTS OF 2011-2012



Students in Small Business Management Training with Productivity Council's Anthony Sobers.



Students of the Enterprise in Action Youth Programme in a workshop with business mentor and teacher, Troy Holder.



CEO moderating a panel discussion on the Employment Rights Bill.



Motorcade at the launch of the *be SME SMART* campaign.



A sample of jewellery showcased at the 2012 EIA Youth Symposium by the Roland Edwards Primary School.



Entrepreneur of Year 2012, Mr. John Phillips,
receiving his award from
Prime Minister Hon. Freundel Stuart, QC, MP



Mrs. Jennifer Murray, Assistant General Manager of
Scotiabank, the Premier Sponsor of SBW 2012
accepting an award of appreciation.



CEO, Lynette Holder, sharing a light moment
with from left, Minister Denis Kellman, Prime
Minister the Honourable Freundel Stuart and
IDB representative Mr. Marco Macias.



Divine Harmony performing
at SBW 2012 Thanksgiving Concert.



Home grown Artist/International singer
Dwane Husbands performing at SBW 2012
Thanksgiving Concert.

4. INSTITUTIONAL STRENGTHENING OF THE SBA

The association continued its *raison d'être* through developmental and marketing strategies to establish the SBA as the leading organisation on SME development.

Part of its developmental strategy included a comprehensive diagnosis of the ICT infrastructure in the secretariat to determine the kinds of hardware and software tools required to enable a most effective method of communication with members and other stakeholders. Results proposed were, among other areas, the need for upgraded computer systems including a server and a member relationship management system to capture the demographical data on firms relative to improving the association's ability to better manage its programmes, and provide data to Government and its strategic partners. At the close of the financial year proposals were sent to funding agencies to access grant funding to build out a new IT infrastructure within the secretariat.

Strategic Partnerships

The secretariat team continued to strengthen its relationships with key agencies in Government, civil society, the private sector and the donor community. This has been necessary to improve the association's lobbying efforts, to network with organisations to access product offerings for the membership and to build the institutional framework of the association to deliver its programmes and services.

Activities during the period included but were not limited to participation on national committees responsible for modernisation of public sector processes, standards and labeling, HIV/AIDS, safety and health, civil society and non-state actors. Management accepted invitations to sit on the new standards committee of the BNSI to improve customer service satisfaction and the Samuel Jackman Prescod Polytechnic's Business Studies Advisory Committee.

The association as a member of the Barbados Private Sector Association Project Hub steering committee provided invaluable feedback on project development for the SME sector. One of the projects identified was a study titled **"A Policy Framework to Incentivize the Micro Business Sector in Barbados"**. This Study was formally launched in June 2012.

The secretariat partnered with the Ministry of Industry, Small Business and Rural Development to coordinate on behalf of the CARICOM Secretariat, a consultation on the Draft Regional Strategic plan for Micro Small & Medium Enterprises (MSME) and the Harmonised Draft Model Bill for MSMEs.

The existing relationship with the Cave Hill School of Business (CHSB) was further strengthened with the secretariat working closely with CHSB on the USAID JOBS project. The multi-year Job Opportunities for Business Start-up (JOBS) initiative is aimed at supporting the growth of an entrepreneurial culture and diversifying the service oriented economies of Barbados and the Eastern Caribbean. JOBS will strengthen the University of the West Indies-Cave Hill School of Business's Centre for Enterprise and Entrepreneurship as the hub for innovative business training and growth in the Eastern Caribbean.

The association acted as a secretariat for the courses offered through this initiative as well as providing opportunities for its members to benefit from training.

Small Business Week 2011

The signature event on the association's calendar – **Small Business Week** – was again held in the month of September. This represented the eighth consecutive year of the hosting of the week of activities, which was held under the theme **"Catalysing Entrepreneurial Development Through Sustainable Networks"**.

The week continued the activities as in previous years, however a new feature included for the first time was a **Health & Wellness Day**. This activity had as its objective to focus members and the public on the importance of the health of the entrepreneur to the business' growth and continuity. Twelve member firms and health associations exhibited their goods and services. Services included:

- **Soothing massages**
- **CPR demonstrations**
- **Blood pressure and 1PSA tests**
- **Blood sugar tests**

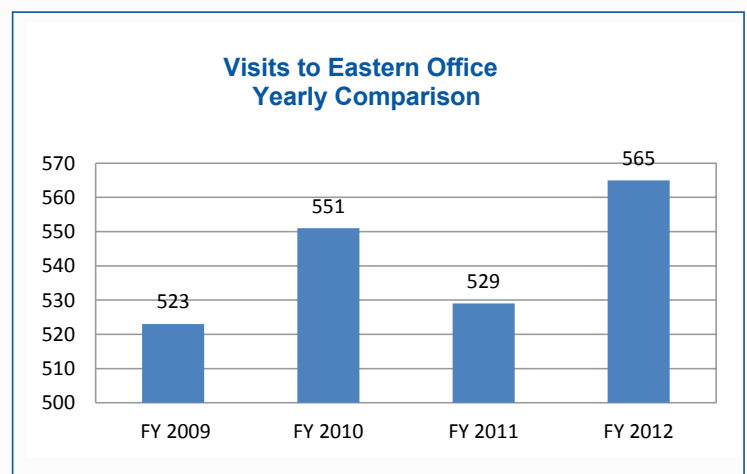
There were nine (9) sectoral awards presented to qualifying firms during the annual Awards Ceremony. Ms. Sasha Mapp of **Comprehensive Learning Academy** took the prize for Entrepreneur of the Year 2011. The Digicel People's Choice winner was **Atlantis Seafood Inc.**

Eastern Satellite Office

The SBA continued its decentralised programme in the eastern zone of the island through its satellite office at Six Roads, St Philip. During the reporting period the Eastern Office received 565 visits. The majority of these visits were for secretarial services and information on business start-ups. The increased attendance for FY 2012 also came as a result of two outreach activities, namely a B2B Outreach and an EPA Training Workshop.

During its operation, the office also functioned as a secretarial hub for members in the immediate environs. Many of the events organised by the satellite office included trading opportunities for entrepreneurs, business and entrepreneurial training, marketing & promotion and networking.

Due however to the prevailing financial crisis, the low income vs. expenditure to maintain the office and the reduction in government support to the association, the Board took the decision to close this office at the end of the financial year. The community activities will however continue in the eastern zone via partnerships with key community-based organisations and constituency councils.



SPECIAL PROJECTS

Youth Development

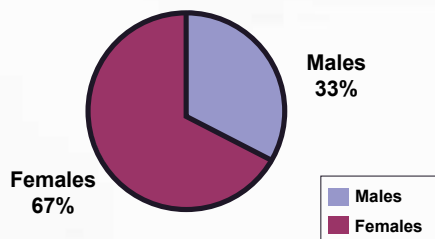
The SBA partnered with the Ministry of Family, Culture, Sports and Youth, in its **Endless Possibilities Programme and Job Attachment** project.

The programme launched in October 2011, is aimed at developing disadvantaged youth in Barbados, providing them with initial job etiquette and training inclusive of job attachment. The secretariat was responsible for the job attachment and work mentorship aspect of the programme. Accordingly, the SBA assisted in the placement of several students within its membership base as well as having two participants assigned within the secretariat.



The 33 participants had diverse interests ranging from early childhood education, kitchen assistant, dressmaking, auto mechanics, interior decorating, tiling, painting, to architecture, graphic design, pharmacist and customs brokerage, and were placed according to their interests.

Demographics of Participants



Pro€Invest PED

The Pro€Invest (European Union) funded project, **Promoting Economic Development** moved into its final phase in September 2011 with a planned B2B meeting and partners workshop in Italy. After a scouting mission conducted by Italian consultant, Mr. Francesco Rossi, four firms were identified to participate in the B2B. The chosen firms represented various industries including renewable energy, agro processing and wood-based manufacturing, which were, identified as potential areas for follow-up and development.

Development of Tourism Micro Projects

The second major project being managed by the secretariat is funded by the IADB and Ministry of Tourism designed to strengthen three clusters in the tourism industry. This project aims to build the capacity in the agro-processing, wood-based arts & crafts and small hotels clusters. Following the diagnostics and training for participants, the project moved to the phase of ICT development and individualised marketing programmes.

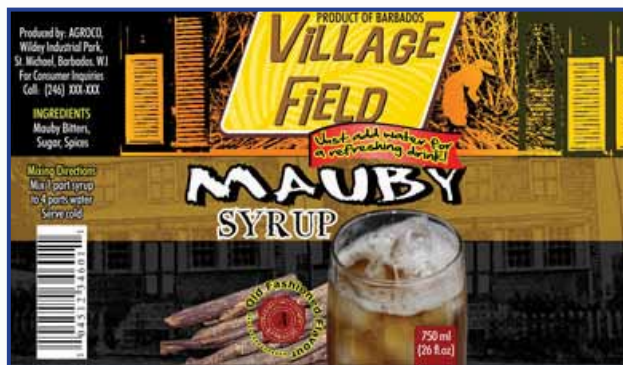
The Small Hotel cluster received ICT and marketing support. For the latter activity this cluster was able to create two unique brands, which the Intimate Hotels of Barbados will launch to encourage both local and international buy-in from past and prospective clients.

The marketing support for the arts & craft cluster, in the absence of an institutionalised body, focus on new brands for the sector and will include the resuscitating of, or forming a craft guild to implement the marketing initiatives. A generic logo was created for the cluster.



The marketing support for the agro-processing cluster included three generic labels being created for mauby, peppers sauce and sorrel. Also, several companies benefitted from the marketing assistance by having improved packaging for their products.

Posters were designed to encourage tourists and locals alike to purchase these products from local agro processors. This was coupled with a CD and marketing letter that encouraged hotels and other retailers to purchase these products.



Be SME SMART Programme

Cognisant of the reduced revenues being experienced by members and the SME sector at large, the SBA during the last month of the FY, developed a programme dubbed **Be SME SMART** to assist with encouraging greater patronage for small businesses. The programme will run as a marketing campaign during the ensuing years focusing on the following key deliverables: -

1. **To create awareness of the value of small businesses to the local economy and society,**
2. **To encourage increase patronage by consumers to small businesses, and**
3. **To influence a sense of responsibility among the public to assist with the development and growth of the sector.**

Consumers will be encouraged to purchase their goods and/or services from a SME and to do so specifically as they conduct their business on Fridays. This day of the week has been chosen to provide a further fillip to small businesses in their revenue in-take since the day is a popular shopping day. The day will be branded **'Small Business Fridays'**.



CONCLUSION

At the end of the last quarter of the FY the secretariat further sought to strategically respond to its external environment and internal limited resources through a further condensation of its work plan. Accordingly Team SBA built out a SME Development programme to cater more quantifiably to members' needs. This programme continues the key areas of the company's strategic plan with a focus on use of ICT, technical support through education & training, internationalisation through improving quality control & standardisation and facilitating clusters and networking. The secretariat is satisfied that a continued focus on rolling out its programme according to these themes will further strengthen its ability to help members during this time of recession to build capacity and sustain their operations, and for the secretariat to maximise the use of its limited resources to be a relevant business support organisation of this time.

Prepared by



.....
Lynette P Holder
Chief Executive Officer



Lani Daisley

CORPORATE GOVERNANCE REPORT

Since the last Annual General Meeting of the members of the Small Business Association, the Corporate Governance Committee has convened and identified specific areas of focus for the committee.

The Committee is comprised of five members, two Board Members, (the Secretary and Director Charles Carter), and three members of the Small Business Association, who volunteered to sit on the Committee, (Mr. Frank Hunte, Mr. Ronald Gall and Ms. Alison Holder). All members were asked to execute an Oath of Secrecy, to ensure the confidentiality of Board matters.

The Committee outlined five (5) areas to focus on for the term of office.

1. Orientation

- a. New Directors (on being a director)
- b. New Directors (on being an SBA director)

2. Assessment

- a. Meeting (monthly)
- b. Individual Director (quarterly)
- c. Board (quarterly)
- d. CEO (quarterly)
- e. Report – Yearly

3. Board Development

- a. A session/literature would be convened/discussed every 2 months

4. Nominations and Elections Committee

- a. Creation of a Policy and Rules to govern

5. Corporate Governance Policy Manual

- a. Revision of the current policy manual with a draft to be submitted by the January Board meeting, to be finalised by the March Board meeting.

Board Meetings

The Board meets monthly, with the agenda and Board Packages disseminated to Board members at least five (5) days before the meeting.

Having regard to the lengthy list of items to be discussed by the Board, the Board agreed to convene a planning session, at the beginning of the term, in addition to the orientation session for the new directors, in order to manage the meetings of the Board effectively and bring the new Directors up to speed as quickly as possible.

As a result, particular reports, action and agenda items were requested to be completed by a pre-determined date.

As part of the orientation for the new Directors, the employees of the Small Business Association were introduced to the Board, and provided a short report on their portfolios, as well as the achievements that have been made thus far.

The new Directors, as well as some of the existing Directors were made aware of the stellar achievements by the SBA and as a result, were quickly brought up to speed with the direction and goals of the SBA.

In camera sessions were introduced on a monthly basis to ensure full and frank discussion among the Board members. This agenda item is included every meeting, regardless of whether there is an item to be discussed in the absence of non-board members, in order to maintain trust and confidence between the Board and its employee, the CEO.

The Board met thirteen times since the Annual General Meeting.

The following table was prepared ahead of the Annual Report to review the attendance record of Directors of the Board. The first meeting held was November 29th one week following elections.

The summary below will show that thirteen meetings were convened and three officers, the President, the Treasurer and Director Carter, were present for every meeting.

There was one Board Member resignation, Mr. Vernon Williams, which was accepted by the Board on May 31, 2012.

ATTENDANCE ANALYSIS OF BOARD MEETINGS BY DIRECTOR														Totals		
	Dates of Meetings															
Director	Nov 29	Dec 8	Jan 12	Jan 25	Feb 15	Mar 7	Mar 28	Apr 25	May 30	Jul 4	Jul 25	Aug 21	Oct 17	Present	Excused	Absent
Celeste Foster	P	P	P	P	P	P	P	P	P	P	P	P	P	13	-	-
Vernon Williams	P	P	A	P	P	P	P	P	P	-	-	-	-	8	0	1
Lani Daisley	P	P	P	P	E	P	P	P	P	P	E	P	P	11	2	-
David Simpson	P	P	P	P	P	P	P	P	P	P	P	P	P	13	-	-
Harold Oxley	E	P	P	E	P	A	E	P	E	P	P	A	P	7	4	2
Charles Carter	P	P	P	P	P	P	P	P	P	P	P	P	P	13	-	-
R. Michael Homer	P	P	P	P	E	P	P	P	E	P	P	P	P	11	2	0
Richard Gittens	P	P	A	P	P	P	E	E	P	A	P	A	E	8	3	2

Codes

P	Present
E	Excused
A	Absent



Meeting Evaluation

The Committee agreed, that in order to continually assess the efficiency and effectiveness of the Board, the regular meeting evaluations would be completed by the Board members and assessed. As a result, the Board continually re-assessed the manner in which meetings were conducted, the quality of information provided to the Board by Management in order for the Board to make an informed decision, and the duration and effectiveness of the meetings.

The Corporate Governance Committee developed a Board Evaluation form designed to review the overall effectiveness of the meeting process and upon examination highlight areas where changes are needed to increase productivity.

The form was distributed to Directors on a per Board Meeting basis and its structure covered areas such as director involvement, management reporting and informative decision making, which are critical areas to effective Board meetings.

The results of the form showed that the majority of directors were satisfied with the amount of information being presented by management and it enabled them to engage in appropriate discussion to lead to consensus decision making.

It also shows that directors engaged in appropriate Board related discussions and avoided getting involved in administrative/management related matters. This was an important aspect of the evaluation since the worldwide business landscape has started to question Board involvement in management matters for which Directors should not be involved.

The effective functioning of this committee should ensure that this situation and other equally important governance matters do not occur.

While all meetings with the exception of one convened with a quorum, Board meeting attendance was unfortunately poor. The full Board compliment was unavailable for the majority of meetings.

The Committee will continue to work on its Board Evaluations and adjust it where necessary to acquire data on areas they see the Board becoming ineffective. This constant monitoring should ensure that the most productive process for Board meetings is done and that Directors understand their importance to the effective functioning of the association.

Board Development Sessions

The Board agreed, that every two months, the Committee would provide literature on corporate governance in order to apprise the Board of developments in the area, and to further educate all Board members.

The intention was to have discussions on the Board Development Sessions however, as a result of very full agendas this was not able to be completed.



Amendment to the Corporate Governance Policy

The existing Corporate Governance Policy of the Small Business Association is included within the October 2010 SBA Policy Manual. This document has been reviewed by the Committee and the Board, and updated to include specific policies on the Nominations and Elections Committee, the independence of a Director, and in particular confidentiality as it relates to Board members and employees.

The Board also recommended that Director Indemnity Insurance be purchased for the Small Business Association to protect the company and the directors and while the Board agreed to this proposal this was not purchased for the Board at this time.

Proposals for the future development of the Boards of the Small Business Association

We strongly believe that independent directors are essential to any organisation. Not just to the Small Business Association.

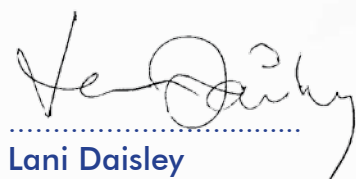
By developing the Boards of the Small Business Association, this information can be shared and taken back to individual Boards our members sit on. To that end, we recommend that a corporate governance session be conducted shortly before the Nominations and Elections process to ensure that persons putting themselves up for election to be a member of the Small Business Association Board are aware of what their responsibilities are.

While the Corporate Governance Committee only officially met twice, there were regular email communications between the members with their opinion on the proposals determined by the Committee. The Committee was essential in providing insight and input into the revised Company Policy and Operations Procedure Manual which improved and updated some of the existing policies of the Association.

This is a practice, which according to the previous Company Policy and Operations Procedure Manual should be updated yearly. This is of course an extremely tedious task, but it is something that should be reviewed and revised regularly, especially as Barbados creates more legislation that provides for stricter reporting of companies and not-for-profit entities, and the directors who sit on those Boards.

A vibrant, educated and active Corporate Governance Committee is a necessary component to the sustainability of any organisation. The Committee should oversee all Committees of the Board to ensure that not only the Committees, but the Board itself is performing its mandate, and ensuring that all requisite reporting has been completed.

Prepared by



Lani Daisley
Chairperson



Chairperson

David Simpson

REPORT OF THE FINANCE AND AUDIT COMMITTEE FINANCIAL YEAR ENDED JUNE 30, 2012

The Committee has over the past year pursued the mandate outlined to members at the last AGM, and is pleased to provide a report on its progress to date.

FINANCIAL REPORTING

During the past 12 months efforts continued to improve the standard and quality of the financial reporting of the Association's operations and activities. The Board and management agreed on key timelines for the preparation, review and approval of monthly financial reports, to ensure that timely information would be available to those in decision making positions.

The following were identified as key objectives:

1. Ensure timely preparation and submission of monthly financial reports;
2. Ensure sound cash flow, receivables and payables management;
3. Ensure continuous monitoring of performance, allowing for early detection of conditions that require review of budgets and other forecasts;
4. Establish specialized reporting formats and structures to facilitate better understanding of key components of financial management and performance.

The Treasurer and committee worked closely with the Board and management to realize these objectives during the year, and are pleased to report moderate success in this regard.

Objective 1

We have achieved improvements in relation to the timely submission of financial reports, and acknowledge the efforts of the CEO and her team in this regard. The level of communication between the Finance Team, management and the Treasurer has facilitated timely feedback and notification of the Board on financial matters. The Committee is committed to ensuring 100% performance against the timelines agreed for our monthly reporting.

Objective 2

During the year, - as evidenced by our 2012 audited financial statements – revenue declined and this severely impacted our ability to meet obligations without initiating appropriate cutbacks. Additionally, inability to receive quarterly government subventions according to schedule placed further pressures on the cash flow position of the Association.

While our receivables management was efficient, challenges were often faced with our payables management and timely settlement of some obligations. In this regard, management devised a plan based on amount and priority of obligation to have payables cleared.

The Association continues to enforce its vendor settlement terms of 14 days for member payables and 30 days for all other trade payables.



Objective 3

In an environment where change is the only constant, the Committee advised the Board that it would need to engage in continuous monitoring and review of the Association's financial performance and position to allow for changes and amendments to forecasts and budgets to be effected.

The Board requested that the Treasurer be updated weekly on the Association's cash flow and payables position, and this continues to be done.

The Board recently agreed that a more detailed review of financial position should be conducted on a quarterly basis, with clear recommendations as to required adjustments to the work plan and budgets to ensure that at a minimum we achieve a breakeven position at the Association's year end – this will be effected at the end of the current quarter, and the next review will occur in January 2013.

Objective 4

This final objective will be the focus of the Committee and the financial management team for the remainder of the current financial year 2012/2013. It will focus on the following:

1. Alignment of chart of accounts – ensure harmonization of account codes, descriptions and order of accounts across general ledger, budget and other reporting systems – this will ensure easier reconciliation and improved readability for users;
2. Improved project reporting – ensure there are regular reports for each project undertaken by the SBA, and that profitability of same can be easily identified and reported. We will also work with the auditors to ensure that our accounting and reporting in this regard meets internationally accepted standards;
3. Explore opportunities for the Association to use the new IFRS for SME standards for its accounting and audit reporting;
4. Formalise reporting structures and formats for fund reporting to our sources of grant, loan and project funding – Government of Barbados, IADB and others – highlighting the allocation and use of such funds on a quarterly and annual basis.
5. Complete accounting procedures and reporting manual.

AUDIT FUNCTIONS

The Committee during the remainder of the current financial period – 2012/13 – will create a plan to continuously ensure that there is internal audit and review of the internal control and reporting mechanisms of the Association, to ensure that all financial reporting output will be accurate, reliable, timely and cost effective. The Treasurer, has also taken steps to further enhance the relationship that exist between the Auditor and the Association, in relation to the review, oversight and improvement of the annual audit process and the standard of our financial reporting.



CONCLUSION

The Committee is passionate about the continuous improvement of the financial recording and reporting systems of the Association, and will continue to work along with the Board and management to bring to fruition the objectives outlined and to review these on a regular basis to allow for a robust system to be not only developed, but maintained.

Prepared by



David Simpson
Chairperson

**Small Business Association
(Limited by Guarantee)
Partially Consolidated Financial Statements
For The Year Ended
June 30, 2012**

INDEX	PAGE
Auditors' Report	29-30
Partially Consolidated Balance Sheet	31
Statement of Partially Consolidated Accumulated Fund	32
Statement of Partially Consolidated Surplus	33
Statement of Partially Consolidated Cash Flows	34
Notes to Partially Consolidated Financial Statements	35-40

**Brian F. Griffith & Co.
Chartered Accountants**



Independent Auditors' Report

To the members of Small Business Association

We have audited the accompanying partially consolidated financial statements of **the Small Business Association**, which comprise the partially consolidated balance sheets as of June 30, 2011, and the statements of partially consolidated surplus, statements of partially consolidated accumulated fund and statements of partially consolidated cash flow for the year then ended, and a summary of significant accounting policies and other explanatory notes for the Small Business Association and the Small Business Venture Capital Inc.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these partially consolidated financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these partially consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the partially consolidated financial statements present fairly, in all material respects, the financial position of the **Small Business Association** along with the Small Business Venture Capital Inc. as of June 30, 2012, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.



Brian F Griffith & Co.
Chartered Accountants

29 October 2012
Bridgetown, Barbados

Small Business Association
(Limited by Guarantee)
Partially consolidated balance sheet
As at June 30, 2012

	Notes	2012 \$	2011 \$
Assets			
Cash at bank	3	458,454	588,911
Term deposits	4	1,101,841	1,283,581
Accounts receivable	5	157,399	262,956
Due by related parties		196,291	190,064
Investments	6	1,067,958	1,067,958
Prepaid expenses		3,948	5,308
Non-current assets	7	28,087	48,007
Total assets		3,013,978	3,446,785
Current liabilities			
Accounts payable and accruals		107,753	94,687
		<u>107,753</u>	<u>94,687</u>
Equity			
Accumulated fund		(651,093)	(196,605)
Capital grant	8	3,000,000	3,000,000
Disadvantaged fund		557,318	548,703
		<u>2,906,225</u>	<u>3,352,098</u>
Total liabilities and equity		3,013,978	3,446,785

The accompanying notes form part of these financial statements.

Approved by the Board

DIRECTOR  DIRECTOR 

**Small Business Association
(Limited by Guarantee)
Statement of partially consolidated accumulated fund
For the year ended June 30, 2012**

	\$
Accumulated fund – June 30, 2010	542,304
Deficit for the year	<u>(738,909)</u>
Accumulated fund – June 30, 2011	(196,605)
Government subvention (2011) reversed	(237,500)
Prior year adjustment	1
Deficit for the year	<u>(216,989)</u>
Accumulated fund – June 30, 2012	<u>(651,093)</u>

**Small Business Association
(Limited by Guarantee)
Statement of partially consolidated surplus
For the year ended June 30, 2012**

	Notes	2012 \$	2011 \$
Income	9	870,718	1,351,300
Expenses	10	<u>1,087,707</u>	<u>1,190,209</u>
Surplus/(deficit) for the year		(216,989)	161,091
Investments written off		<u>0</u>	<u>(900,000)</u>
Net deficit for the year		<u>(216,989)</u>	<u>(738,909)</u>

Small Business Association
(Limited by Guarantee)
Statement of partially consolidated cash flows
For the year ended June 30, 2012

	2012	2011
	\$	\$
Cash flows from operating activities		
Deficit for the year	(216,989)	(738,909)
Prior year adjustment	1	0
Depreciation	19,922	46,472
Operating deficit before working capital changes	(197,066)	(692,437)
Net change in non-cash working capital balances	119,982	(151,496)
Net cash (used)/from in operating activities	(77,084)	(843,933)
Cash flows used in from investing activities		
Increase in fixed assets	(1)	(19,867)
Decrease in investments	0	900,000
Increase in due by related parties	(6,227)	(109,655)
Net cash from/(used) in investing activities	(6,228)	770,478
Cash flows from financing activities		
Government subvention (2011) reversed	(237,500)	0
Disadvantaged fund	8,615	1,310
Net cash from financing activities	(228,885)	1,310
Net (deceased)/increase in cash and cash equivalents for the year	(312,197)	(72,145)
Cash and cash equivalents, beginning of year	1,872,492	1,944,637
Cash and cash equivalents, end of year	1,560,295	1,872,492
Cash and cash equivalents comprise:		
Cash	458,454	588,911
Term deposits	1,101,841	1,283,581
	1,560,295	1,872,492

The accompanying notes form part of these financial statements.

**Small Business Association
(Limited by Guarantee)
Notes to partially consolidated financial statements
June 30, 2012**

1. Incorporation and principal activity

The Small Business Association was incorporated under the Companies Act, Cap. 308 of the Laws of Barbados, as a company limited by guarantee and not having share capital, on 31 March 1982 and was continued on 31 December 1986.

The principal activity of the association and its subsidiaries is to promote the interest of its members and to encourage the development of small businesses in Barbados.

These partially consolidated financial statements comprise Small Business Association and one of its subsidiaries, Small Business Venture Capital Inc. The financial information of its other subsidiary, SBA Enterprises Inc., is not included.

2. Significant accounting policies

a) Basis of accounting

These financial statements are prepared under the historical cost convention.

No account has been taken of the effects of inflation.

b) Depreciation

Depreciation is provided for on fixed assets on a straight-line basis at rates estimated to write off the cost of these assets over their useful lives.

The annual rates used are:-

Furniture and fittings	-	12.5%
Computer and office equipment	-	20%, 10%
Leasehold improvements	-	33.3%

c) Currency

These financial statements are expressed in Barbados dollars.

**Small Business Association
(Limited by Guarantee)
Notes to partially consolidated financial statements
June 30, 2012**

3. Cash at bank

	2012	2011
	\$	\$
Small Business Association	350,028	416,872
Small Business Venture Capital Inc.	108,426	172,039
	<u>458,454</u>	<u>588,911</u>

4. Term deposit

	2011	2010
	\$	\$
Small Business Association	300,000	481,740
Small Business Venture Capital Inc.	801,841	801,841
	<u>1,101,841</u>	<u>1,283,581</u>

5. Accounts receivable

	2012	2011
		\$
Small Business Association	157,399	262,956
	<u>157,399</u>	<u>262,956</u>

6. Investments

	2012	2011
	\$	\$
Small Business Association	127,958	127,958
Small Business Venture Capital Inc.	940,000	940,000
	<u>1,067,958</u>	<u>1,067,958</u>

The Association owns 100% of the equity of Small Business Venture Capital Incorporated.

Small Business Association
(Limited by Guarantee)
Notes to partially consolidated financial statements
June 30, 2012

7. Non-current assets

	Furniture and fittings	Office equipment	Property, plant and equipment	Leasehold improve.	Total 2011
	\$	\$	\$	\$	\$
Cost					
At July 1, 2011	94,784	152,024	4,980	110,983	362,771
Additions	0	0	0	0	0
At June 30, 2012	<u>94,784</u>	<u>152,024</u>	<u>4,980</u>	<u>110,983</u>	<u>362,771</u>
Accumulated Depreciation					
At July 1, 2011	64,497	142,836	4,980	102,451	314,764
Charge for the year	<u>6,980</u>	<u>4,409</u>	<u>(1)</u>	<u>8,532</u>	<u>19,920</u>
At June 30, 2012	<u>71,477</u>	<u>147,245</u>	<u>4,979</u>	<u>110,983</u>	<u>334,684</u>
Net Book Value -2012	<u>23,307</u>	<u>4,779</u>	<u>1</u>	<u>0</u>	<u>28,087</u>
Net Book Value -2011	<u>30,287</u>	<u>9,188</u>	<u>0</u>	<u>8,532</u>	<u>48,007</u>

8. Capital grant

A grant of \$2,000,000 was made by the Barbados Government to the Small Business Association.

These funds were used as a capital contribution to SBVCI, a limited liability company, and a wholly owned subsidiary of the Small Business Association.

A capital grant of \$1,000,000 was made to SBVCI from the Ministry of Finance in July 2005.

Small Business Association
(Limited by Guarantee)
Notes to partially consolidated financial statements
June 30, 2012

9. Income

	2012	2011
	\$	\$
Special Grant - Satellite project	200,000	500,000
Ordinary Grant - Annual subvention	175,000	175,000
Special Grant - Annual subvention	175,000	175,000
Small Business Week	71,300	89,364
Enterprise in Action	57,150	22,500
Development fund income	51,519	205,067
Membership fees	46,505	58,100
Training Programme	40,450	37,015
Other income	11,544	6,766
Interest income	10,147	52,378
Membership booklet	8,750	2,450
Dividends income	7,500	20,100
Special Projects Revenue	4,500	0
Networking Social Event	3,300	0
Advertising revenue	3,240	0
Services	2,938	5,715
Web design	1,475	295
Projects & Programme Revenue	1,000	0
Agrofest	0	600
The Business Lead	(600)	950
	870,718	1,351,300

Small Business Association
(Limited by Guarantee)
Notes to partially consolidated financial statements
June 30, 2012

10. Total expenses

	2012	2011
	\$	\$
Personnel Cost	381,910	412,155
Projects expenses	188,884	176,626
Research & business development	174,162	187,707
SBA/IDB Micro-Project	107,670	527
Secretariat expenses	43,977	57,774
Rent	42,688	36,890
Utilities	42,477	38,520
Directors' fees	29,550	30,925
Professional fees	26,463	23,328
Depreciation	19,922	46,472
Repairs and maintenance	11,314	18,369
Advertising & public relations	6,353	11,568
Marketing & member promotions	6,346	17,702
Membership fees	6,000	6,000
Internet expenses	3,608	7,199
Miscellaneous	2,995	1,511
Security	2,857	2,321
Insurance	2,714	3,349
Bad debts	2,533	1,050
Bank charges and interest	1,350	2,018
Disadvantaged fund expenses	968	0
Overseas conferences, meetings	881	0
Seminar and workshops	800	0
Induction ceremony expenses	768	2,042
Technical assistance	200	11,612
Donations	195	2,496
Meeting expenses	50	0
Development fund expenses	0	47,302
Awards and recognition	(19,928)	44,746
	<hr/>	<hr/>
	1,087,707	1,190,209

Small Business Association
(Limited by Guarantee)
Notes to partially consolidated financial statements
June 30, 2012

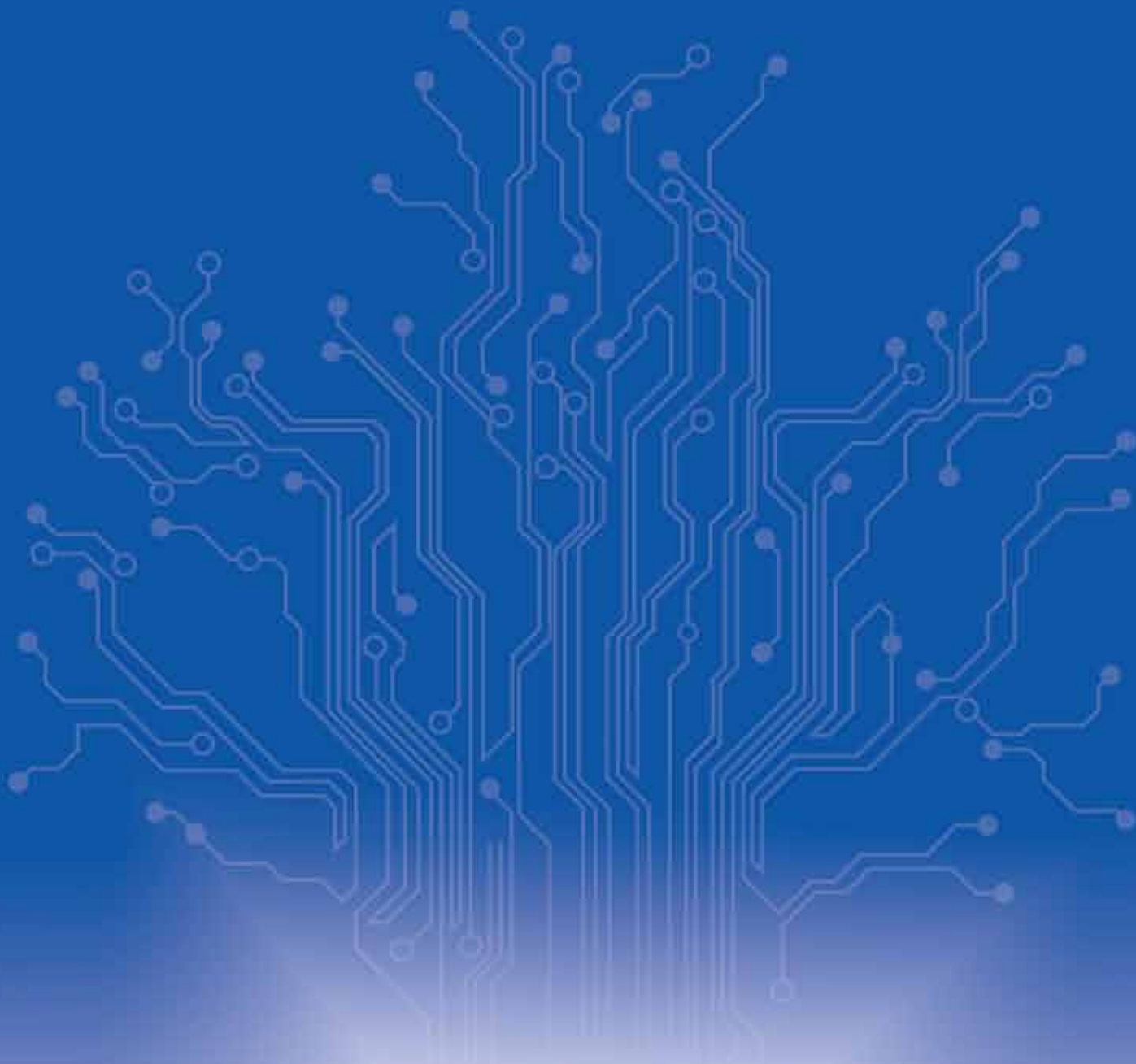
11. Summary of Financial Operations

	SBA	SBVCI
	\$	\$
Statement of income		
Income	883,325	9,893
Expenses	<u>1,077,892</u>	<u>32,315</u>
Net surplus/(loss) for the year	<u>(194,567)</u>	<u>(22,422)</u>
 Balance sheet		
Assets	<u>3,170,620</u>	<u>1,850,268</u>
 Liabilities	103,053	11,608
Shareholder's equity	<u>3,067,567</u>	<u>1,838,660</u>
 Shareholder's equity and liabilities	<u>3,170,620</u>	<u>1,850,268</u>



STANDING ORDERS

1.
 - a) A member to stand when addressing the Chair.
 - b) Speeches are to be clear and relevant to the subject before the meeting.
2. A member shall only address the meeting when called upon by the Chairman to do so, after which he shall immediately sit.
3. No member shall address the meeting except through the Chairman.
4. A member may not speak twice on the same subject except:
 - a) The mover of a motion –who has the right to reply.
 - b) He rises to object or to explain (with the permission of the chair).
 - c) With permission of the Chairman.
5. The Mover of a Procedural Motion – (Adjournment laid on the table, Motion to postpone) is to have no right of reply.
6. No speeches are to be made after the "Question" has been put and carried or negative.
7. A member rising on a "Point of Order" to state the point clearly and concisely. (A "Point of Order" must have relevance to the "Standing Order").
8.
 - a) A member should not "call" another member "to order" – but may draw the attention of the Chair to a "Breach of Order".
 - b) In no event can a member call the Chair "to Order".
9. A "Question should not be put to the vote if a member desires to speak on it or move an amendment to it –except, that a "Procedural Motion", "the Previous Question", "Proceed to next business" or "the Closure", may be moved at any time.
10. Only one amendment should be before the meeting at one and the same time.
11. When a motion is withdrawn, any amendment to it fails.
12. The Chairman to have the right to a "casting vote".
13. If there is equality of voting on an amendment, and if the Chairman does not exercise his casting vote, the amendment is lost.
14. Provision to be made for protection by the Chairman from vilification (personal abuse).
15. No member shall impute improper motive against another member.



#1 Pelican Industrial Park, Bridgetown, St. Michael, Barbados
Tel: (246) 228-0162 ■ Fax: (246) 228-0613
Email: theoffice@sba.org.bb

Visit us at www.sba.org.bb