

ANNUAL REPORT 2017



Small Business
ASSOCIATION





VISION

The SBA's vision is "to be the national organisation of choice for business and entrepreneurial development."

MISSION

The SBA seeks to provide effective representation and exemplary development services to and on behalf of micro, small and medium enterprises, nationally.



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NOTICE OF MEETING

Notice is hereby given of the 24th Annual Meeting of Members of the Small Business Association to be held on Tuesday November 28, 2017, at 11:00 a.m., at the Savannah Beach Hotel, Hastings, Christ Church.

AGENDA

1. Ascertainment of Quorum & Call to Order
2. Prayers
3. Excuses
4. Welcome & Opening Remarks
5. Minutes of the 23rd Annual Meeting held on November 29, 2016
6. Matters arising from Minutes
7. Board of Directors' Report
8. Treasurer's Report & Financial Statements
9. Auditors' Report
10. Appointment of Auditors
11. Special Presentation
12. Elections
13. Any other business
14. Termination

By Order

Charles Carter

Secretary

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 well-being 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 recognized as a good corporate citizen by demonstrating support for our communities and environment and seeking to influence our members likewise.

CORPORATE INFORMATION

Bankers

Republic Bank (Barbados Ltd.)
Lower Broad Street , Bridgetown

First Citizens Bank
Lower Broad Street, Bridgetown

CIBC First Caribbean
International Bank
Warrens, St. Michael

Auditors

Brian F. Griffith & Co.
Chartered Accountants
"Harriett House"
Spry Street, Bridgetown

SBA Office

Suite 101 Building #4
Harbour Industrial Estate
St. Michael, Barbados
Tel. (246)228-0162
Fax. (246)228-0613
Email: theoffice@sba.bb
Website: www.sba.bb

4. Scotia Bank
Lower Broad Street, Bridgetown

LEADERSHIP TEAM



PRESIDENT
Dean Straker



VICE PRESIDENT
Gail Headley-Lowe



TREASURER
Adali Stevenson



SECRETARY
Charles Carter



**ASSISTANT
SECRETARY/TREASURER**
Jefferson Kirton



DIRECTOR
Donna Hope



DIRECTOR
Glendine Greaves



CEO
Lynette Holder

BOARD OF DIRECTORS' REPORT FOR FY 2016 – 2017

PRESENTED TO THE 24TH ANNUAL MEETING OF THE SMALL BUSINESS ASSOCIATION

INTRODUCTION

The Central Bank of Barbados' economic report at the end of June 2017 indicated that the Barbados economy underperformed in the aftermath of the global financial crisis, evidenced by low growth, and significant fiscal and external imbalances. The sluggish performance of the economy has been supported by a weakening in several sectors relative to economic value-added and overall output. The micro, small and medium enterprise (MSME) sector was by no means recused from this reality and reported severe challenges to sustaining growth and competitiveness's throughout the year. The Performance Index on the MSME sector at the end of June 2017 revealed that firms were challenged to maintain employment levels, there was a decline in the number of firms exporting and businesses overall saw a decrease in their margins because of reduced revenues. This latter reality made it even more challenging for MSMEs to make the necessary investment in equipment and/or plant upgrades, research and product development, and overall expansion of the business. Consequently, survival was the order of the day for most firms, as they sought to navigate the implications of increased cost of business, while seeking to maintain market presence.

It is against this background that the Small Business Association of Barbados (SBA) reports on its operations for the fiscal year 2016 – 2017. Cognisant of the need to support members in their capacity building and marketing efforts, and in an environment of reduced financial resources, the SBA continued its focus on educational & training initiatives, cost-effective communication programmes, while strengthening its own capability to cater to members' needs.

The period July 2016 – June 2017 featured the continued roll out of the Strategic Plan for 2016 – 2020, with the emphasis on the two thematic areas of **Institutional Development and Programme Development**. Started in the previous fiscal period, this plan represents the strategic and operational response of the SBA to ensure it can retain its operations through a series of sustainable development actions, while focusing tactically on programmes it can realistically deliver to members and wider stakeholders. The ensuing pages document these activities for the period under review.

INSTITUTIONAL STRENGTHENING ACTIVITIES

The institutional strengthening activities of the SBA focused on enhancing the secretariat's capacity through resource mobilisation and management initiatives. As a result, the association upgraded its technology infrastructure, strengthened its policies & procedures framework and launched several income-generating activities.



¹ Central Bank of Barbados Press Release July 2017

² SBA's Performance Index Survey Report 2017



Technology improvements included the procurement of a state-of-the-art server to strengthen the secretariat in its records management programmes such as data collection, storage and retrieval of membership information. Additionally, the secretariat launched a process to upgrade its computer-related training product through the retrofitting of its computer lab with new hardware and software to facilitate e-commerce training, computer-assisted accounting and other IT-based courses. The overall technological improvements will facilitate the introduction of online training to be offered to the small business community in the future.

SMALL BUSINESS PERFORMANCE INDEX

The institutional strengthening programme further assisted the SBA in its data collection efforts through the development of a Performance Index to assess key performance indicators on the MSME sector. Two quarterly assessments were commissioned during the second half of the financial year. The performance index represents a mechanism to be used by the SBA to collect primary data on the sector to improve its body of research on MSMEs, to strengthen the policies to be developed and enhance the lobbying of the association. As seen in the figures below, a key challenged experienced by start-ups is the need to access markets for their goods and services. Additionally, the data showed that 85% of firms earn under \$500k; 78% of businesses employed 1 – 5 persons and the majority of MSMEs used a form of social media/website to promote their products.

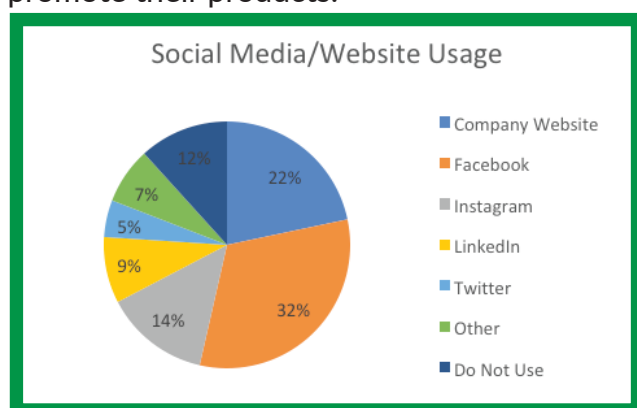


FIGURE 1



FIGURE 2

FIGURE 3

The SBA also gauged members' views on the issue of a minimum wage in Barbados and noted from the survey that 83% of MSMEs were in favour of a minimum wage, with more than 60% suggesting a rate of \$7 – 8.



FIGURE 5

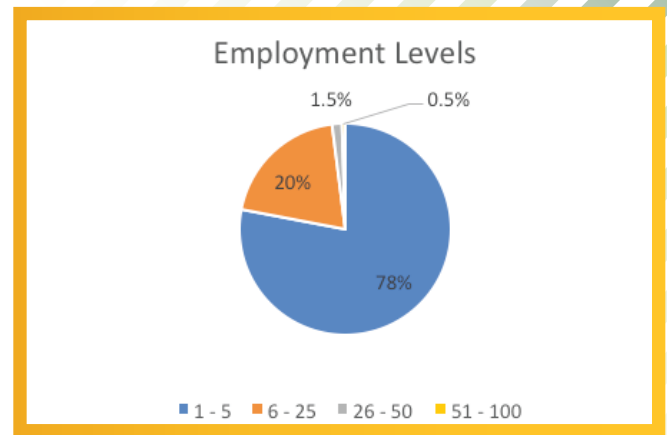


FIGURE 4

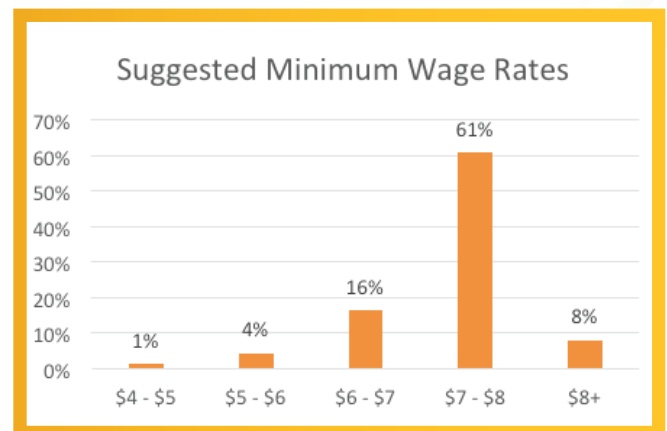


FIGURE 6

PROGRAMME DEVELOPMENT ACTIVITIES

The second thematic area of focus for the organisation was that of programme development. This area features the provision of education & training interventions for members, marketing support, communications strategies and engaging stakeholder groups such as the youth and business support organisations.

EDUCATION & TRAINING

Training for Janitorial Industry

The SBA partnered with the Barbados Association of Professional Cleaners (BAPC) to facilitate the development of a training programme for the janitorial industry, towards the attainment of a National/ Caribbean Vocational Qualification. Known as the N/CVQ in Janitorial Services Level 2, this occupational area was used to develop a standard for the industry, by the Technical Vocational and Education Training Council (TVET), and therefore formed the basis for the development of the curriculum for training.

8.





The SBA commissioned the TVET Council to prepare the curriculum for the standard, to facilitate the development of the training programme. Consequently, some 42 persons representing seven firms in the janitorial industry were enrolled in the training, which started in the month of April 2017. The training covers some seventeen units and will be delivered in

two phases – classroom sessions, which will cover seven units, and the practical training of 11 units. Whereas the SBA will host the former training at its secretariat, the BAPC will facilitate the practical component.

N/CVQs in E-Commerce and Small Business Accounting

The SBA engaged the TVET Council to prepare standards in the areas of E-commerce and Small Business Accounting, in its effort to offer N/CVQs in these areas. At the end of the reporting period a draft standard in Accounting for Small Business was developed and submitted to a team of industry experts for validation. The curriculum for this occupational area, as well as the standard and curriculum of E-commerce, should be completed in the next fiscal period, following which training will be offered to the small business community towards the N/CVQs.

Entrepreneurial Training Series

The SBA held three semesters of training in its Entrepreneurial Training Series, during the year. Courses were offered in QuickBooks as well as a range of management related disciplines. Through funding provided by the TVET Council and First Citizens Bank, the association was able to offer these courses at a discounted rate to members and non-members alike. At the end of the year the organisation realised an increased in student participation of 41% compared to the previous fiscal period and on par with 2014 – 2015 levels. Figures 7 – 9 below provide diagrammatical information on the training programme.

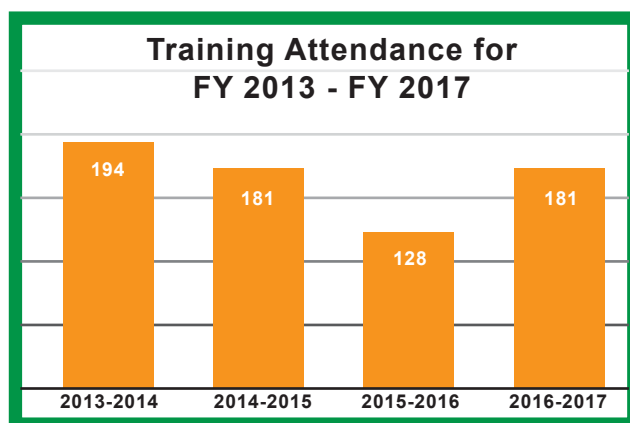


FIGURE 7

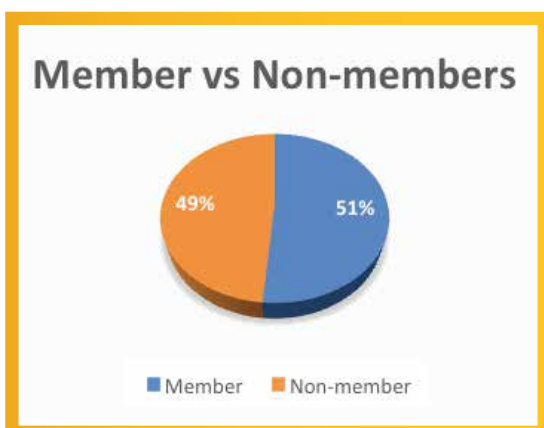


FIGURE 8

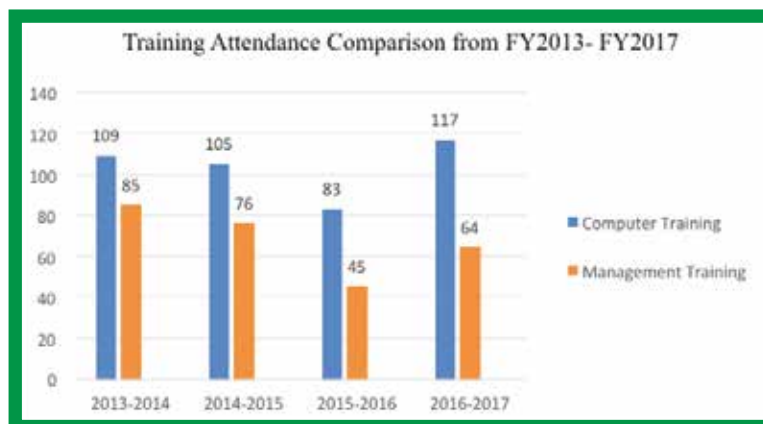


FIGURE 9

Graduation Ceremony

The SBA also hosted its graduation ceremony for the Entrepreneurial Training Series for calendar year 2016 and the Competency-Based training project, during the period under review. Some 152 students who successfully completed courses in six entrepreneurial disciplines and 35 candidates who completed the **N/CVQ in Developing a New or Existing Business Enterprise Level 3**, received their certification during the event. The courses taught in the training series, for which the graduates were awarded, included:

- QuickBooks Basic
- QuickBooks Intermediate
- Maximising Social Media
- Marketing for Small Enterprises
- Supervisory Management and Team Building
- Customer Service Excellence



MEMBERS' MEETINGS

During the reporting period, the SBA held several members' meetings to conduct research, build capacity and educate members on current affairs issues.

- I. **Annual Meeting** - The annual meeting was held in November against an Independence theme in commemoration of Barbados' 50th year of Independence. The SBA recognised several members and other contributors to the development of small business in general, and the association. The special Independence Awards were conferred upon recipients as follows:

Longstanding Members - Golden Sands Hotel, Exstrawdinary, The Travel House, Clemo Electrical Services and Southern Rentals.

Leadership Awards were presented to Senator John Watson - Founding President, Wendell Clarke, Sandra Husbands and Wendell Kellman

Outstanding Entrepreneur - Mohammed Nassar, Rawle Brancker, Ram Mirchandani and James Husbands.

Ministry Partnership Award was presented to the Ministry of Industry, International Business, Commerce and Small Business Development.

- II. **CSME Session** - a meeting was organised in collaboration with Right Angle Imaging Inc. on behalf of the CARICOM CSME Unit. The purpose of the session was to assess the effectiveness of the CSME public education programmes (PEP) that have been undertaken throughout the region. Fifteen members/partners were invited to attend the session which gave feedback to the organisers on the PEP. The session proved to be insightful for the participants whom themselves learnt about the CSME and its implications for the small business sector.

- III. **Members' Meeting** - A members' meeting was held in the month of February, which featured a presentation from the Hon. Donville Inniss, Minister of Industry, International Business, Commerce & Small Business Development, on the proposed \$50M Fund to support MSMEs. The meeting attracted a total of 171 persons, members and non-members alike, as well as the local press. The presentation by the minister was recorded by Trident 10 TV and the video uploaded to the SBA's website, for viewing by members and the public.

E-COMMUNICATIONS

The SBA continued to use its social media and website vehicles to disseminate information on its activities as well as members' products, due to the cost effectiveness of these mechanisms. Additionally, research from the Performance Index report showed that MSMEs were using more social media interfaces in their business operations and as such this method of communication was expected to yield greater returns than traditional sources.

Website

The website increased in the number of visits recorded, from 1861 to 3605 at the end of June 2017, or a 58% increase. This increase can be attributed to the on-going promotion of SBA activities via weekly email blasts with direct links to the association's site. Additionally, the promotion of Small Business Week 2016 and the new features of the e-toolkit and online survey of the MSME sector, have contributed to the increased flow of traffic to the site.

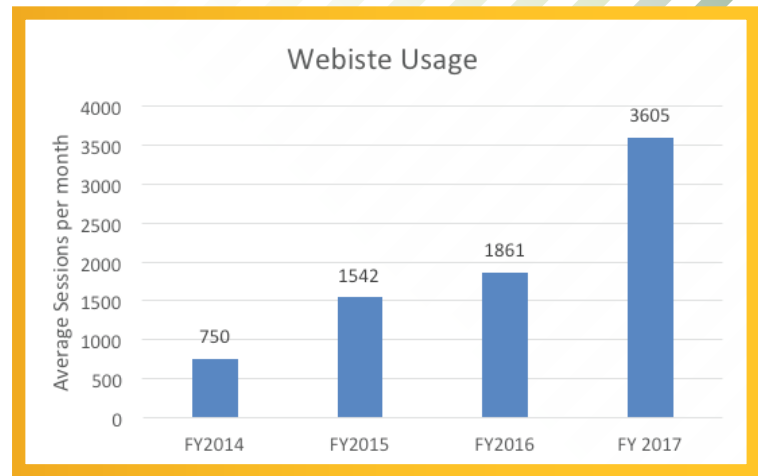


FIGURE 10

Social Media

The main social media vehicles used by the SBA are Facebook, Twitter and LinkedIn. These all recorded increases in patronage during the year under review at an average of 14% across the three mechanisms. Data collected during the period showed that the most used media, Facebook, was patronised by a majority of females (57%) and persons between the age of 25 - 44 (57%). This information assists the organisation in its messaging and promotional strategy.

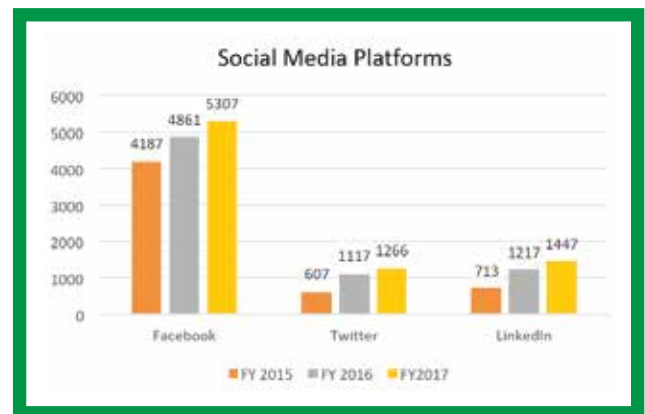


FIGURE 11

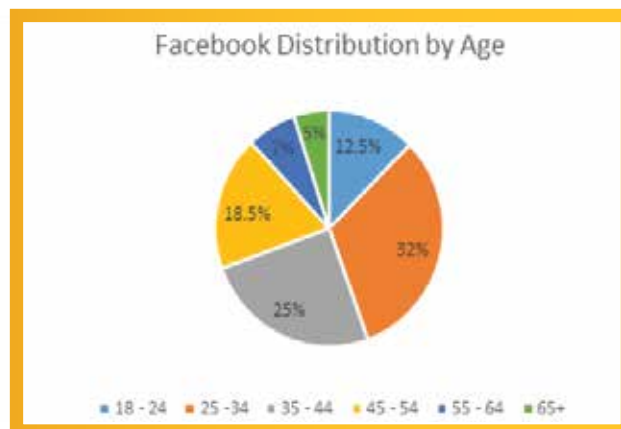


FIGURE 12

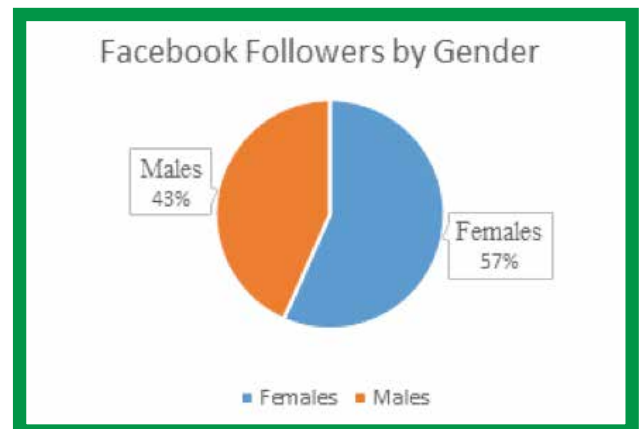


FIGURE 13

NEW MEMBERSHIP

On account of the SBA's public relations and promotional activities during the year, some 44 firms were added to the membership for the period. These businesses employed 243 persons, which represents an average of 6 employees per firm. The association has seen an increase in the number of businesses in the services sector joining the organisation, and the period under review was no exception. Some 46% of the new members were from the professional and general services sector. (figure 15)



FIGURE 14

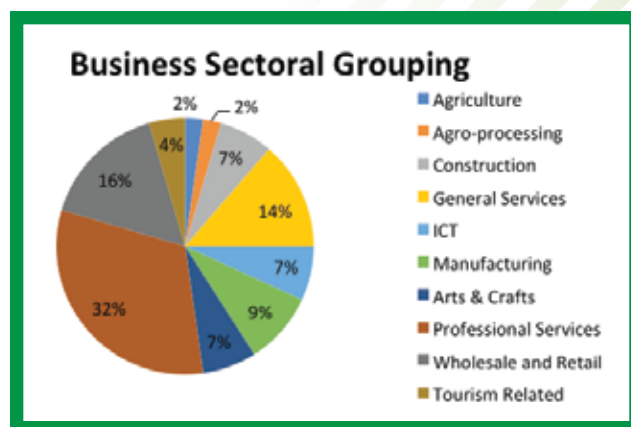


FIGURE 15

STAKEHOLDER ENGAGEMENTS

The SBA supported several stakeholder activities throughout the year through the promotion of members' goods & services and the showcasing of the organisation's product offerings. Some initiatives also provided the opportunity for members to benefit through training and capacity building.

IICA Training

Members in the agri-business sectoral group participated in the Inter-American Institute for Cooperation on Agriculture, Regional Traceability Course (Phase 1) held under the 10th EDF SPS Project. The forum focused on traceability of food starting from the planting process through the supply chain to the distribution channels. Key areas covered were the inputs and proper execution of the processes in the supply chain to help manage the documentation process for proper linkages.

Young American Business Trust

The SBA recommended members to attend Mini Business labs hosted by the Young American Business Trust, a project supported by the Inter-American Development Bank. The Seminar was aimed at providing insight into the Caribbean Innovation Challenge (CIC), which is an international support programme and business start-up accelerator for entrepreneurs in the Caribbean. The competition itself provided a support platform for entrepreneurs to transform their intellectual ideas into profitable business models.

Walk The Talk Programme

The 4th iteration of the **Walk the Talk** programme was held for employers and employees alike to improve their overall wellness. The programme, which is an initiative of the Barbados Chamber of Commerce, held its prize giving ceremony for those outstanding teams and individuals that achieved significant results in their efforts to improve their health and physical activity. The SBA, as a partner in the initiative, participated in the event and invited members to contribute prizes to the winning teams.

The following persons received prizes from SBA members:

1. Johnson Johnrose – lunch for two (2) at Naniki Restaurant
2. Nickeza Worrell – lunch for two (2) at Golden Sands Restaurant and consultation & supplements from Genuine Herbs and Wellness.
3. Janice Cottle - lunch for two (2) at Golden Sands Restaurant

Pictures below show the 2nd and 3rd place winners receiving their prizes from SBA members



Barbados Workers' Union Open Day

The SBA participated in the Barbados Workers Union (BWU) May Day 2017 Open Day, Media Launch and Mini Exhibition. The event was held against the backdrop of the BWU's planned Labour Day celebrations in the month of May. The ceremony focused on the productivity of the labour force and its implications, considering the year 2017 being designated 'the Year of Productivity' in Barbados. Furthermore, the relevance of trade unions in the protection of workers' rights was also highlighted. The exhibition on a whole was aimed at showcasing the high quality of goods and services produced by the Barbadian Enterprise.

The association showcased the Enterprise in Action Youth Programme by way of a video presentation, as well as projects from the St. Leonard's Boys' School, Christ Church Foundation and Alma Parris Memorial School. Five (5) members of the association also participated in the exhibition.



YOUTH DEVELOPMENT

Enterprise in Action Youth Programme

Now in its seventh year, the EIA Youth programme continues to provide a mechanism for 4th and 5th formers to learn business development theory while implementing a number of practical business projects within the school environment. Some 13 schools participated in the programme for academic year 2016 – 2017 representing over 260 students. The programme featured training in business start-up and management, as well as the practical development of business projects. The theoretical exercise provides an overview of the process involved in starting a business and includes such topics as: -

- **The entrepreneurial world**
- **Team building and teamwork**
- **Market research**
- **Production process and marketing**
- **Financial planning**
- **Legal and administrative issues**

Following the initial phase of the programme, students identified a business project to be developed and implemented, drawing on the business principles learnt.

	SCHOOL	TYPE OF BUSINESS PROJECT
1.	Springer Memorial School	Making and selling of baked goods Selling of snacks Event Planning
2.	Coleridge & Parry School	Manufacturing of cell phone cases from recycled cases and fabric Milk Shakes, Smoothies and Desserts Making and selling of wraps, cookies and shakes
3.	Christ Church Foundation	Making and selling of 'bajan' confectionery Customisation of Shoes & Clothes, Swim Wear design Creation of Lip Balm line, production of natural juices and trinkets
4.	Frederick Smith Secondary School	Reselling of snacks
5.	Alma Parris Secondary School	Book Marks
6.	St. Michael School	T-shirts (based on school house colours)
7.	Graydon Sealy Secondary School	T- Shirts Photo Booth Food (Pizza pockets)
8.	St. Leonard's Secondary School	Car Wash & Refreshment stop
9.	Ellerslie Secondary School	Making and selling of packaged popcorn
10.	Lester Vaughan Secondary School	Juice Bar includes the selling of chicken wraps
11.	St. George Secondary School	Making of beaded jewellery
12.	Deighton Griffith Secondary School	T-Shirts
13.	Parkinson Memorial School	Pizza Pockets

HIGHLIGHTS OF SMALL BUSINESS WEEK 2016

The signature event of the SBA for the year, Small Business Week, was held during the period September 18 - 24, 2016 under the theme Reimagining National Development – the Role of Small Enterprise. The Week featured six events as follows:

Church Service at the Power in the Blood Assembly, Kew Road, St Michael.

SME Stakeholder's Forum featuring keynote speaker Dr Keith Nurse, Senior Fellow, Sir Arthur Lewis Institute for Social and Economic Studies, UWI, and the launch of the National SME Survey Report.

Youth Forum showcasing the various projects from the **Enterprise in Action (EIA) Youth Programme**.

Promotional Bus Tour, which featured visits to several historical sites around the island of Barbados.

The 20/20 Cricket Match – a competitive game of night cricket between the SBA team and the Industry Partners XI.

Awards Ceremony & Reception – The crowning event where the SBA recognised several members and stakeholders for their contribution to the MSME sector. For the first time, one firm copped both **Small Business of the Year** and **People's Choice Awards**, the business Atlantis Seafood Inc., principal Mr Dave Waithe. The coveted **President's Award** went to N Pure Inc. represented by Neil Corbin.



NEW INITIATIVE

The Sustainable Inner-City Transport Project

The Solar Transport project is an initiative of the SBA, funded in part by the GEF Small Grants Programme, UNDP, and aimed at increasing awareness of sustainable transport in the historic city of Bridgetown. The problems that the project seeks to resolve are;

- Traffic congestion in the City
- Implementation of vehicle emission standards
- Support for climate change mitigation using renewable energy and energy efficient-

The overall goals of the project include:

- Mitigation of climate change through the reduction of the Greenhouse Gas emissions by establishing local sustainable transport for inner city transit using increased levels of renewable energy.
- Initiation of green economic transformation in Historic Bridgetown.

Project Objectives

- Outfit two 10-seater solar electric vehicles to work as Solar Inner-city Shuttles that offer tours of Historic Bridgetown to Bridgetown commuters, visitors and locals alike.
- Educate 100 businesses in Bridgetown on the UN Global Compact Programme, encourage them to engage in innovations that will make their businesses sustainable.
- Increase the awareness of sustainable transport and the history of Bridgetown by providing sustainable city and historic tours to 1000 local citizens and visitors.
- Outreach to 500 institutions including schools, NGOs, hotels, groups and associations based in Bridgetown.

The project will feature two main tours throughout Bridgetown via the novel solar vehicle which harnesses the power of the sun, making it energy efficient and environmentally safe. The tours will be 2 hours long and 25 sites are listed.

Some of the sites covered by the tours include:

- Independence Square
- National Heroes Square
- Chamberlain Bridge
- Jewish Synagogue
- Parliament Building
- National Heroes Square



Image of the Solar-powered vehicle

LOOKING AHEAD

The current business environment within which the SBA and by extension, the MSME sector must operate, is a challenging and uncertain one. Though MSMEs have the potential to contribute significantly to economic and social development, the macro economic environment must be conducive to facilitate this. It is therefore incumbent on organisations like the SBA to lobby even more so, for the enabling legislative and policy space, coupled with access to the resources needed for MSMEs to survive at this time.

The SBA was therefore pleased to see the long awaited National Policy on the MSME Sector, approved during the year, by the Cabinet of Barbados. This policy framework, coupled with the necessary legislative improvements will assist in enhancing the business environment for small firms. The recent announcement by the Minister of Industry and Small Business Development, the Hon Donville Inniss, that the much anticipated policy to set aside 40% of government procurement for MSMEs will be made a reality in 2017, is a further step in the right direction for the sector. This has been supplemented by the launch of the \$10M fund, administered by Fund Access, to provide grants and seed capital to MSMEs. These accomplishments have been made in large measure, through the persistent lobbying by the SBA, and is testimony to the importance of this kind of representation for those whose voice would otherwise go unheard in the anal of power.

In the ensuing year therefore, the SBA will continue its agenda to call for legislative and programming improvements for the sector. This will be supported by its own focus on implementing programmes of capacity building and development support, that will further assist members to survive during this time. The SBA calls on its members and partners to continue the collaborative approach to development, which with the help of the Creator, will redound to a resilient MSME sector in the future.

Presented on behalf of the Board of Directors by
Dean Straker
President



Brian F. Griffith & Co. CHARTERED ACCOUNTANTS

Independent Auditors' Report To the members of Small Business Association

Opinion

We have audited the partially consolidated financial statements of **Small Business Association**, which comprise the partially consolidated balance sheet as at June 30, 2017, and the statement of partially consolidated surplus and accumulated fund, statement of partially consolidated cash flows for the year then ended, and notes to the partially consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying partially consolidated financial statements present fairly, in all material respects, the financial position of the Association as at June 30, 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities (IFRS for SMEs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the **Auditors' Responsibilities for the Audit of the Financial Statements** section of our report. We are independent of the Association in accordance with ethical requirements that are relevant to our audit of the financial statements in Barbados, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the partially consolidated financial statements in accordance with IFRS for SMEs and for such internal control as management determines is necessary to enable the preparation of partially consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the partially consolidated financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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



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

November 14, 2017
Bridgetown, Barbados

**Small Business Association
(Limited by Guarantee)
Partially consolidated balance sheet
As at June 30, 2017**

	Notes	2017 \$	2016 \$
ASSETS			
Cash at bank	3	601,020	734,669
Accounts receivable	4	25,830	202,899
Prepaid expenses		7,341	4,482
		<u>634,191</u>	<u>942,051</u>
Non-current assets			
Term deposits	5	1,101,841	1,125,853
Due by subsidiary companies		191,638	194,788
Investments	6	1,007,958	1,007,958
Other assets		33,401	33,401
Property, plant and equipment	7	45,087	19,389
		<u>2,379,925</u>	<u>2,381,388</u>
Total assets		<u>3,014,116</u>	<u>3,323,439</u>
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts payable and accruals		81,280	124,060
		<u>81,280</u>	<u>124,060</u>
Non-current liabilities			
Deferred income	8	641,230	929,198
		<u>641,230</u>	<u>929,198</u>
Total liabilities		<u>722,510</u>	<u>1,053,257</u>
Equity			
Accumulated deficit		(708,394)	(729,818)
Capital grant	9	3,000,000	3,000,000
		<u>2,291,606</u>	<u>2,270,182</u>
Total liabilities and equity		<u>3,014,116</u>	<u>3,323,439</u>

The accompanying notes form part of these financial statements.

Approved by the Board of Directors on November 14, 2017 and signed on its behalf by:

DIRECTOR.....DIRECTOR.....

Small Business Association**(Limited by Guarantee)****Statement of partially consolidated surplus and accumulated fund****For the year ended June 30, 2017**

	Notes	2017 \$	2016 \$
Income	10	873,116	935,747
Expenses	11	<u>851,692</u>	<u>954,916</u>
Surplus/(deficit) for the year		21,424	(19,169)
Accumulated deficit at start of year		<u>(729,818)</u>	<u>(710,649)</u>
Accumulated deficit at end of year		<u>(708,394)</u>	<u>(729,818)</u>

The accompanying notes form part of these financial statements.

Small Business Association
(Limited by Guarantee)
Statement of partially consolidated cash flows
For the year ended June 30, 2017

	2017	2016
	\$	\$
Cash flows from operating activities		
Surplus/(deficit) for the year	21,424	(19,169)
Adjustments for non-cash income and expenses		
Depreciation	14,631	7,780
Operating deficit before working capital changes	36,055	(11,389)
Decrease/(increase) in accounts receivables	177,069	(43,193)
Decrease/(increase) in prepaid expenses	(2,859)	4,177
Decrease in accounts payable and accruals	(42,780)	(12,165)
Net cash from/(used in) operating activities	167,486	(62,570)
Cash flows from investing activities		
Addition to property, plant and equipment	(40,329)	(8,454)
Decrease in other assets	-	599
Decrease/(increase) in amounts due by subsidiary company	3,150	(3,150)
Net cash used in investing activities	(37,179)	(11,004)
Cash flows from financing activities		
Increase/(decrease) in deferred income	(287,968)	366,930
Net cash from/(used) in financing activities	(287,968)	366,930
Net increase/(decrease) in cash for the year	(157,661)	293,356
Cash at beginning of year	1,860,522	1,567,166
Cash at end of year	1,702,861	1,860,522
Cash and cash equivalents comprise:		
Cash	601,020	734,669
Term deposits	1,101,841	1,125,853
	1,702,861	1,860,522

The accompanying notes form part of these financial statements.

**Small Business Association
(Limited by Guarantee)
Notes to partially consolidated financial statements
June 30, 2017**

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, and in accordance with International Financial Reporting Standards for Small and Medium-Size Entities.

b) Currency

These financial statements are expressed in Barbados dollars.

c) 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%

d) Comparative information

Certain comparative figures have been reclassified to conform with the current presentation. These changes had no effect on the previously reported financial statements.

**Small Business Association
(Limited by Guarantee)
Notes to partially consolidated financial statements
June 30, 2017**

3. Cash at bank

	2017	2016
	\$	\$
Small Business Association	552,938	701,867
Small Business Venture Capital Inc.	<u>48,082</u>	<u>32,802</u>
	<u>601,020</u>	<u>734,669</u>

4. Accounts receivable

	2017	2016
	\$	\$
Small Business Association	<u>25,830</u>	<u>202,899</u>
	<u>25,830</u>	<u>202,899</u>

5. Term deposits

	2017	2016
	\$	\$
Small Business Association	300,000	324,012
Small Business Venture Capital Inc.	<u>801,841</u>	<u>801,841</u>
	<u>1,101,841</u>	<u>1,125,853</u>

6. Investments

	2017	2016
	\$	\$
Small Business Association	127,958	127,958
Small Business Venture Capital Inc.	<u>880,000</u>	<u>880,000</u>
	<u>1,007,958</u>	<u>1,007,958</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, 2017**

7. Property, plant and equipment

	Furniture and fittings \$	Office equipment \$	Total 2017 \$
Cost			
At July 1, 2016	57,196	109,912	167,108
Additions	-	40,329	40,329
At June 30, 2017	<u>57,196</u>	<u>150,241</u>	<u>207,437</u>
Accumulated depreciation			
At July 1, 2016	52,842	94,877	147,719
Charge for the year	1,983	12,648	14,631
At June 30, 2017	<u>54,825</u>	<u>107,525</u>	<u>162,350</u>
Net Book Value -2017	<u>2,371</u>	<u>42,715</u>	<u>45,087</u>
Net Book Value -2016	<u>4,354</u>	<u>15,035</u>	<u>19,389</u>

8. Deferred income

	2017 \$	2016 \$
Project revenue (residual amount)	547,268	562,268
Human Resource Development Strategy Project	<u>93,962</u>	<u>366,930</u>
	<u>641,230</u>	<u>929,198</u>

9. 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, 2017

10. Income

	2017	2016
	\$	\$
Ordinary Grant - Annual subvention	250,000	250,500
Special Projects Revenue	218,100	368,022
Small Business Week	90,779	80,765
Enterprise in Action	65,000	43,000
Membership fees	53,825	50,950
Training Programme	45,892	34,789
Interest income	9,093	12,458
Tech Smart Project	2,575	5600
Dividends income	20,725	9,375
Services	4,167	12,798
Management fees	90,968	67,400
Web design	1,225	-
Other income	20,767	90
	<u>873,116</u>	<u>935,747</u>

Small Business Association
(Limited by Guarantee)
Notes to partially consolidated financial statements
June 30, 2017

11. Expenses

	2017	2016
	\$	\$
Personnel Cost	348,150	349,068
Projects expenses	310,543	408,045
Bad debt expense	1,914	-
Rent	27,890	39,538
Utilities	38,488	40,576
Research & business development	13,488	28,363
Repairs and maintenance	17,087	18,454
Professional fees	28,982	17,114
Secretariat expenses	18,295	21,702
Directors' fees	11,625	9,600
Depreciation	14,631	7,780
Insurance	4,381	3,224
Internet expenses	2,326	1,977
Bank charges and interest	2,287	872
Security	93	753
Training and seminars	170	100
Advertising & public relations	4,939	3,558
Membership fees	6,000	-
Donations	5	1,675
Miscellaneous	300	2,245
Induction ceremony expenses	68	271
SBA/IDB Micro-Project	30	-
	851,692	954,916

Small Business Association
(Limited by Guarantee)
Notes to partially consolidated financial statements
June 30, 2017

12. Summary of Financial Operations

	SBA	SBVCI
	\$	\$
Statement of income		
Income	876,354	20,762
Expenses	<u>845,366</u>	<u>30,326</u>
Net surplus/(deficit) for the year	<u>30,988</u>	<u>(9,564)</u>
Balance sheet		
Assets	<u>3,320,293</u>	<u>1,763,324</u>
Liabilities	716,041	6,469
Shareholder's equity	<u>2,604,252</u>	<u>1,756,855</u>
Shareholder's equity and liabilities	<u>3,320,293</u>	<u>1,763,324</u>

STANDING ORDERS

The purpose of the following standing orders is to ensure the orderly and effective conduct of the Annual General Meeting.

1. A member should stand when addressing the Chair.
- 1.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/she 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/she rises to object or to explain (with the permission of the Chair)
 - c) With the 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.
7. A member rising on a “Point of Order” is to state the point clearly and concisely. (A “Point of Order” must have relevance to the “Standing Order”)
8. A member should not “Call” another member “to Order” – but may draw the attention of the Chair to a “Breach of Order”.
- 8.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, an amendment to it fails.
12. The Chairman shall 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 shall be made for protection by the Chairman from vilification (personal abuse)
15. No member shall impute improper motive against another member.

NOTES



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