SBA
Small Business
ASSOCIATION

ANNUAL REPORT

2023

SBAofBarbados sbabarbados sba.barbados www.sba.bb

OUR VISION AND MISSION

VISION

The Small Business Association will be the 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

BANKERS

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

CIBC First Caribbean
International Bank
Warrens, St. Michael

First Citizens Bank
Lower Broad Street
Bridgetown

AUDITORS
Steven R. Payne Co. Ltd
Welches Plaza
Welches, St. Michael

SBA OFFICE
Suite 101 Building #4
Harbour Industrial Estate
St. Michael, Barbados
Tel: (246) 228-0162
Fax: (246) 228-0163
Email: theoffice@sba.bb
Website: www.sba.bb

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AGENDA

NOTICE IS HEREBY GIVEN OF THE 30th ANNUAL MEETING OF THE SMALL BUSINESS ASSOCIATION OF BARBADOS TO BE HELD ON THURSDAY SEPTEMBER 28, 2023, AT 11:00 AM, AT THE LLOYD ERSKINE SANDIFORD CENTRE, TWO MILE HILL ST MICHAEL

AGENDA

1. **Ascertainment of Quorum & Call to Order**
2. **Prayers**
3. **Excuses**
4. **Opening Remarks**
5. **Minutes of the 29th Annual Meeting held on September 22, 2022**
6. **Matters arising from the Minutes**
7. **Board of Directors' Report**
8. **Treasurer's Report & Financial Statements**
9. **Auditors' Report**
10. **Appointment of Auditors**
11. **Presentation on the State of the Sector**
12. **Elections**
13. **Any other business**
14. **Termination**

By Order

Dr Lynette Holder
Secretary

BOARD OF DIRECTORS

CHARLES CARTER
Chairman

MICHAEL HOMER
1st Vice Chairman

WINIFRED WILLIAMS
2nd Vice Chairman

DRAYTON CARTER
Treasurer

DR. LYNETTE HOLDER
CEO/ Secretary

DAVE WAITHE
Director Representing Agribusiness

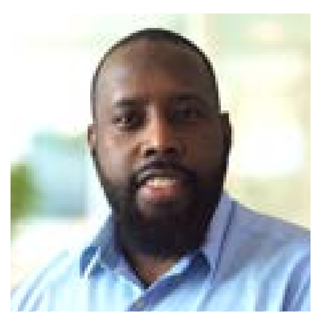
JEFFERSON KIRTON
Director Representing Construction

MAYA WHILTSHIRE
Director Representing General Services

DONNA HOPE
Director Representing Professional Services

ANDRE CLARKE
Director Representing Wholesale/Retail

DR. ERICA SMITH
Director Representing Group Members



MR. DARONE BRATHWAITE
Director Representing Manufacturing

BOARD REPORT 2022-2023

PRESENTED TO THE 30TH ANNUAL MEETING OF THE SMALL BUSINESS ASSOCIATION OF BARBADOS

INTRODUCTION

The Barbados economy continued its growth trajectory during financial year 2022 – 2023 following a slow rebound from the impact of the COVID-19 pandemic, in the previous fiscal period. According of the Central Bank of Barbados July 2023 report, the economy realised a near four percent increase in economic activity by June 2023 compared to prior year. This was spurred primarily by strong tourism receipts during the winter season and supported by growth in the agricultural sector. In the non-traded sectors, the CBB reported growth of 3.2% at the end of June driven by business and other services, construction and wholesale & retail.

The growth in economic activity represents the potential for the local micro, small and medium enterprise (MSME) sector to expand its market share and realise improved revenue streams in the domestic market. MSMEs operate in the traded and non-traded sectors, with a greater percentage of businesses in tourism-related services. During the financial year however, MSMEs generally reported sluggish performance in their operations, with little impact at the firm level from the reported macro-economic improvements. As such, the year under review was defined by businesses as another difficult period characterised by access to financing impediments, a **challenging regulatory** environment for doing business and increased cost of inputs compounded by rising global supply chain disruptions. Firms reported having to adopt a business strategy focused on sustaining their operations, more so than business growth and expansion. There was however a small percentage of firms that digitise their models and innovated aspects of their product offerings. There was however a small percentage of firms that digitise their models and innovated aspects of their product offerings.

Cognisant of the above the Small Business Association of Barbados (SBA) commenced the period with a focus on strategic planning to strengthen the delivery of its services to members. The Board and management revised the company's strategic plan for 2022 – 2025 with a greater emphasis on capacity building and resource mobilisation to assist member-firms with the resources and ability to participate in the economic growth projected for the local economy.

The strategic plan was broadened to focus on four thematic areas as follows:

a) Research & Advocacy

b) Capacity Building

c) Resource Mobilisation

d) Membership Support

The ensuing pages provide the Board's report on the SBA's operations for the first year of the strategic plan, July 2022 – June 2023, according to the above thematic areas. An update is also provided on the new membership for the reporting period and the signature event of the association, Small Business Week.

A. RESEARCH & ADVOCACY

The SBA conducted exploratory research projects to gauge members' perceptions on a myriad of issues affecting the local business climate and to input into the advocacy agenda of the association. This enabled the organisation to make timely and relevant interventions in several consultations and committee fora that may impact the MSME sector.

RESEARCH

Research during the year was focused primarily on members' recovery following the impact of the global pandemic and what solutions may be needed to help advance the recovery efforts. An extract of these surveys revealed the following:

- 79% of members do not support the proposal by the National Insurance Scheme, to increase the age of retirement, from 67 to 72.
- Of that 79% of members, 46% believe 67 years old is more appropriate for persons to formally retire in Barbados, while 32% believe 65 years was a more appropriate age.
- 79% of members' businesses had not fully recovered from the impact of COVID-19.
- The majority of members believe that improved access to capital would improve their current business operations post COVID-19.
- The majority of members believe that the increased cost of inputs has impacted their business operations.
- More financing options followed by lower import cost are policies/ programmes that members would like to see introduced to help their businesses survive in these times.

BOARD REPORT 2022-2023

PRESENTED TO THE 30TH ANNUAL MEETING OF THE SMALL BUSINESS ASSOCIATION OF BARBADOS

SUPPORT FOR INCREASED RETIREMENT AGE

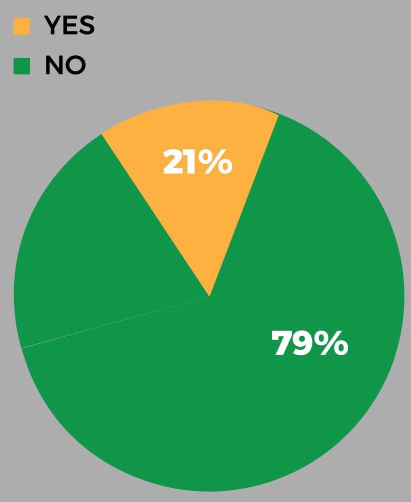


FIGURE 1

i. 79% of members indicated that their business had not fully recovered whereas 21% believe it had reached full recovery.

BUSINESSES RECOVERED FROM IMPACT OF COVID-19

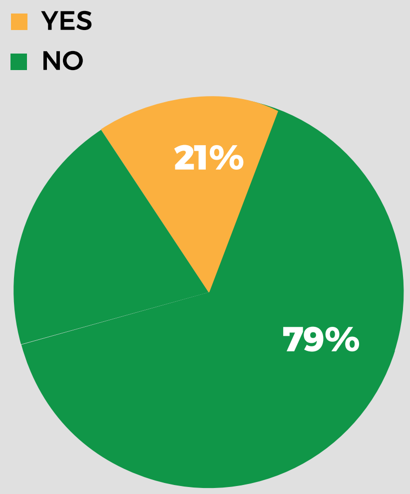


FIGURE 2

ii. Some 53% of members reported the increased cost of inputs was the most detrimental to their business operations. Many specified that after the events of COVID-19, their most notable change was the price of gas and raw materials for the business. All agri-businesses reported that feed and seed cost doubled from the price before COVID-19, and the government systems in place to assist farmers was inefficient and/or often not found.

IMPACT OF HIGH COST OF DOING BUSINESS IN BARBADOS

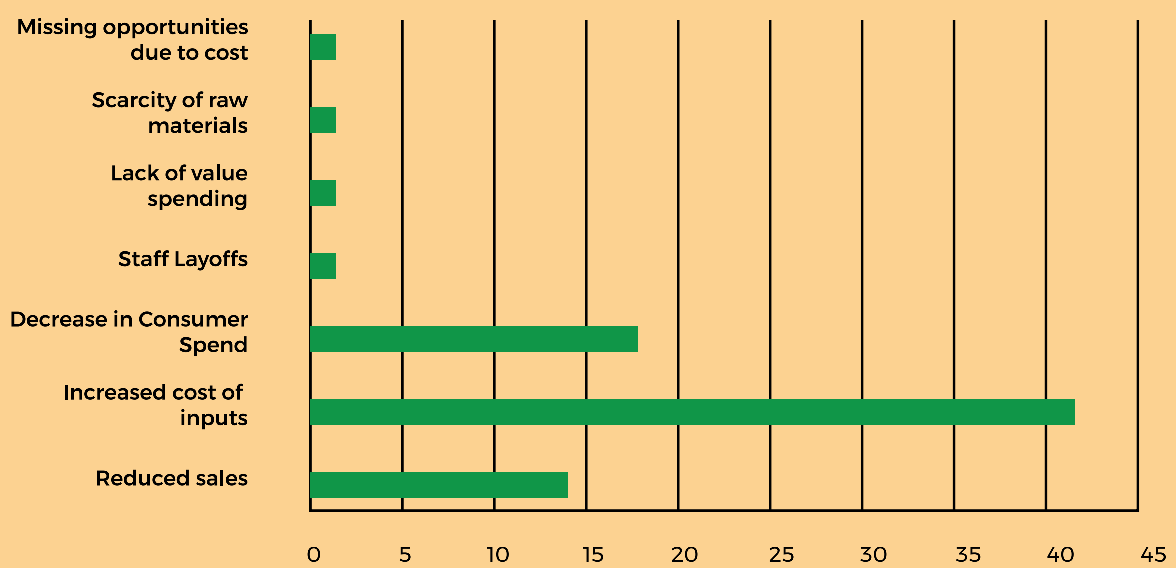


FIGURE 3

iii. Most members (47%) believed that compared to pre-COVID-19, their overall cost of business was way above the 20% margin. Many of these members commented that this overall cost spiked mainly due to the rising cost of inputs, with some raw materials increasing by 100% in value.

LEVEL OF INCREASE IN THE OVERALL COST OF BUSINESS COMPARED TO PRE-COVID 19

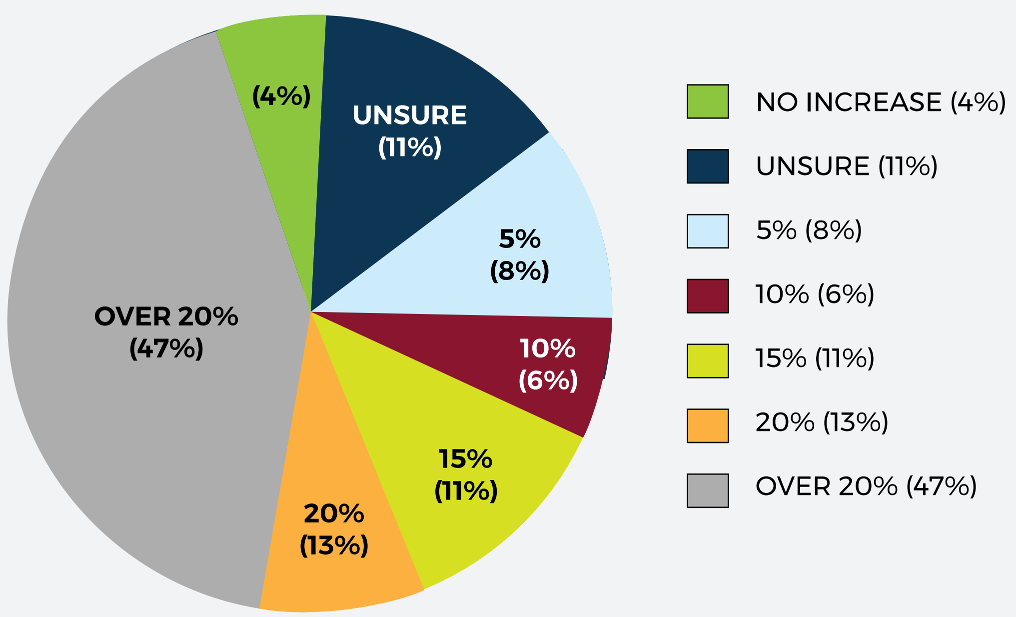


FIGURE 4

ADVOCACY

The SBA continued its participation in various committees and consultations as follows:

- **The Ministry of Energy & Business Development** – discussions on an action plan for the Small Business Development Centre network as well as major issues the association would wish to see addressed for the sector including, a relevant policy framework, strategies to enable digitalisation and business facilitation, and outstanding projects such as the collateral registry and junior market.

- **The Ministry of Finance, Economic Affairs and Investment** – discussion on the revised Procurement legislation which features special provisions for vulnerable groups including youth, woman and the differently-abled. The association also participated in a hybrid sensitisation session which informed stakeholders about the new online portal, Bonfire, to be used in the bid for procurement of goods and services. Subsequently, the acting Chief Procurement Officer was invited to share at a Members' Information session on the procurement regime.

- **Prime Minister's Office** – a virtual focus group was held on the Sustainable Development Goals (SDGs) in preparation of Barbados' Voluntary National Review (VNR) to identify existing projects and potential data sources as well as to allow for the collation of data required for the VNR.

- **Launch of Junior Market Project –** A collaboration between the SBA, the Barbados Stock Exchange and the Ministry of Energy & Business, and funded in part by the Caribbean Development Bank, the ***Junior Market Project*** was established to promote the formulation of a Junior Stock Exchange to provide access to equity funding for small and medium enterprises.

- **The Caricom Private Sector Organisation (CPSO)** – the association joined the CPSO whose focus is supporting the full implementation of the CARICOM Single Market and Economy (CSME) and advancing private sector priorities in the Caribbean Community.

- **Inter-American Institute for Cooperation on Agriculture (IICA)** – a working relationship with the IICA to facilitate the access to development assistance for small agro-processors and to explore collaborative opportunities to support the growth and development of the agri-business sector in Barbados.

- **United Nations (UN)** – The SBA also had discussions with representatives at the UN regarding the Global Compact (GC) initiative, which seeks to on-board the private sector as a partner towards the achievement of the SDGs and how non-profit organisations and NGOs could participate in SDG programmes.

- **Draft Population Policy for Barbados** – the Barbados Cabinet constituted the National Population Commission in order to develop a population situational analysis and aid in the creation of a national population policy. Consultative sessions were held in support of finalising the Draft policy, to which SBA Directors and management participated to represent the interest of the small business sector.

- **Barbados Private Sector Association (BPSA)** – several meetings were organised through the private sector umbrella body – the BSPA – with the Barbados Customs, the Barbados Revenue Authority and the Corporate Affairs & Intellectual Property office for member-associations to address issues of business facilitation. The SBA participated in these sessions to advocate on issues impacting small businesses and to gather information to better engage these Government agencies.

- **Electronic Single Window** – consultation on the Electronic Single Window project was held for key stakeholders by the Ministry of Business. The project is part of an overall WTO Trade Facilitation Agreement to reduce transaction costs, improve the ease of doing business and increase transparency in cross-border transactions. It is hope this initiative would increase Barbados' international competitiveness.

- **Barbados Today Column** – the SBA restarted its weekly column in the e-paper, Barbados Today. Using the moniker, ***Business Basics,*** the column allows the SBA to address issues of an advocacy and educational nature, affecting the small business sector and further strengthen the association's position as the voice of the industry.


SBA Small Business Association

BUSINESS BASICS

Whither the CSME?

SOS

Support Our Small Businesses

MARKETPLACE

B. CAPACITY BUILDING

Capacity building interventions were rolled out across three key areas of focus: entrepreneurial training, educational webinars and development programmes with industry partners.

ENTREPRENEURIAL TRAINING

The SBA's Entrepreneurial Training Series was implemented over three semesters during the year as part of the organisation's skills development programme. The sessions were again delivered online as this methodology, which started during the COVID-19 pandemic, was still extremely popular among patrons. The courses offered during the year included QuickBooks Basic & Intermediate, Small Business Management, Basic Accounting for MSMEs, Grow your Food – An Intro to Square-foot Gardening, Marketing for Small Businesses, Customer Service, Business Start-Up and Maximising Social Media for Small Businesses.

Figure 5 below shows the performance of the training series pre-pandemic, during and in the current period following the return to physical gatherings. Further demographical information is shown in figures 6 – 8 on the participants of this training cycle.

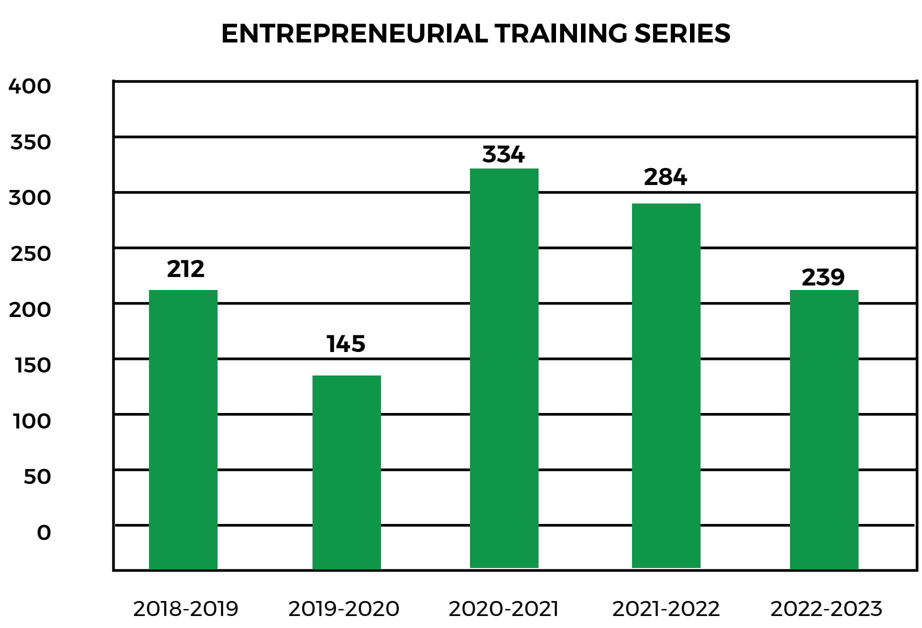


FIGURE 5

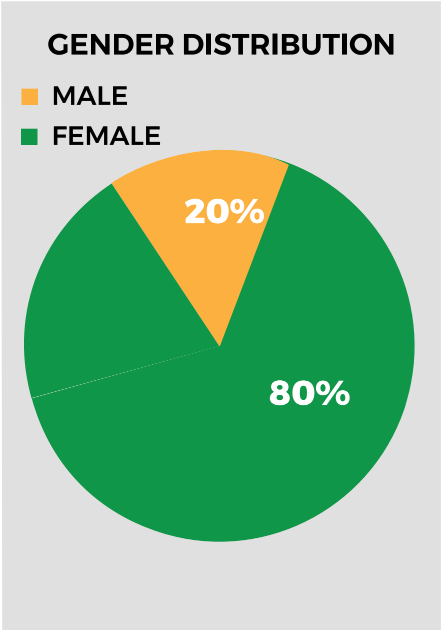


FIGURE 6

BOARD REPORT 2022-2023

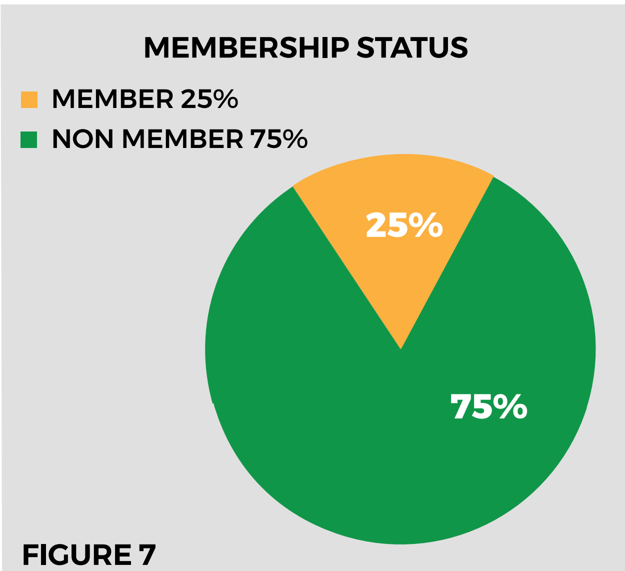


FIGURE 7

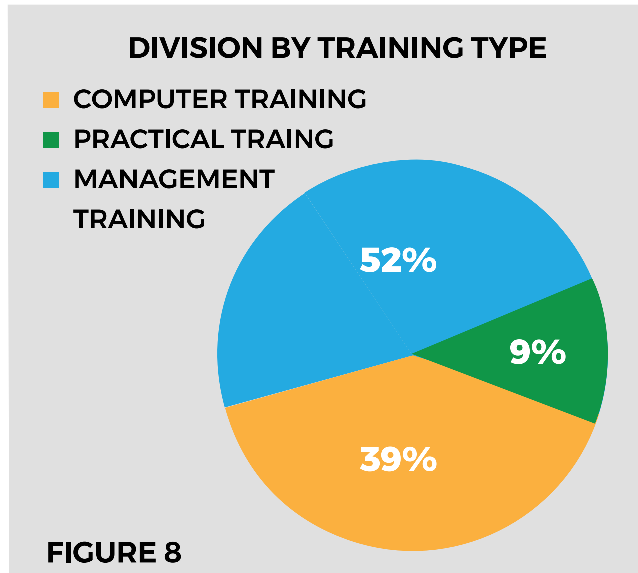


FIGURE 8

EDUCATIONAL WEBINARS

For the 2022 - 2023 financial year, there were nine educational webinars held on a number of topics aimed at addressing current developmental issues impacting the business climate in Barbados. These sessions usually feature a subject matter expert in the particular field, in a discussion forum with members to enhance their competency and knowledge of the area. All sessions are available on the SBA's website and social media platforms for continued viewing by members and wider stakeholders. The sessions continue to attract a wide cross section of stakeholders with a satisfactory attendance. Figure 9 shows the annualised participation rate for the last five years with the peak in attendance at the height of the COVID-19 pandemic.

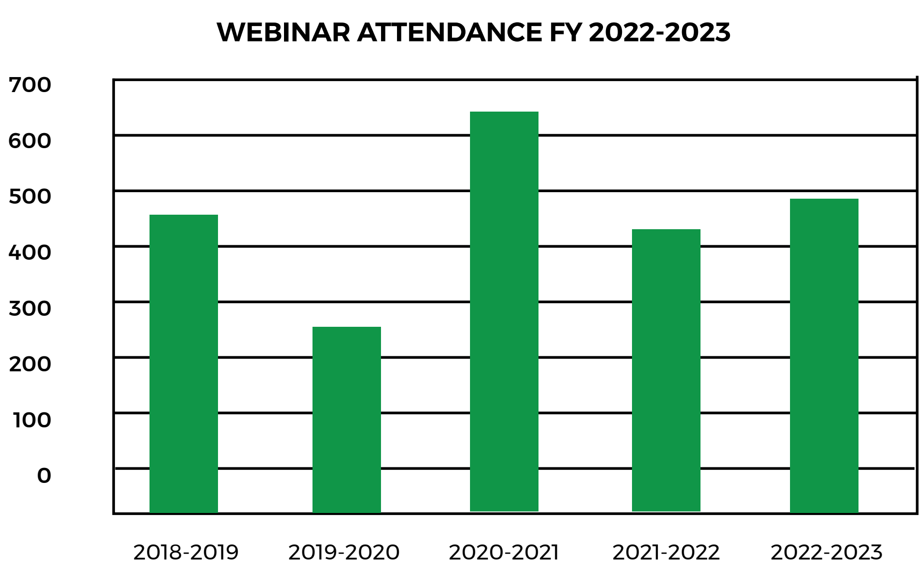


FIGURE 9

WEBINAR	MONTH
Green Financing – A review of the Smart Energy Fund II	JULY 2022
Conducting Discipline – A Step by Step Guide	AUGUST 2022
Cryptocurrency – A benefit or burden to small business?	OCTOBER 2022
The Making of an Entrepreneurial Economy	NOVEMBER 2022
Towards a National Wellness Policy: Implications for Small Firms	FEBRUARY 2023
The Dollars and Sense of the Electricity Rate Increase	MARCH 2023
Tax Clinic: What you should know to be Tax Compliant?	APRIL 2023
Navigating Government's Procurement System – Opportunities for Small Firms	MAY 2023
Building Capacity through the International Food Science Centre	JUNE 2023

TABLE 1 - WEBINAR TOPICS

PROGRAMMES WITH INDUSTRY PARTNERS

Several opportunities were provided during the financial year for members to attend various capacity-building interventions. These included:

- **Energy Local Content Project Workshop and Share Fair**

This Workshop and Fair on Energy Local Content was organised by the Division of Energy, Ministry of Energy and Business. The main advantages of the session were the chance to learn first-hand about the specifics of ongoing and upcoming renewable energy projects, information on the upcoming Offshore Licensing Round for Barbados, and chances to network with important players in the energy sector, such as suppliers, financiers, contractors, manufacturers, and training institutions.

- **Gender Training from a Climate Change Perspective**

The Barbados Water Authority executed a project with the theme ***"Water Sector Resilience Nexus for Sustainability - Barbados"*** through its Project Management Office, Green Climate Fund, and Caribbean Community Climate Change Centre, to establish local capacity for High Level Gender Training with implications for climate change. The majority of the world's poor are

Gender Training from a Climate Change Perspective *(cont'd)*

women, and according to studies by the United Nations Framework Convention on Climate Change, women frequently suffered increased risks and burdens from the effects of climate change in poverty conditions.

Micro, Small and Medium Enterprise Development Online Workshop

The association participated in the annual Micro, Small and Medium Enterprise Development two-week online workshop hosted by the China Centre for Promotion of SME Development, aimed to promote the establishment of a sound SME development system in Barbados, enhance self-development capabilities, and raise the standard of decision-making among middle and senior managers in the public sector. Participants gained an understanding of the development model and experience of Chinese small and medium-sized enterprises.

Workshop on Strategies to Reduce the Salt and Sugar of Foods in Barbados

The Pan American Health Organisation and the Ministry of Health & Wellness organised a workshop on Barbados' strategies for reducing salt and sugar consumption during the reporting period. The Ministry acknowledged the detrimental effects of a high salt and sugar diet on the general populace's health. To create a sufficient monitoring system of dietary salt and sugar intake, major action areas were identified, and stakeholder input was sought.

Regional Webinar – Capturing New Market Opportunities through Improvements in Branding, Labelling & Digital Market Strategies

The SBA and IICA collaborated to reach out to members in the agribusiness and manufacturing sectors for a Caribbean Agri-Food Virtual Trade Mission. Barbados is one of the proposed nations in the region where IICA will be carrying out a project to facilitate trade. The main part of the intervention entails hosting a virtual agri-food trade mission. It is hoped that by completing this mission, regional producers would be able to interact with consumers in the Caribbean, Europe, Central America, and North America. By arranging contacts between exporters and purchasers, the trade mission accomplished its objectives.

Ministry of Labour

The Ministry of Labour, Social Security and Third Sector (MLST) conducted a sensitisation workshop on the Barbados Standard Occupational Classification System (BARSOC), a common classification reference for categorising data by occupations in Barbados. The electronic-based BARSOC system is a valuable reference tool which provides comprehensive occupational profiles with the skills and qualifications required to effectively perform in an occupation; the task and duties involved in performing that occupation; and the related job titles, guide in human resource planning.

Virtual E-Commerce Accelerator Programme

The Caribbean Virtual E-Commerce Accelerator Programme (VEAP) is a five-month initiative implemented by the Caribbean Export Development Agency. The programme aims to build the capacity of CARIFORUM businesses and Business Support Organisations (BSOs) to adopt E-Commerce technologies and processes leading to broader and more effective market reach, customer engagement and export sales. The strategic aims of the VEAP programme include:

- Train Caribbean firms and BSOs in E-Commerce
- Increase the number of new Caribbean E-Commerce sites
- Expand the number of Caribbean products being sold via E-Commerce
- Increase export sales via E-Commerce
- Provide BSOs and firms with the key E-Commerce online tools needed.

ProNET Training by Caribbean Export

Export Barbados (BIDC) partnered with the Caribbean Export Development Agency to deliver a ProNET training workshop on Export Marketing for Small Firms. The workshop focused primarily on exporting products with some useful insights regarding export services. The aims and objectives of the session include, inter alia:

- determine the firm's export readiness;
- understand the scope of export market research;
- understand the basic regulatory compliances, which may affect export transactions;
- understand the basics of export marketing; and
- developing an Export Plan.

- **Deaf Heart Project**

The Deaf Heart Project engaged the SBA in facilitating an Entrepreneurship Training Workshop for 20 of its members from the differently-abled community , with sessions hosted at the Young Men's Christian Association. The Deaf Entrepreneurship Programme's aim was to provide entrepreneurial and business management skills through training in information communication technology and small business management, thus improving the self-sufficiency of persons living with disabilities.

- **Flow Inknowvation Session**

The SBA coordinated a networking and educational session in collaboration with FLOW Business to assist businesses in managing their digitalisation strategies to maximise their business potential. The session was held under the theme, ***"INKNOWVATION Masterclass - Bring Barbados to the World: Let's Digitally Grow your Business."*** Participants were afforded the opportunity to discuss how to use technology for growth, how to manage their resources, and how to develop better strategies in a digital environment.

Schools' Presentations

In addition to collaboration with industry partners, the SBA participated in several schools' career showcases to assist in educating students about entrepreneurship as part of the corporate social responsibility thrust of the association. Some of these included:

- **Frederick Smith Secondary School career showcase**

SBA members were invited to the school's Third Year Career Showcase which was held to provide career education in academic and vocational career options and interests, and to maximise efficient selection of subjects which matched students' natural abilities. Presenters provided interactive and engaging materials, videos, posters, etc. which would clearly identify and explain respective careers.

Coleridge & Parry Secondary School Family Pop-up Shop

This event featured the school's young entrepreneurial students, teachers and parents. The SBA was invited to set up an information table to showcase the association's service offerings, as well as the benefits of growing a business. Directly following the pop-up event, the SBA made a presentation to the Parent Teachers' Association of its Enterprise in Action Youth Programme.

St. Joseph Primary School

The SBA facilitated the involvement of businesses from its membership, to practically showcase components of their daily operations, to the infant students at the St. Joseph Primary School on the theme "Workers, Tools and Uniforms." The theme of the career showcase was "Future Me".

- **St. Winifred's School & St. Ursuline Convent**

The SBA attended showcases at both the St. Ursuline Convent and the St. Winifred School's Career Days and gave 30 – 40 mins presentations on Entrepreneurship and Business Development to students, primarily from 3rd form groups. These students were in the process of selecting subjects which aligned with their career aspirations and interest in entrepreneurship and business.

- **Alleyne Secondary School – Business Development Workshop**

The association's representatives provided business development training for students at the Alleyne School as part of an initiative coordinated by the students' council as they launched their Fair Vending Commission project. The Commission was created to facilitate students' ability to legally sell their goods on the school's campus and aimed to help students build their entrepreneurial skills, critical thinking skills, and creativity to make their products competitive.
better strategies in a digital environment.

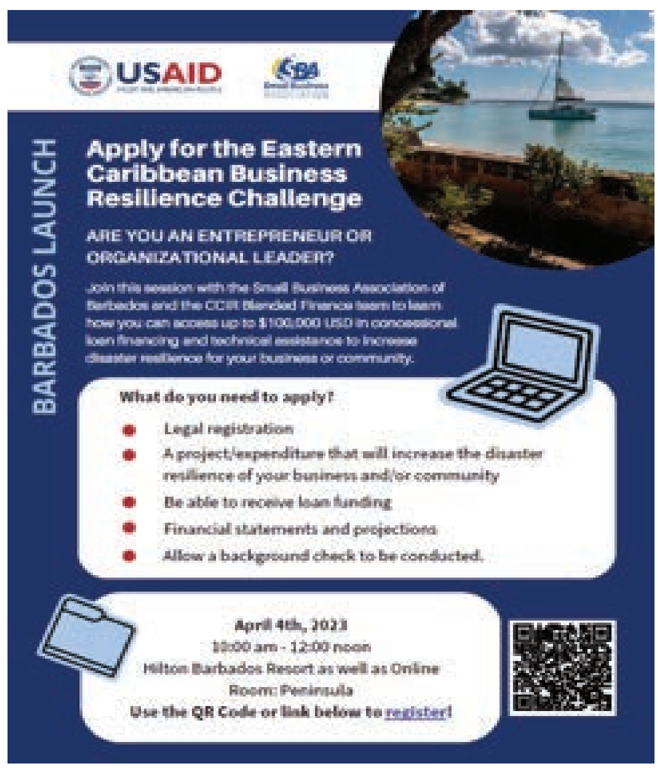



C. RESOURCE MOBILISATION

The SBA undertook a number of project proposals and negotiations with development partners to attract funding to support the programmes of the association. Some of the organisations being targeted for project development include:

- The Office of the African, Caribbean and Pacific (ACP) secretariat (specifically Business ACP)
- The Commonwealth secretariat
- Inter-American Foundation
- The Foundation for Entrepreneurial Partnerships, United Kingdom
- Caribbean Export Development Agency

a) A project to provide access to concessional loan financing and technical assistance was introduced to the SBA membership during the reporting period. The SBA partnered with the Pan American Development Foundation (PADF) to launch the USAID-funded Caribbean Corporate Investment for Resilience (CCIR) Blended Finance Mechanism, for micro, small and medium enterprises. The goal of this activity is to increase disaster resilience in the Eastern Caribbean by supporting businesses and initiatives with sound economic models. The Business Challenge solution will use blended finance to mobilise capital for investment, providing social and economic returns for local businesses and communities. The blended finance approach will feature low interest loans, plus provide technical assistance to businesses. It offers flexible terms, which potentially has the result of lowering risks associated with the repayment of debt.



In order to qualify, the business must be sustainable enough to receive funding, demonstrate sound current and past operational financial history, have the ability to demonstrate operational projections, have an up-to-date business or project plan, and present its potential impact on the economy and community. Up to USD$100,000 in loan funding is available for each business, as well as USD$10,000 in technical assistance.

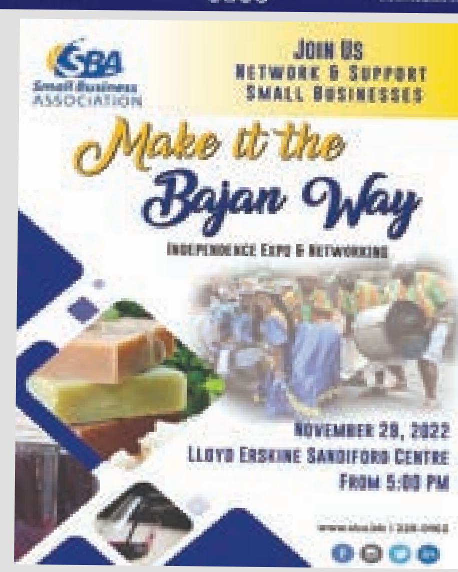
D. MEMBER SUPPORT SERVICES

Support activities are designed to help members find markets and maximise on promotional opportunities to improve consumer support for their products and services. Unique networking sessions were held, supported by ongoing social media marketing and promotion.

NETWORKING

The association hosted an Independence Expo and Networking session to support member firms and encourage the public to patronise these businesses during the season of nationhood. The event, dubbed ***"Make it the Bajan Way"***, featured members who produced Barbadian items or those made primarily from local raw materials. Those in the agribusiness and manufacturing sectoral groups got the opportunity to showcase their products, while the general membership networked and shared information on their businesses.

The event was further supported by an Independence Trivia on VOB 92.2 where general knowledge questions on business and Barbados in general, were posed to the public and prizes awarded to successful patrons.



CHRISTMAS E-CATALOGUE

The SBA published a Catalogue during the Yuletide season to provide an opportunity for members to advertise their businesses and special offers for the consuming public for the Christmas season.

The catalogue highlighted businesses across following sectors:

- Health & Beauty
- Business Services
- Events & Entertainment
- Fashion
- Food & Beverage
- General Services

SOCIAL MEDIA

Social media and website promotion play a key role in the member support services, as these platforms assist in the promotion of members' products and services. As such analytics from these platforms are assessed monthly to determine the performance of the SBA's messaging, engagement by followers and growth of the platforms. The data represented in Table 2 highlights the changes to the SBA's social media pages over the reporting period. The platforms all experienced an increase in followers as shown below, with the exception of LinkedIn, which saw a 12.5% decline over the period.


YOUTH SYMPOSIUM
EXPLORING THE DIGITAL FRONTIER
SBA
Small Business Association
EXPORT BARBADOS
STATE OF THE SECTOR CONFERENCE
Hon. Davidson Ishmael
LESC
FLOW
Auntie Phyllis

Figure 10 shows the top downloads on the association's website indicating the key areas of interest for viewers to the site.

PLATFORM	JUNE 2022	JUNE 2023	ACTUAL INCREASE	ACTUAL DECREASE	PERCENTAGE CHANGE
FACEBOOK (ALL PAGES)	10, 073	13, 733	3,660	-	36.33%
FACEBOOK (SOS PROGRAMME)	649	861	212	-	32.66%
TWITTER	2,347	2,420	73	-	3.11%
LINKEDIN	6,065	5,308	-	760	-12.5%
INSTAGRAM	2,644	3,382	738	-	27.91%

Table 2 – Performance of Social Platforms

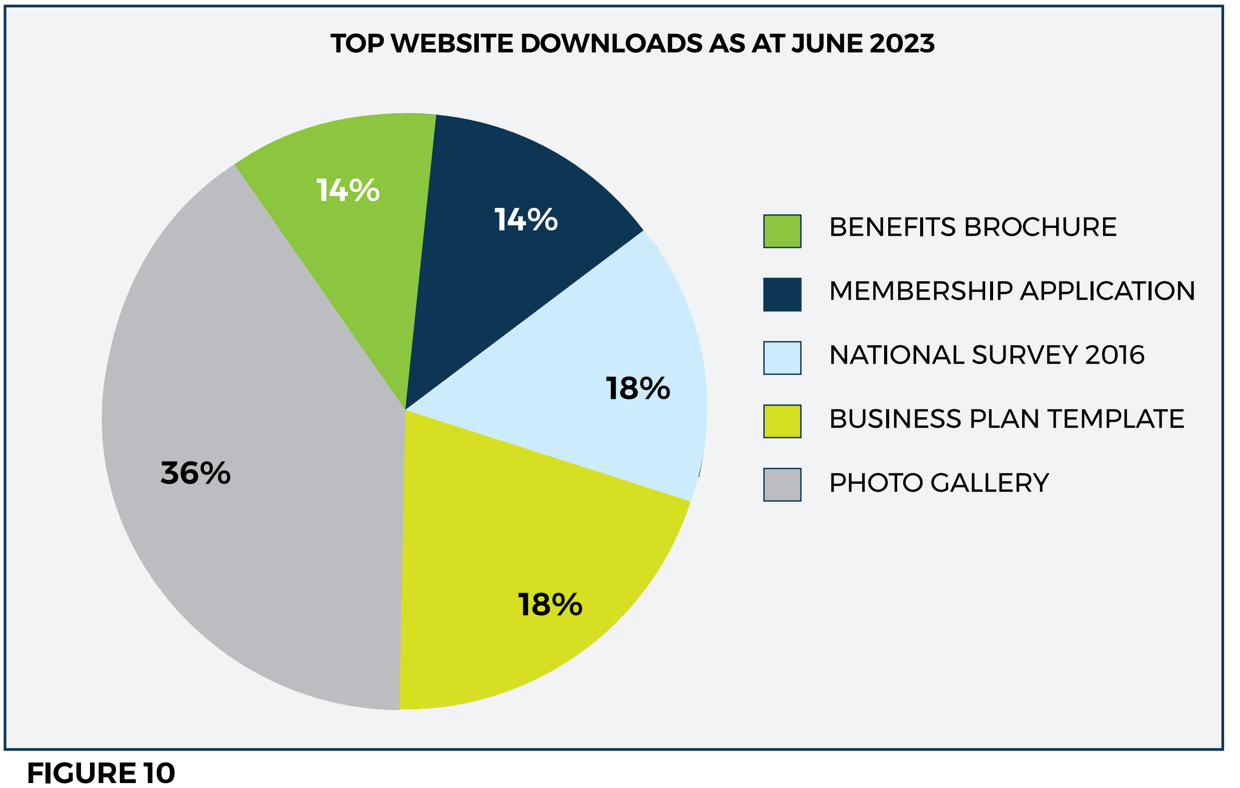


FIGURE 10

SOS SMART CARD

As part of the Support our Small Business (SOS) programme, (formerly Be SME SMART), the Smart Card initiative was strengthened to benefit both consumers and entrepreneurs through the discount programme. The programme encourages consumers to patronise small businesses to receive special offers from participating businesses. As such, members were encouraged to sign up in the SOS Marketplace on Facebook and encourage customers to use their services.

At the end of the financial year, there were **3453** smart card users, which is a 4.83% increase over last year's 3,286. Of the 3,453 cardholders, 31% (1,037) were male and 69% (2,249) female. The age distribution of cardholders is shown in **Figure 13** while **Figure 14** provides a breakdown of the employment status, expressed in percentages.

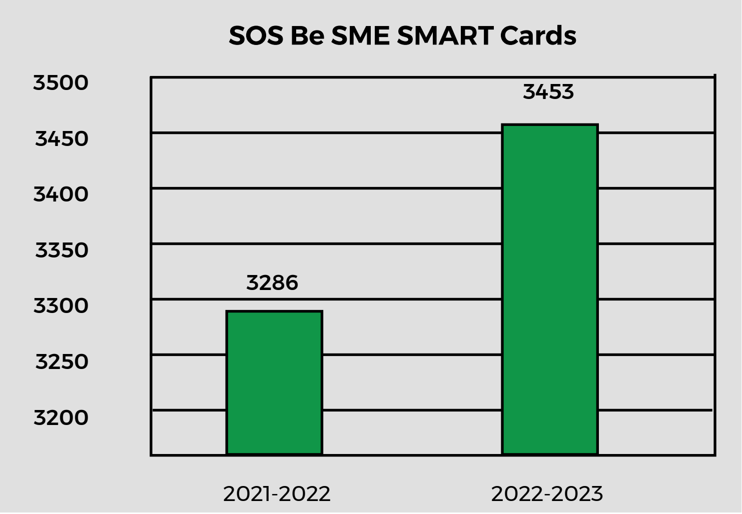


FIGURE 11

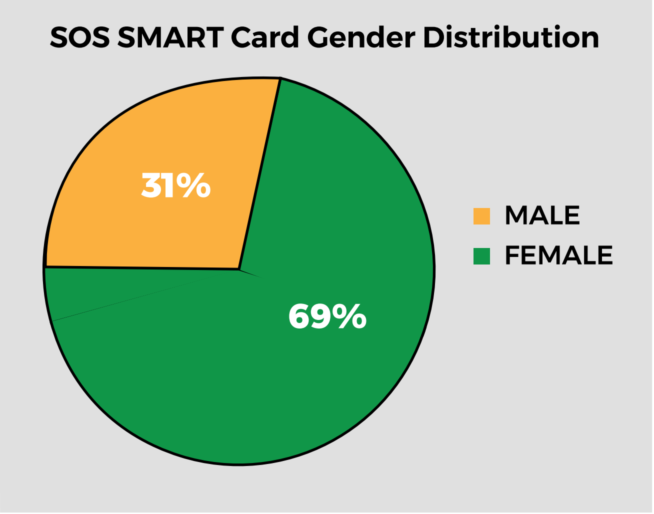


FIGURE 12

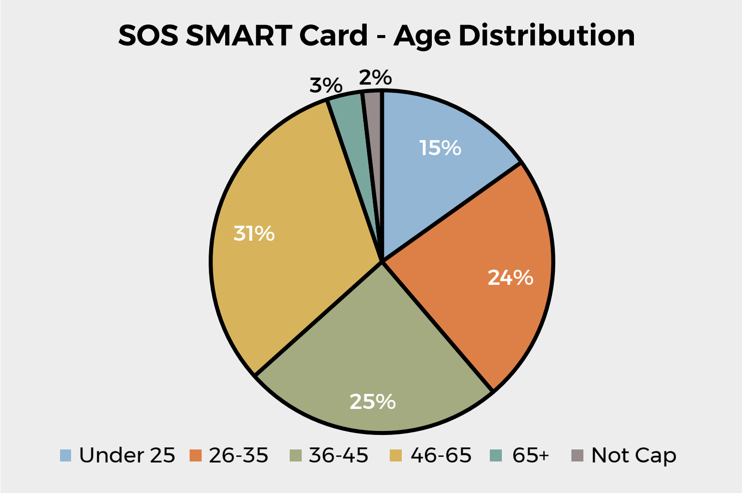


FIGURE 13

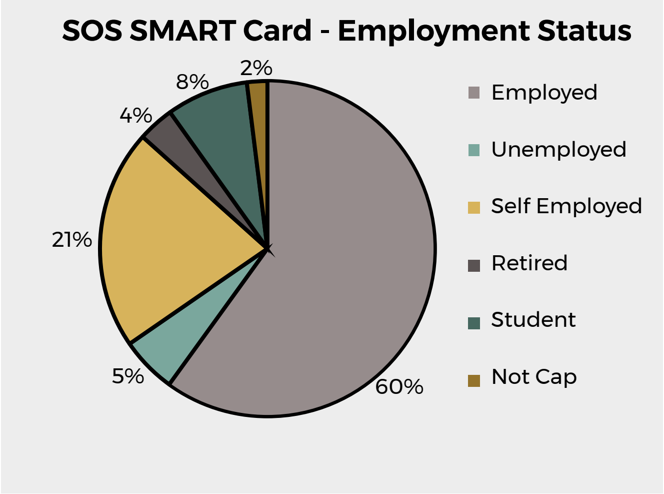


FIGURE 14

E. NEW MEMBERSHIP

As a membership organisation, the SBA pays particular attention to its intake of new members annually. The demographic information provided through the application process assists in monitoring trends in key areas, to inform marketing and programming strategies. New membership rates for the past five fiscal periods show a spike at the height of the global pandemic, which is evident in prior periods where there was an exogenous shock on the local economy. Persons tend to gravitate to self-employment following retrenchment and downsizing in the labour market.

The SBA attracted a total of 104 new members, a decrease from last year's 195 due to a slowing in the number of business registrations recorded at the peak of COVID-19. Of the 104 new members, 38 (37%) were male-owned and 66 (63%) were female-owned and/or managed.

Once again, General Services made up the majority of the new members, accounting for 38%, followed by Wholesale/Retail with 18%, then **Manufacturing** with 17%. Figures 16 – 19 provide demographic information on the gender & sectoral distribution, business classification and parish distribution of the new membership for FY 2023.

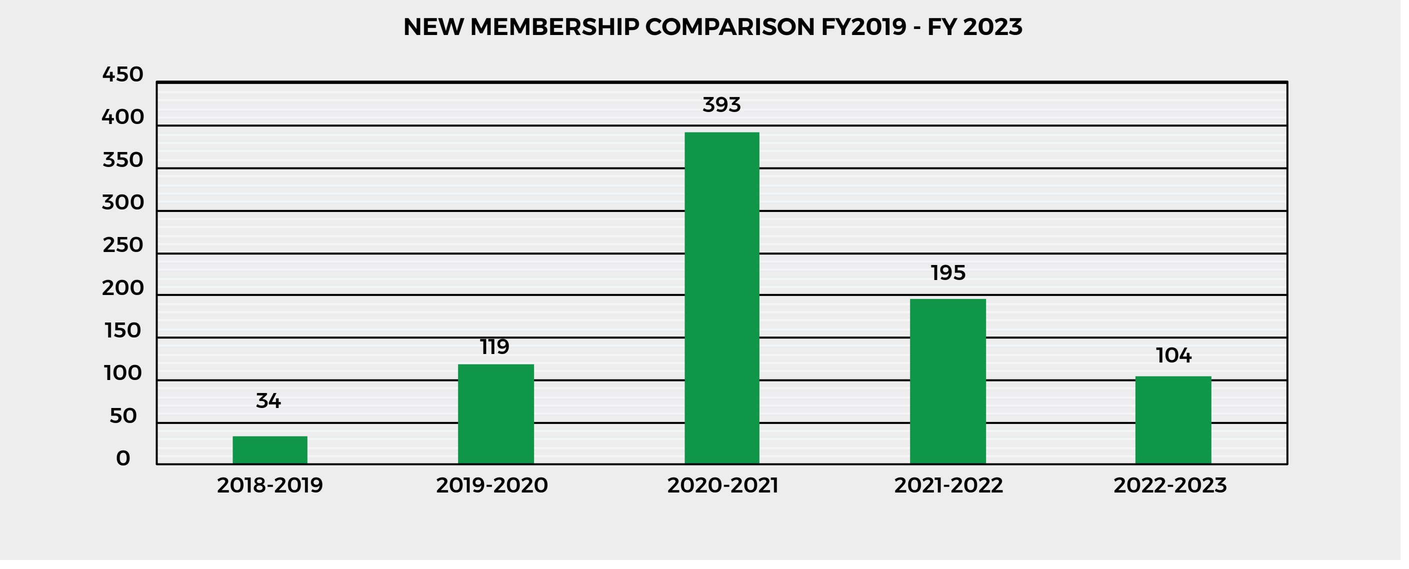


FIGURE 15

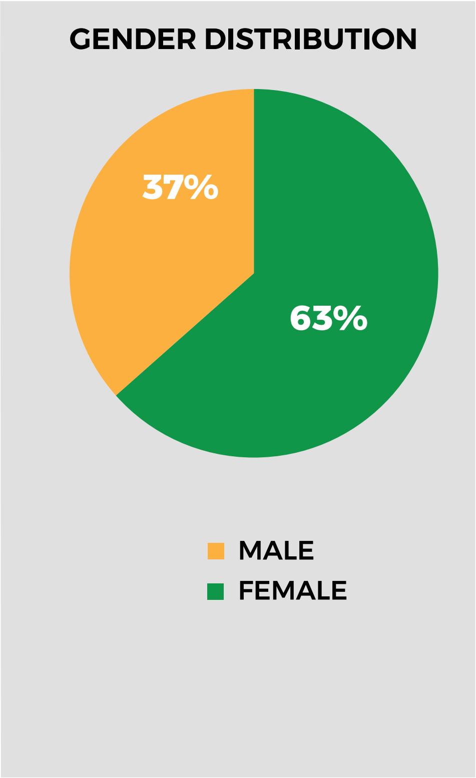


FIGURE 16

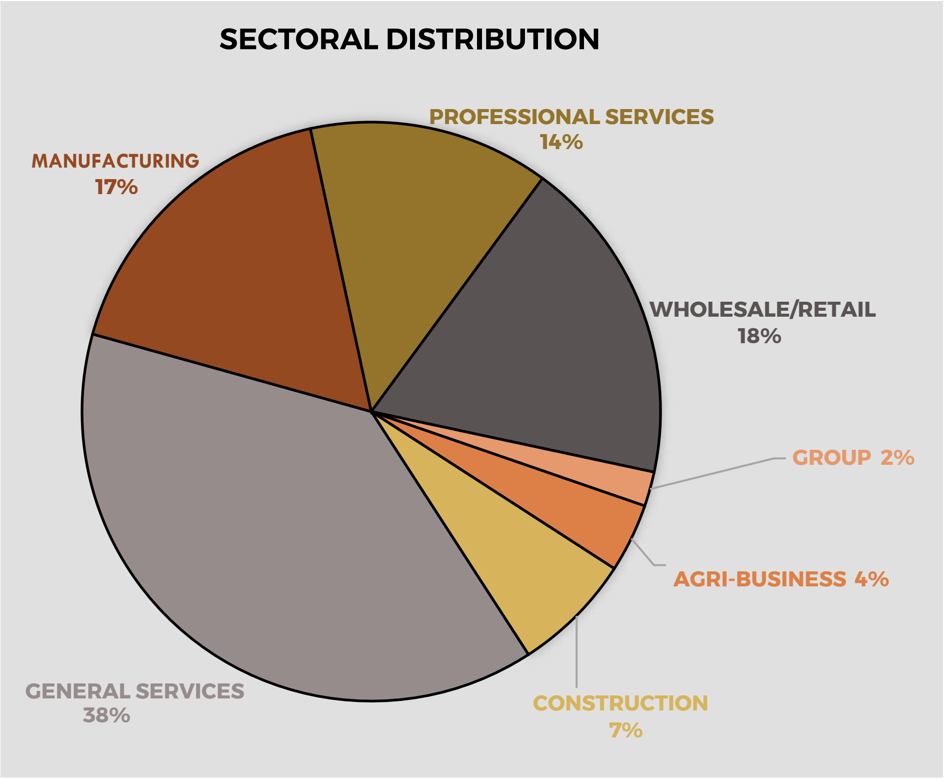


FIGURE 17

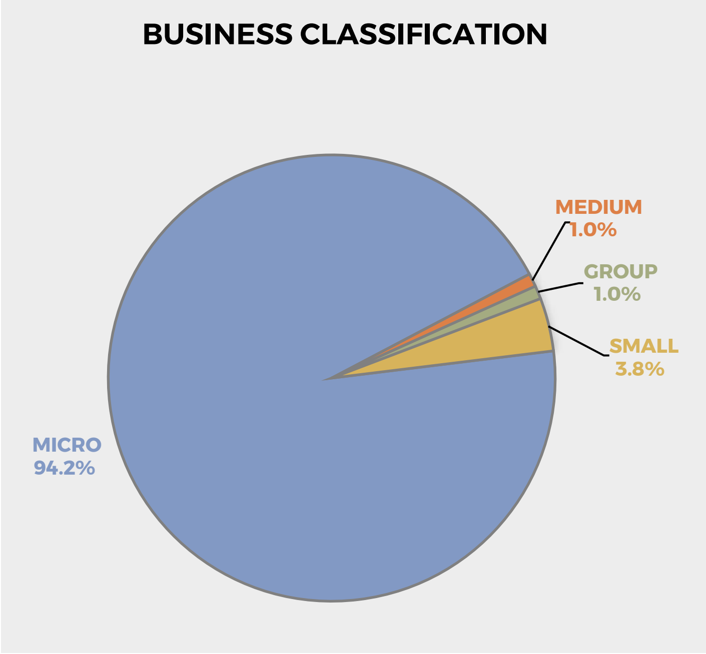


FIGURE 18

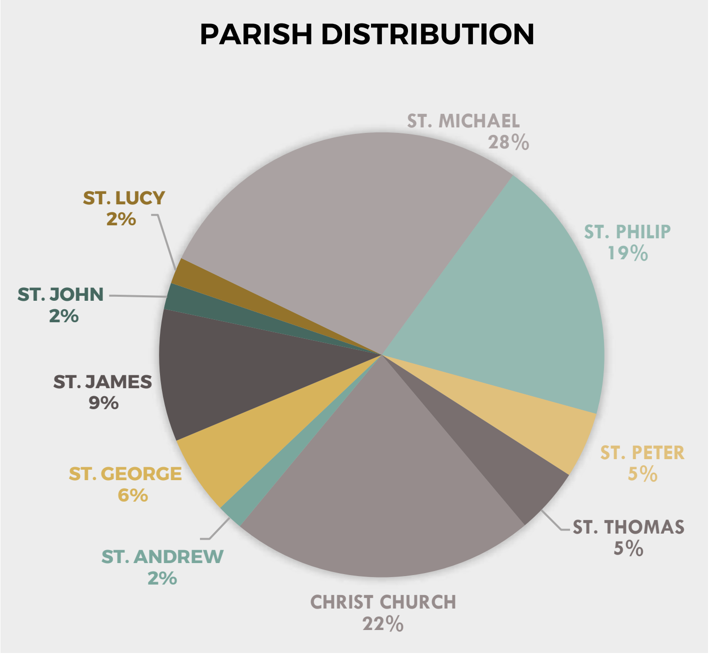


FIGURE 19

F. SMALL BUSINESS WEEK 2022

The SBA held the 19th iteration of Small Business Week in the month of September, under the theme "Exploring the Digital Frontier, the Next Business Revolution". The week of activities, which is the signature event on the association's calendar, featured five activities and realised a record level of sponsorship since 2018.

The events were as follows:

Sunday, Sept. 18th	**-**	**Church Service – People's Cathedral**
Tuesday, Sept. 20th	**-**	**4th State of the Sector Conference**
Wednesday, Sept. 21st	**-**	**Youth Forum**
Thursday, Sept. 22nd	**-**	**Annual General Meeting**
Friday, Sept. 23rd	**-**	**Awards & Networking Event**

Small Business Awards

Several awards were presented to members who participated in the awards process according to their sectoral grouping. In addition, a number of special awards were presented to members who excelled in key areas during the year under review. The awards presented in 2022 were as follows:

- The Small Business of the Year – Resilia Accounting Services
- Chairman's Award – Resilia Accounting Services
- Minister's Award for Innovation – O's Inc.
- Professional Services Award – Resilia Accounting Services
- General Services Award – 13 Degrees North Production
- Manufacturing Award – Elaine's Caribbean Crochet
- Agri-Business Award – O's Inc.
- Group Member Award – Barbados Pig Farmers Cooperative Society

LOOKING AHEAD

The predictions for economic growth in the ensuing fiscal periods represent hope for the MSME sector. Recognising that many firms are still in recovery from the global pandemic, the positive forecast by the Central Bank of Barbados and other international agencies augurs well for the strategic planning and modeling of businesses as they seek to reengineer and reposition for the future. The underlying focus of business development at this time must be to strategically undertake the steps needed to build skills, innovate products and processes, and invest in new technologies to maximise cost efficiencies in the business.

Cognisant of this reality for how business must be done in the ensuing fiscal year, the SBA will continue its focus on capacity building and resource mobilisation. These two pillars represent the best strategic response currently, for the association to ensure it is catering to members' needs in a relevant and rewarding manner. The next financial year will therefore continue the work started in the Strategic Plan 2022 – 2025, with the thematic areas identified as viable solutions to the issues affecting the small business community at this stage.

It is incumbent that those at the firm level actively participate in the anticipated growth to be experienced in the economy. MSMEs still represent the best chance for economic and social development to be lived and experienced across the widest section of the populace. Small businesses can best contribute to employment creation, the saving of foreign exchange, enfranchisement of vulnerable groups and the expansion of regional exports. Investment in this sector in a post COVID-19 period is a lucrative solution for the desired economic and social development returns.

Presented on behalf of the Board of Directors

by

Charles Carter

Chairman

Small Business Association
Consolidated Financial Statements
For The Year Ended
June 30, 2023
(Expressed in Barbados dollars)

Steven R. Payne & Co.
Chartered Accountants

STEVEN R. PAYNE & CO.
CHARTERED ACCOUNTANTS

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Suite G6, Welches Plaza, Welches, St. Michael, Barbados

Independent Auditors' Report

To the Members of Small Business Association

Opinion
We have audited the consolidated financial statements of **Small Business Association**, which comprise the consolidated balance sheet as at June 30, 2023, the statement of consolidated surplus and accumulated fund, statement of consolidated cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Association as at June 30, 2023, 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 consolidated financial statements in accordance with IFRS for SMEs and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 consolidated 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.

A further description of the Auditors' responsibilities for the audit of the financial statements is located at the Institute of Chartered Accountants of Barbados' website at:
https://www.icab.bb/ICAB_Public/Resource_Library/Technical_and_Professional_Matters/Auditing/03_2016_illustrantions_of_Auditors_Reports.aspx.
This description forms part of our auditor's report.

Other Matters
This report is made solely to the Members of Small Business Association, as a body. To the full extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and its Members, as a body, for our audit work, for this report, or for the opinion we have formed.

Steven R Payne & Co.

Steven R. Payne & Co.
Chartered Accountants

September 14, 2023
Bridgetown, Barbados

Small Business Association
(Limited by Guarantee)
Consolidated balance sheet
As at June 30, 2023
(Expressed in Barbados dollars)

	Notes	2023 $	2022 $
ASSETS			
Current assets			
Cash at bank	3	707,959	437,099
Accounts and other receivables	4	23,459	23,363
Prepaid expenses		4,900	5,782
		736,318	466,244
Non-current assets			
Term deposits	5	14,970	217,945
Fixed assets	6	6,248	6,709
		21,218	224,654
Total assets		**757,536**	**690,898**
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts payable and accruals		19,506	17,642
		19,506	17,642
Non-current liabilities			
Deferred income	7	351,748	287,431
		351,748	287,431
Total liabilities		371,254	305,073
Equity			
Accumulated deficit		(2,613,718)	(2,614,175)
Capital grant	8	3,000,000	3,000,000
Total equity		386,282	385,825
Total liabilities and equity		**757,536**	**690,898**

Approved by the Board of Directors on September 14, 2023, and signed on its behalf by:

DIRECTOR.. DIRECTOR..

The accompanying notes form part of these financial statements.

Small Business Association
(Limited by Guarantee)
Statement of consolidated surplus and accumulated fund
For the year ended June 30, 2023
(Expressed in Barbados dollars)

	Notes	2023 $	2022 $
Income	9	653,306	628,924
Expenses	10	(652,849)	(627,431)
Surplus for the year		**457**	**1,493**
Accumulated deficit at start of year		(2,614,175)	(2,615,668)
Accumulated deficit at end of year		**(2,613,718)**	**(2,614,175)**

The accompanying notes form part of these financial statements.

Small Business Association
(Limited by Guarantee)
Statement of consolidated cash flows
For the year ended June 30, 2023
(Expressed in Barbados dollars)

	2023	2022
	$	$
Cash flows from operating activities		
Surplus for the year	457	1,493
Adjustments for non-cash income and expenses		
Depreciation	3,151	2,736
Surplus before working capital changes	3,608	4,229
Increase in accounts and other receivables	(96)	(12,088)
Decrease/(increase) in prepaid expenses	882	(652)
Increase/(decrease) in accounts payable and accruals	1,864	(3,924)
Net cash from/(used in) operating activities	6,258	(12,435)
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,690)	(1,050)
Net cash used in investing activities	(2,690)	(1,050)
Cash flows from financing activities		
Increase/(decrease) in deferred income	64,317	(125,500)
Net cash from/(used in) financing activities	64,317	(125,500)
Net increase/(decrease) in cash for the year	67,885	(138,985)
Cash at beginning of year	655,044	794,028
Cash at end of year	**722,929**	**655,044**
Cash and cash equivalents comprise:		
Cash	707,959	437,099
Term deposits	14,970	217,945
	722,929	**655,044**

The accompanying notes form part of these financial statements.

1. **General information**

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 is to promote the interest of its members and to encourage the development of small businesses in Barbados.

2. **Basis of preparation and accounting policies**

a) **Basis of accounting**

These consolidated financial statements are prepared under the historical cost convention, and in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities.

b) **Basis of consolidation**

These financial statements include the financial statements of the Association and its Subsidiary:

Small Business Association	100%
Small Business Venture Capital Inc.	100%

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%

(Expressed in Barbados dollars)

2. **Basis of preparation and accounting policies** *...continued*

d) **Comparative information**

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

e) **Impairment of assets**

At each reporting date, management assesses whether there is an indication that any assets may be impaired. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized.

3. **Cash at bank**

	2023	**2022**
	$	**$**
Small Business Association	665,813	394,683
Small Business Venture Capital Inc.	42,146	42,416
	707,959	**437,099**

4. **Accounts and other receivables**

	2023	**2022**
	$	**$**
Government of Barbados - Subvention	-	12,000
TVET Council Barbados	12,800	-
Security deposit - Barbados Light & Power Co.	9,734	10,438
Other receivable	925	925
	23,459	**23,363**

(Expressed in Barbados dollars)

5. **Term deposits**

	2023	2022
	$	$
Small Business Venture Capital Inc. (NLICO)	14,970	14,970
Small Business Association (CFSI)	-	202,975
	14,970	**217,945**

As a result of the failure of CLICO (Int'l) Life Insurance Limited, the investments held by Small Business Venture Capital Inc. in that company, were acquired by New Life Investment Company Inc. (NLICO). Subsequently the fair value of these investments was estimated by NLICO to be $14,970.

6. **Fixed assets**

	Furniture and fittings	Office equipment	Total 2023
	$	$	$
Cost			
At July, 2022	57,696	162,762	220,458
Additions	1,640	1,050	2,690
At June 30, 2023	59,336	163,812	223,148
Accumulated depreciation			
At July, 2022	57,339	156,409	213,749
Charge for the year	437	2,714	3,151
At June 30, 2023	57,776	159,123	216,900
Net Book value - 2023	**1,560**	**4,689**	**6,248**
Net Book value - 2022	**357**	**6,352**	**6,709**

(Expressed in Barbados dollars)

7. Deferred income

	2023	2022
	$	$
Project revenue (residual amount)	277,263	282,431
Ordinary Grant - Annual subvention	60,000	-
Deferred revenue - Small Business Week	14,485	5,000
	351,748	**287,431**

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.

9. Income

	2023	2022
	$	$
Ordinary Grant - Annual subvention	480,000	480,000
Training Programme	40,200	38,329
Membership fees	5,250	10,000
Small Business Week	87,100	62,235
Membership Booklet	100	525
Enterprise in Action	-	3,000
Services	1,264	705
Interest income	1,202	3,995
Other income	2,050	8,090
Project income	30,323	18,045
Web design	5,817	4,000
	653,306	**628,924**

(Expressed in Barbados dollars)

10. Expenses

	Notes	2023 $	2022 $
Personnel Cost		355,720	369,851
Projects expenses	11	127,302	89,294
Utilities		34,671	34,077
Rent		42,300	45,825
Secretariat expenses	12	21,996	20,094
Professional fees		21,638	16,663
Depreciation		3,151	2,736
Repairs and maintenance		8,572	14,750
Directors' fees		12,250	11,900
Marketing and business development		694	1,303
Insurance		4,506	4,456
Membership fees		6,000	6,000
Bank charges and interest		2,626	2,438
Advertising & public relations		2,525	1,118
Website development & hosting		8,505	2,384
Seminars and workshops		-	3,644
Bad debt expense		-	450
Donations		394	450
		652,849	**627,431**

(Expressed in Barbados dollars)

11. **Project expenses**

	2023	**2022**
	$	$
Special project expenses	22,515	16,849
Small Business Week	84,797	48,182
Entrepreneurial Training	7,000	8,432
Administrative Expenses	12,990	15,830
	127,302	**89,294**

12. **Secretariat expenses**

	2023	**2022**
	$	$
Meeting expenses	150	712
Supplies and stationery	2,606	3,118
Subscriptions	3,769	4,951
Postage and printing	-	42
General office expenses	3,403	959
Gas and diesel expenses	11,909	9,636
Other	159	676
	21,996	**20,094**

(Expressed in Barbados dollars)

13. Summary of Financial Operations

	SBA $	SBVCI $	TOTAL $
Statement of surplus			
Income	653,306	-	653,306
Expenses	(652,580)	(269)	(652,849)
Surplus/(deficit) for the year	**726**	**(269)**	**457**
Balance sheet			
Assets	**700,420**	**57,116**	**757,536**
Liabilities	371,254	-	371,254
Shareholder's equity	329,166	57,116	386,282
Liabilities and shareholder's equity	**700,420**	**57,116**	**757,536**

14. Subsequent events

As of the date of approval of the financial statements there have been no subsequent events that require adjustment or disclosure in the consolidated financial statements.

NOTES

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