



CORPORATE VISION

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

MISSION TENETS

We will strive to attain our vision by:

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

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Small Business
ASSOCIATION

Notice of Meeting

NOTICE OF MEETING

Notice is hereby given of the 18th Annual Meeting of Members of the Small Business Association to be held on Tuesday, November 22, 2011, at 6:00 pm, at the Bagnall Point Gallery Pelican Industrial Park, St Michael

AGENDA

1. Call to Order
2. Ascertainment of Quorum
3. Prayers
4. Excuses
5. Welcome & Opening Remarks
6. Minutes of the 17th Annual Meeting
7. Matters Arising from Minutes
8. Minutes of Special Meeting held on October 25, 2011
9. Matter Arising from Minutes
10. Reports
 - 10.1. Board of Directors
 - 10.2. Financial Report
 - 10.3. Sub-Committees Report
 - 10.3.1 Finance Committee
 - 10.3.2 Governance Committee
11. Appointment of Auditors
12. Elections
13. Any other business
14. Termination

By Order

A handwritten signature in black ink, appearing to read 'Lani Daisley'.

Lani Daisley
Secretary



Troy Holder
Vice President



Lani Daisley
Secretary



David Simpson
Treasurer



Celeste Foster
President



Robert Homer
Director



Steven Williams
Director



Harold Oxley
Director



Charles Carter
Director

Management

Ms. Lynette Holder,
Chief Executive Officer

Ms. Andrea Taylor,
Business Operations Manager

Mr. Deighton Babb,
Business Development Manager

Operations & Administration

Ms. Beverley Shepherd,
Executive Assistant

Ms. Michelle Tull,
Administrative Assistant

Mr. Sherwin Cumberbatch,
Marketing Officer

Ms. Vonetta Roach,
Special Projects Officer

Ms. Jahranga Babb,
Finance Officer

Ms. Lisa Turney
Customer Care Representative

Nakita Barrow
Office Clerk

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 maintaining 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 shared aspirations; engaging in the sharing of ideas and knowledge among employees, members and other stakeholders; encouraging cooperative efforts at all levels in the association.
- **Social Responsibility:** being recognised as a good corporate citizen by demonstrating support for our communities and environment and seeking to influence our members likewise.

**BOARD OF DIRECTORS' REPORT FOR FY 2010 - 2011
PRESENTED TO THE 18th ANNUAL MEETING OF THE
SMALL BUSINESS ASSOCIATION**

INTRODUCTION

The Board of Directors assumed office in October 2010, during what has been described by many as the most challenging economic times in recent history, characterised by a stagnant local economy, increased unemployment and rising cost of living. The economic shocks experienced by a slowing in growth among the country's major trading partners not only negatively affected foreign exchange earnings and tourism, but also contributed to the overall cost of doing business as all major commodities and inputs in business operations increased. Our sector has felt the brunt of this, as we are the most vulnerable to economic shocks and increased operating costs.

Reduced membership levels, limited spend by firms due to contraction in their revenues and a lower up-take of key products typified the association's operations. A further reduction in the Government's financial subsidy requires us to move with alacrity to improve our business model, creating revenue-earning initiatives, which lead to self-sufficiency.

Unwilling to be stymied by the external environment, the Board adapted the adage of making lemonade when life serves you lemons. We were resolved in our determination to lead the sector by example, through the recession and into a brighter tomorrow. To this end, the tenure 2010/ 2011, was spent reviewing, refocusing and reenergizing our systems, programmes and approaches to ensure that we remain top-of-mind - to our members as a facilitator for their growth, to our industry partners as a strategic ally in our national development, to our regional counterparts as an alliance to build stronger Caribbean businesses for the benefit of generations to come.

The association focused on a few key activities during the year to ensure that members received critical services to assist with their survival during the economic crisis. The education programme which continues to be well attended was expanded to the eastern office; capacity building programmes for members, primarily with an export focus, were introduced and we started the institutional strengthening of the secretariat, to develop a more competent team to serve us as we grow.

As a demonstration of our commitment to our members and the sector as a whole, the Board introduced “The Board of Directors Charter” which served to inform members of our mandate and strategic initiatives, and also as a measurement of our performance. Our report, to you our members, serves as an evaluation of our tenure 2010/2011.

REVIEWING

The Board and management engaged in the analysis of our product offerings and our value proposition with a view to developing the necessary improvements for the season ahead. We revisited our strategic framework, refined our strategic direction, and adopted strategic and operational goals specific to the challenges and opportunities of the future.

Oversight

Good Corporate Governance underpins the success of any entity, laying the foundation for productive use of resources and establishment of sound programmes. The Board established a Corporate Governance Committee, led by the Secretary, to ensure that the principles on which we operated were consistent with international best practice. The Committee which is in its formative stage has already been instrumental in helping to evaluate and rectify some anomalies at the association.

The introduction of the Performance Appraisal process for Team SBA last year (2009/10) has enabled the Board of Directors to engage management more pro-actively, improve the reporting mechanisms, decision-making processes and to initiate a succession planning strategy. Furthermore, the Governance Committee implemented a Board evaluation process for Directors to critique their performance periodically, as we seek to promote continuous improvement of the management and governance of the association.

As the impact of the recession impinged on the association, the management of our finances was deemed critical, as we sought to maximize the use of our reduced resources. A Finance Committee, led by the Treasurer, was established to review the systems and processes of the operations.

Recommendations were made to upgrade our systems to effect better cost accounting procedures, positively influencing the financial reporting process.

It is envisaged that Governance and Finance policies will be instituted in the next year to document the models which have been introduced.

**ATTENDANCE ANALYSIS FOR BOARD MEETINGS
HELD NOV 2010 – SEPTEMBER 2011**

Director	No. of Meetings Convened	Present	Absent	Excused
Celeste Foster	11	11		
Troy Holder	11	11		
Lani Daisley	11	10		1
David Simpson	11	10		1
Parry Marshall	6	1	1	4
Charles Carter	11	11		
Harold Oxley	11	6	2	3
R. Michael Homer	11	10		1

Strategic Framework

Cognisant of the need to be proactive in the development of the association and its members, the Board of Directors led a process of reviewing and revising the company's strategic direction. This resulted in the conclusion of a revised plan for the three-year period 2012 – 2015, and the re-branding of the corporate image of the association.

During the strategic planning exercise our new Vision and Mission were enunciated, facilitating the creation of our goals and objectives necessary for success. Our new tag line "Building Networks, Creating Wealth" succinctly captures the essence of our new mandate influencing the strategic plan. The strategic plan is aggressive, global in its focus, designed to build a multi-dimensional platform for members to improve their capacity and business acumen and to position them to not only survive, but optimize their potential to be competitive and grow.

RE-FOCUSING

Five goals had been identified as requisite for the attainment of our strategic plan 2008-2012:

1. Sourcing Funding & Financing
2. Expanding Local and Foreign Markets
3. Building the Institutional Capacity of Members
4. Increasing the Use of ICT among Members
5. Enhancing the SBA's Image as the National Representative of the Sector

These goals formed the basis of the workplan for the initial part of the year 2010/11, but were refined to coalesce with the revised strategic direction.

1. Sourcing Funding & Financing

1.1. Team SBA worked with the Caribbean Financial Services Corporation and other stakeholders in the development of a factoring programme for the SME sector. The programme was launched to the association's membership and an action plan for continued education and promotion is earmarked for the next year.

1.2. The Government's factoring programme was launched this year. We will continue our work with the team at the Ministry of Industry, Small Business and Rural Development, to educate our members and to facilitate their access to the programme.

1.3. The association continued the management of the Tourism Micro Loan project funded by the Inter-American Development Bank and the Ministry of Tourism. The project provides funding for capacity building and training programmes for those members in the agro-processing, arts & craft and hotel accommodation sub-sectors. During the reporting period diagnostics commenced for all three clusters to determine key demographics, characteristics and analytics about the three groups. Follow-up activities include training, capacity building and marketing programmes as per the outcome of each diagnostic.

2. Expanding Local & Foreign Markets

The critical importance of market growth continues to be top-of mind for the association. Activities were continued to assist members to promote their products locally and via the export market.

2.1. Locally, the SBA started a networking programme to bring potential buyers and sellers together to pursue trading opportunities. This programme started in part, due to the results from membership surveys which confirmed that networking was an area members wanted to develop. Team SBA hosted quarterly networking fora for members and key industry partners. The sessions afforded members opportunities horizontally, with other members and vertically through collaborating with industry partners in the supply chain.

The SBA coordinated the participation of members in two local exhibitions - Agrofest 2011 and the inaugural Crop Over Farmers' Market.

2.2. Following the conclusion of major research projects on the internationalisation of SMEs, the association through a Pro€invest-funded project commenced the process of identifying firms in key industries to export their products to European markets. To this end, the agro-processing, furniture, renewable energy and light manufacturing industries were identified for business-to-business meetings and promotions to potential European partners. Trade missions, (in-bound and out-bound) were had for firms in the targeted industries.

2.3. To enhance members' capacity to export, the association partnered with the IIC/IADB export programme - FYNPEME Export-plus – to ensure through a diagnostic and capacity building process that member-firms were afforded the opportunity to enhance their export potential. The project featured the participation of members who were currently exporting or had the potential to export, in a programme of training and capacity building activities to strengthen their potential for growth and increased market share.

2.4. Another series of the radio programme "Cashflow" was held this year. Members had the opportunity to showcase their businesses and advertise on the programme which was hosted by Admiral Nelson from the Caribbean Broadcasting Corporation. We lament the fact that the advertising slots availed to members were not fully subscribed.

3. Building the institutional capacity of members

The SBA continued its proven record of providing entrepreneurial training to members and the wider SME sector through the coordination of several computer-based, managerial and specialised workshops throughout the year.

3.1. In the areas of computer and management courses, some 253 students participated in these courses across three semesters of training.

3.2. Other workshops and seminars were held including:

3.2.1. Scotia Bank seminar series:-

Seminars: **Building your Business Plan**
Success Secrets
Marketing Basics
Recruiting Your Team
Great Customer Service
Understanding your Market Base

Workshops: Cash Flow Management
Benefits of Bookkeeping

3.2.2. Tax Clinics in collaboration with Inland Revenue, VAT and the National Insurance Board

3.2.3. Workshops on key themes including Costing your Product, Internationalisation of SMEs and Social Media 101.

3.2.4. Project Proposal Writing workshop in collaboration with the Caribbean Export Development Agency

3.2.5. BNSI/CROSQ workshop on Good Practices for SME Competitiveness

3.2.6. Series of sensitisation workshops on the Economic Partnership Agreement sponsored by the German International Cooperation.

The SBA hosted a series of capacity building training programmes as part of the European Union/ProInvest-funded project focused on promoting economic development through Caribbean and European partnerships. The training assisted with strengthening the technical competencies of SBA staff in the areas of data collection & analysis, project proposal writing, marketing & export promotion.

Several representatives from government departments and industry partners were also afforded the opportunity to participate in the series of training.

4. Increasing the use of ICT among members

The association established a second computer lab at the eastern office, located at Six Roads, St. Philip, to expand the product offerings in the eastern zone, particularly the computer-based training courses and access to the Internet by patrons.

4.1. During the year the SBA partnered with the telecommunications company, Digicel, to expand its Tech-Assistance programme. To this end a suite of products have been negotiated which feature various discounts to members ranging from 20 – 40% on various hardware and technology solutions. These products can be accessed by members, as part of the association's benefits package, via the Digicel network of stores.

4.2. Team SBA embarked on the process towards a paperless operation, integrating the QR Code on all communications tools. The use of the Code will direct persons to the company's website, and assist in the promotion of the association in a seamless, cost effective and real-time manner. The attendant promotion will be carried out in the next year as part of the enhanced Tech-Assistance programme. The Code will also be incorporated in a members' trading portal on the association's website to facilitate trade among members and the wider public. Negotiations are on-going and will be concluded in the next reporting period on an e-commerce framework to facilitate the online trading.

5. Enhancing the SBA's image as the national representative of the sector

The association continued its advocacy agenda during the FY 2011, in addition to the coordination of special projects designed to position the organisation as a national representative among its various stakeholders.

5.1. **Advocacy** – Team SBA participated in lobbying efforts for members and the wider SME sector in the construction industry, for retailers at Norman Centre relative to the closure of the Broad Street Mall, and small vendors who provided goods to the TRIMART chain of supermarkets. In addition, the association continued to represent the interest of its members and the wider SME sector serving on national committees responsible for safety & health, HIV/AIDS, civil society & non-state actors, standards & labelling and

Government's procurement system.

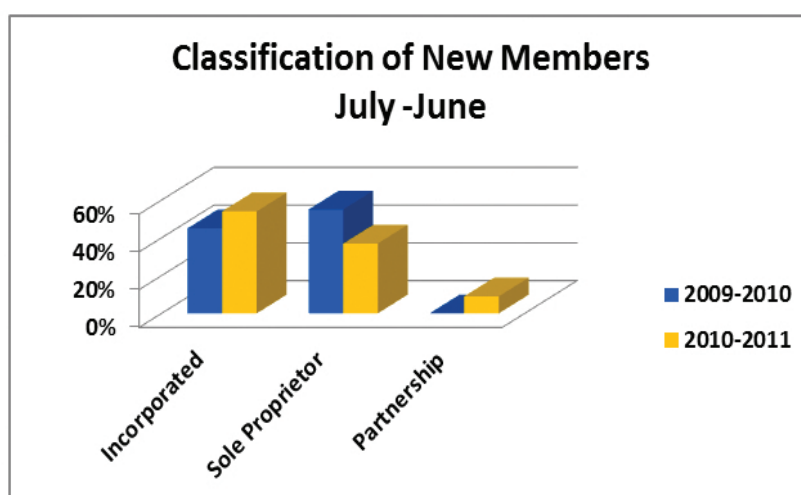
We are a member of the Barbados Private Sector Association (BPSA), making representation on behalf of the SME sector. The feedback from our membership surveys has provided insight as we reviewed and commented on several pieces of draft legislation including – The Prevention of Corruption Bill, The Sexual Harassment Bill, The Employment Rights Bill, The Public Service Amendment Act Review, and the proposed Minimum Wage Bill.

5.2. **Research** – the organisation continued to provide research data to the Ministry with responsibility for small business development to inform national surveys on the sector. In addition, the SBA participated in a BPSA IDB-funded project among key stakeholders to develop a policy document on "Incentivising the Micro Business" sector. This project was designed to inform the legislative and administrative environment to facilitate an enabling framework for micro businesses in Barbados.

5.3. **Youth Development** –The Enterprise in Action programme recorded an increased number of schools over the previous academic year. Some 11 schools participated in the 2010/2011 period compared to six the year earlier; this number has risen to 15 schools for academic year 2011/12. Components of the programme include the preparation of business plans and the operation of a small business, business mentorship, job attachments and business training. The programme's key objective is to assist with the development of entrepreneurial skills among young persons to prepare them for the world of work and to encourage self-employment as a viable career option.

5.4. **National Event** - Team SBA again hosted a week of activities, Small Business Week 2011, to promote the contribution of SMEs to national development and to recognise the input of key stakeholders in the development of the sector. Six activities were organised under the theme "Small & Medium Enterprises – The Catalyst for Sustainable Development." The association was pleased to again welcome Scotia Bank as the title sponsor for the Week and the many corporate entities that contributed to the hosting of the events.

5.5. **Membership** – The growth of the association's membership continue to be top of mind in the management of our affairs. We have seen a reduction in new members this year, highlighting the need for more member-centric initiatives. We are pleased to report however, that there have been an increased number of incorporated businesses within the membership, which we opine is the result of the education programme of the association.



RE-ENERGIZING

The task of reenergizing for the journey ahead is a multifaceted one, which can only be achieved if we are committed and resolute in our determination to succeed, if we are prepared to partner with emerging and existing stakeholders and partners, and most importantly if we are valued by our members.

There is much work ahead for us as we embrace our role as a catalyst for entrepreneurial development in the Small, Medium and Micro sector of Barbados. Our programmes must reflect the new pillars on which we stand: **Networking, Creating Wealth for Members, Institutional Capacity Building and Enhancing the Image of the Association.** We continue with the endeavour to innovate our Membership Engagement programmes, to be at the fore-front of the lobby for the integration of E-Commerce in business, to share best-practice business models and processes with all stakeholders and partners, and to grow the revenue of the association such that we can achieve self-sufficiency within the next five years.

Consequently an aggressive operations programme has been embarked on to ensure that more firms are transitioned from the informal to the formal business sector, that businesses are strengthened to be export focused to contribute to foreign exchange generation and that greater operational efficiencies can be realised by firms to improve their competitiveness and employment creation. The association will continue to harness the support of its members and wider stakeholder groups to propel the development of the SME sector and by extension, the sustainable growth of our local economy.

The Board thanks all members and the secretariat's team for their support, commitment, hard work and diligence exhibited during the past year and pledges continued visionary and proactive leadership towards building a stronger association for our varied constituents.

Presented by



Celeste Foster

obo. The Board of Directors

November 2011

REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

Being a director is not easy. The many corporate failures and scandals of recent years worldwide have necessitated the need for greater vigilance on the part of directors, a task that the Small Business Association has taken very seriously in discharging its responsibilities to its members.

Being an effective Board, comprised of independent well informed directors is equally challenging and to that end, the Board of Directors agreed to establish a Corporate Governance Policy and Committee.

The Committee is comprised of three members with a term of two years.

1. The Secretary of the Board, who is the chairperson of the Committee,
2. an independent director, and
3. one non-board member selected from the annual general meeting of the members or any other legally constituted meeting of the members.

The Corporate Governance committee shall have the primary responsibility for overseeing

- i. the development and implementation of principles and systems for the management of corporate governance, including a corporate ethics policy
- ii. Board, management and other executive training, succession and development;
- iii. Orientation, evaluation, continuing education and development of Board members;
- iv. The provision of support for all aspects of the stewardship and governance role of the Board, and in connection therewith may in review and make recommendations to the Board and any of its Committees concerning their function or any relevant aspect of corporate governance matters or practice.
- v. In addition to the mandates above, the Corporate Governance Committee may carry out such additional functions and adopt such additional policies and procedures as may be appropriate in light of changing legislative, business, regulatory and other conditions relevant to the association. The Governance Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purpose of the Governance Committee.

Since the implementation, the Committee has prepared in draft a Corporate Governance policy and made the following recommendations which the Board agreed to:

1. seven days prior to the AGM, provide information to the members and nominated persons on the expectations and responsibilities of being elected as per the by laws
2. Regular Board Evaluation and Board meeting evaluation
3. Assessment and evaluation of individual Board members on their commitment to the Board, their participation and observance of corporate governance policies and ethics.

Dated the 11th day of November, 2011



Secretary
Lani Daisley



Director
Charles Carter

REPORT OF THE FINANCE & AUDIT COMMITTEE

The Finance & Audit Committee has been created to ensure the integrity, reliability, accuracy and clarity of the association's internal and external reporting, by creating a framework of sound internal controls and reporting formats and ensuring its maintenance. The committee will be a liaison between management, external auditors and the Board, ensuring sound financial management.

The key functions of the committee will include:

- To recommend to the Board and management a framework for the systems, policies and procedures that will govern the operation and execution of the financial reporting and financial management functions of the association;
- Review the annual budget and facilitate presentation to the Board for approval;
- Review and report to the Board on the association's financial position;
- Review and report to the Board on the association's annual audit process and its audited financial statements;
- Review and assess investment proposals, making recommendations for approval. To advise the Board on investment strategy taking economic and financial conditions into strict consideration;
- Review and advise on matters of strategy and policy that will improve or otherwise affect the financial position of the association.

This committee when fully constituted will meet on a monthly basis and will be chaired by the Treasurer of the association and will have five additional members as follows:

- 2 Board Members/Directors (1 member with finance and accounting background)
- Officer responsible for finance function
- 2 persons from general membership (1 person with finance and accounting background)

The Finance & Audit committee serves for a period of one year and will be re-appointed by the Board on an annual basis following the AGM of the association. The Treasurer and Directors will serve in accordance with the rotation policy of the Board, while all other members will be eligible for a maximum of two consecutive terms before rotating off.

The Committee has already convened and reviewed its terms of reference and as the initial chair of the committee, I give my assurance that we are ready to make the financial reporting infrastructure of the SBA stronger as we move forward.

Dated the 11th day of November, 2011



Treasurer
David Simpson



Director
Michael Homer



Graduating Students of the Entrepreneurial Training Series with BCC Principal Dr Best and SBA CEO, Lynette Holder



Entrepreneur of the Year receiving award from Minister of Industry, Small Business and Rural Development, Hon. Dennis Kellman



SBA and Scotiabank officials during a planning session for Small Business Week 2011



Former SBA President, Mr John Watson stands next to new company logo at the Association's Rebranding Ceremony



Barbados delegation at the EU Headquarters in Brussels during a ProInvest-funded study tour



Minister of Tourism, Hon. Richard Sealy speaking to President Celeste Foster as IADB official looks on at the launch of the IADB MIF Project

Events of 2010 - 2011



Minister of Housing and Land, Hon. Michael Lashley (left) at the launch of the construction company - CCCI



Mr. Andrew Hassell representative of the Youth Forum's sponsors, Goddard Enterprises Ltd delivering the feature address



Representatives of Goddard Enterprises & SBA pose with students in the EIA Programme at the Youth Forum



Former president Ms. Sandra Husbands (r) receiving the President's Award



Participants in the ProInvest-funded training workshop on proposal writing



SBA Team celebrates the win of the 20/20 cricket match

Events of 2010 - 2011



**Small Business Association
(Limited by Guarantee)
Partially Consolidated Financial Statements
For The Year Ended
June 30, 2011**

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

**Small Business Association
(Limited by Guarantee)**

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Brian F. Griffith & Co. CHARTERED ACCOUNTANTS

Independent Auditors' Report

**To the members of
Small Business Association**

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

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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


An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in

the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion the partially consolidated financial statements present fairly, in all material respects, the financial position of the Small Business Association along with the Small Business Venture Capital Inc. as of June 30, 2011, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.



Brian F Griffith & Co.
Chartered Accountants

08 November 2011
Bridgetown, Barbados

Partially consolidated balance sheet

	Notes	2011	2010
		\$	\$
Assets			
Cash at bank	3	588,911	639,419
Term deposits	4	1,283,581	1,305,218
Accounts receivable	5	262,956	106,630
Due by related parties		190,064	80,409
Investments	6	1,067,958	1,967,958
Prepaid expenses		5,308	7,681
Non-current assets	7	48,007	74,612
Total assets		3,446,785	4,181,927
Current liabilities			
Accounts payable and accruals		94,687	92,230
		94,687	92,230
Equity			
Accumulated fund		(196,605)	542,304
Capital grant	8	3,000,000	3,000,000
Disadvantaged fund		548,703	547,393
		3,352,098	4,089,697
Total liabilities and equity		3,446,785	4,181,927

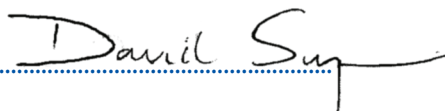
The accompanying notes form part of these financial statements.

Approved by the Board

hDIRECTOR.....



DIRECTOR.....



Statement of partially consolidated accumulated fund

	\$
Accumulated fund – June 30, 2009	845,464
Deficit for the year	<u>(303,160)</u>
Accumulated fund – June 30, 2010	542,304
Deficit for the year	<u>(738,909)</u>
Accumulated fund – June 30, 2011	<u>(196,605)</u>

Statement of partially consolidated surplus

	Notes	2011 \$	2010 \$
Income	9	1,351,300	1,006,037
Expenses	10	<u>1,190,209</u>	<u>1,309,197</u>
Surplus/(deficit) for the year		161,091	(303,160)
Investments written off		<u>(900,000)</u>	<u>0</u>
Net deficit for the year		<u>(738,909)</u>	<u>(303,160)</u>

Statement of partially consolidated cash flows

	2011	2010
	\$	\$
Cash flows from operating activities		
Deficit for the year	(738,909)	(303,160)
Depreciation	46,472	42,331
Operating deficit before working capital changes	(692,437)	(260,829)
Net change in non-cash working capital balances	(151,496)	350,292
Net cash (used)/from in operating activities	(843,933)	89,463
Cash flows used in from investing activities		
Increase in fixed assets	(19,867)	(20,756)
Decrease in investments	900,000	0
Increase in due by related parties	(109,655)	(15,763)
Net cash from/(used) in investing activities	770,478	(36,519)
Cash flows from financing activities		
Disadvantaged fund	1,310	1,676
Net cash from financing activities	1,310	1,676
Net (deceased)/increase in cash and cash equivalents for the year	(72,145)	54,620
Cash and cash equivalents, beginning of year	1,944,637	1,890,017
Cash and cash equivalents, end of year	1,872,492	1,944,637
Cash and cash equivalents comprise:		
Cash	588,911	639,419
Term deposits	1,283,581	1,305,218
	1,872,492	1,944,637

The accompanying notes form part of these financial statements.

Notes to partially consolidated financial statements

1. Incorporation and principal activity

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

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

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

2. Significant accounting policies

a) Basis of accounting

These financial statements are prepared under the historical cost convention.

No account has been taken of the effects of inflation.

b) Depreciation

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

The annual rates used are:-

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

c) Currency

These financial statements are expressed in Barbados dollars.

Notes to partially consolidated financial statements

3. Cash at bank

	2011	2010
	\$	\$
Small Business Association	416,872	481,231
Small Business Venture Capital Inc.	172,039	158,188
	588,911	639,419

4. Term deposit

	2011	2010
	\$	\$
Small Business Association	481,740	536,604
Small Business Venture Capital Inc.	801,841	768,617
	1,283,581	1,305,221

5. Accounts receivable

	2011	2010
	\$	\$
Small Business Association	262,956	106,630
	262,956	106,630

6. Investments

	2011	2010
	\$	\$
Small Business Association	127,958	127,958
Small Business Venture Capital Inc.	940,000	1,840,000
	1,067,958	1,967,958

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

Notes to partially consolidated financial statements

7. Non-current assets

	Furniture and fittings \$	Office equipment \$	Property, plant and equipment \$	Leasehold improve. \$	Total 2011 \$
Cost					
At July 1, 2010	83,941	149,129	4,980	104,854	342,904
Additions	10,843	2,895	0	6,129	19,867
At June 30, 2011	<u>94,784</u>	<u>152,024</u>	<u>4,980</u>	<u>110,983</u>	<u>362,771</u>
Accumulated Depreciation					
At July 1, 2010	54,363	125,436	4,980	83,513	268,292
Charge for the year	10,134	17,400	0	18,938	46,472
At June 30, 2011	<u>64,497</u>	<u>142,836</u>	<u>4,980</u>	<u>102,451</u>	<u>314,764</u>
Net Book Value -2011	<u>30,287</u>	<u>9,188</u>	<u>0</u>	<u>8,532</u>	<u>48,007</u>
Net Book Value -2010	<u>29,578</u>	<u>23,693</u>	<u>0</u>	<u>21,341</u>	<u>74,612</u>

8. Capital grant

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

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

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

Notes to partially consolidated financial statements

9. Income

	2011	2010
	\$	\$
3,750 Special Grant - Satellite project	500,000	36
5,000 Ordinary Grant - Annual subvention	175,000	17
5,000 Special Grant - Annual subvention	175,000	17
0 Development fund income	205,067	
7,100 Small Business Week	89,364	4
4,200 Membership fees	58,100	7
7,213 Interest income	52,378	5
6,570 Training Programme	37,015	3
2,500 Enterprise in Action	22,500	
7,600 Dividends income	20,100	2
2,042 Other income	6,766	
5,842 Services	5,715	
9,250 Membership booklet	2,450	
1,200 The Business Lead	950	
1,430 Agrofest	600	
2,065 Web design	295	
2,000 Management fees	0	1
9,575 Open for Business/Cash flow	0	
3,000 Office rent	0	
700 Business to Business network	0	
5,037	1,351,300	1,000

Notes to partially consolidated financial statements

10. Total expenses

	2011	2010
	\$	\$
Personnel Cost	412,155	427,556
Research & business development	187,707	192,535
Projects expenses	176,626	137,679
Secretariat expenses	57,774	57,050
Development fund expenses	47,302	0
Depreciation	46,472	42,331
Awards and recognition	44,746	17,902
Utilities	38,520	37,891
Rent	36,890	39,536
Directors' fees	30,925	42,600
Professional fees	23,328	63,756
Repairs and maintenance	18,369	15,058
Marketing & member promotions	17,702	10,664
Technical assistance	11,612	25,771
Advertising & public relations	11,568	12,515
Internet expenses	7,199	6,764
Membership fees	6,000	7,092
Insurance	3,349	4,947
Donations	2,496	3,277
Security	2,321	1,966
Induction ceremony expenses	2,042	1,909
Bank charges and interest	2,018	1,791
Miscellaneous	1,511	0
Bad debts	1,050	1,540
SBA/IDB Micro-Project	527	0
TV/Radio programming	0	132,216
Overseas conferences, meetings	0	24,851
	<u>1,190,209</u>	<u>1,309,197</u>

Notes to partially consolidated financial statements

11. Summary of Financial Operations

	SBA	SBVCI
	\$	\$
Statement of income		
Income	1,343,158	56,142
Expenses	1,182,966	955,243
Net surplus/(loss) for the year	<u>160,192</u>	<u>(899,101)</u>
 Balance sheet		
Assets	<u>3,581,006</u>	<u>1,913,880</u>
Liabilities	89,987	52,799
Shareholder's equity	<u>3,491,019</u>	<u>1,861,081</u>
Shareholder's equity and liabilities	<u>3,581,006</u>	<u>1,913,880</u>

Standing Orders

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



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