

# ANNUAL REPORT 2019





## VISION

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

## MISSION

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

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### CORPORATE INFORMATION

#### Bankers

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

First Citizens Bank  
Lower Broad Street, Bridgetown

CIBC First Caribbean  
International Bank  
Warrens, St. Michael

Scotia Bank  
Lower Broad Street, Bridgetown

#### Auditors

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

#### SBA Office

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



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**NOTICE IS HEREBY GIVEN OF THE 26<sup>th</sup> ANNUAL  
MEETING OF THE SMALL BUSINESS ASSOCIATION  
OF BARBADOS TO BE HELD ON  
FRIDAY SEPTEMBER 20, 2019, AT 4:00 PM,  
AT THE LLOYD ERSKINE SANDIFORD CENTRE,  
TWO MILE HILL, ST MICHAEL**

**AGENDA**

- 1. Ascertainment of Quorum & Call to Order**
- 2. Prayers**
- 3. Excuses**
- 4. Welcome & Opening Remarks**
- 5. Minutes of the 25<sup>th</sup> Annual Meeting held on September 28, 2018**
- 6. Matters arising from Minutes**
- 7. Board of Directors' Report**
- 8. Treasurer's Report & Financial Statements**
- 9. Auditors' Report**
- 10. Appointment of Auditors**
- 11. Elections**
- 12. Any other business**
- 13. Special Presentation**
- 14. Termination**

**By Order**

A handwritten signature in black ink, appearing to be 'JK', is written over the text 'By Order' and the name 'Jefferson Kirton'.

**Jefferson Kirton  
Assistant Secretary**

# LEADERSHIP TEAM



**PRESIDENT**  
Wayne Willock



**VICE PRESIDENT**  
Margaret Hoyte



**SECRETARY**  
Allison Millington



**TREASURER**  
Drayton Carter



**ASSISTANT  
SECRETARY/TREASURER**  
Jefferson Kirton



**DIRECTOR**  
Donna Hope



**DIRECTOR**  
Robert Homer



**CEO**  
Lynette Holder

# BOARD OF DIRECTORS' REPORT FOR FY 2018 – 2019

## PRESENTED TO THE 26TH ANNUAL MEETING OF THE SMALL BUSINESS ASSOCIATION

### INTRODUCTION

The financial year 2018 – 2019 can be characterised as another challenging fiscal period for the micro, small and medium enterprise (MSME) sector. MSMEs continued to experience high operational costs owing to increases in key inputs such as utilities, further compounded by depressed demand for goods and services on account of reduced disposable income by consumers.

During the reporting period the country experienced an administration change, with the new government coming to office, with announced policies to assist in creating an enabling business environment for the sector. Against the background of high fiscal deficits, dwindling foreign reserves, and stagnant economic growth, the new administration launched an economic adjustment programme designed to create macroeconomic stability and revitalisation of economic growth. This period of adjustment has notably influenced some austerity in the economy resulting in further strain on the traded and non-traded sectors, little or no growth in the economy, and increased cost of living for citizens. Though MSMEs welcomed the reduction in corporation taxes to 5%, refunds of Value-Added Tax payments, and efforts toward the digitisation of government services to improve business facilitation, the increase in commercial water rates, levy on petrol, the continuation of tax on foreign exchange transactions, have coalesced to slow the rebound and growth needed in the business community.

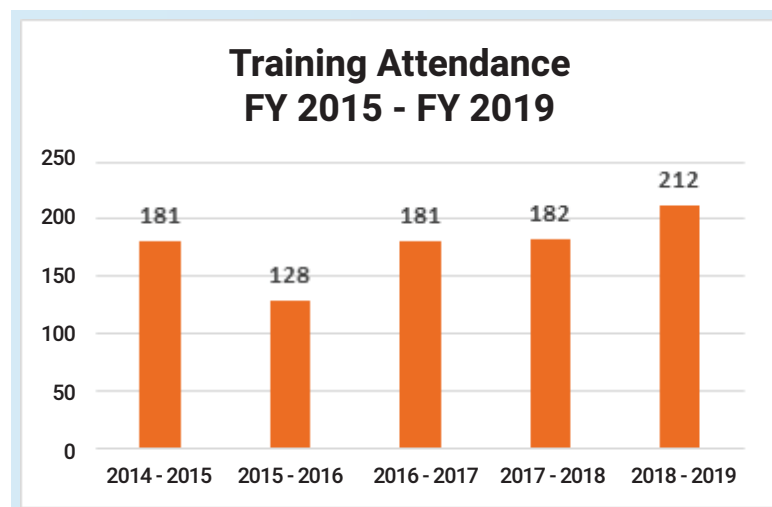
The Barbadian economy must therefore be incentivised to grow, and MSMEs represent a significant potential to facilitate this growth. Efforts such as community enterprise development, niche manufacturing and services development for the export markets, as well as a greater focus on cluster development through leveraging the CARICOM Single Market and Economy, are potential areas of focus. It is against this background that the SBA focused much of its work plan for FY 2019 on member engagement events. These interventions sought to provide the educational, networking and capacity building interventions needed by businesses to focus on building and/or maintaining market share and maximising strategic partnerships to reduce operational costs and sustain competitiveness.

The ensuing pages document the activities of the SBA for the period under review. The thematic areas of training & education, networking and business development, form the basis for the kind of programming pursued during the period.

### 1. TRAINING & EDUCATION

The SBA implemented its Entrepreneurial Training Series during the period, offering courses in several management and computer-related disciplines. In addition, one National Vocational Qualification (NVQ) programme was offered in Accounting for Small Business Level 3. Of note is the increase in overall participation for the year, as 212 persons subscribed to the courses compared to 182 in the previous year. The non-member participation continues to rival the enrolment of members – 69% compared to 31%; and females' attendance was three times that of their male counterparts – 75% compared to 25%.

Three semesters of training were offered across nine subjects as follows:



» Figure 1



#### November-December 2018 Semester

- QuickBooks Basic
- How to Develop and Market a Small Business



#### February- March 2019 Semester

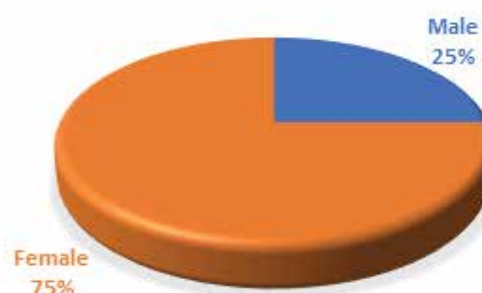
- QuickBooks Basic
- Business Start-Up
- Managing Your Small Business



#### June – July 2019 Semester

- QuickBooks Basic
- QuickBooks Intermediate
- Managing Your Small Business
- NVQ in Accounting for Small Business Level 3

### GENDER DISTRIBUTION



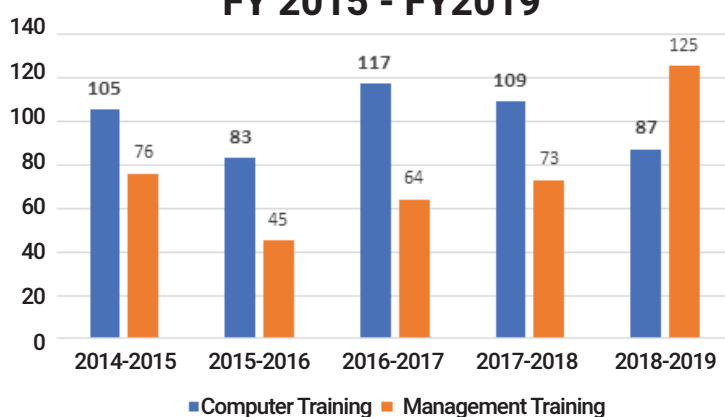
» Figure 2

### Member vs Non-Members



» Figure 3

### Training Attendance Comparison FY 2015 - FY2019



» Figure 4

## 2. MEMBERSHIP ENGAGEMENT EVENTS

In an effort to build the capacity of MSMEs and provide a forum for networking, nine member engagement events were held, compared to four in the previous year.

### 2.1 General Data Protection Regulation (GDPR) Seminar

The SBA held a sensitisation session on the impact of the GDPR and the serious implication it holds for noncompliance. This data protection law was established to protect the personal information of European Union citizens and empower their right to data privacy. Requirements to comply with the GDPR include:

- ensuring there is ongoing confidentiality, integrity, resilience and availability of operational systems within the firm
- ensuring that consent is given by the person whose data is held
- firms MUST be able to show how and when consent was given
- data must be obtained for legitimate, explicit and specific purposes
- data subjects must be able to withdraw consent at any time
- data subjects also have a “right to be forgotten” if the data is no longer needed for the reason(s) originally granted (the data MUST be erased)

### 2.2 Fair Trading Commission (FTC) Workshop

A capacity building session was held in collaboration with the Fair-Trading Commission (FTC) to sensitise small business owners about the work of the FTC in general, and issues relative to competition in the marketplace for small firms. Some of the topics covered during the workshop include:

- Introduction to the FTC and its Documentation Centre
- An Overview of the Hearing Process
- The Consumer Protection Act – Unfair Trade Practices

### 2.3 Networking Forum

A networking social was held to showcase the new mobile product of Cave Shepherd & Company and the Group Medical proposal offered by Sagacor Life. Over 100 persons participated in the session, which was held at the Savannah Hotel. The event was sponsored by the two companies aforementioned, while several prizes were provided for patrons by 20 firms within and outside the SBA membership.

### 2.4 Sexual Harassment Sensitisation Session

An educational session was organised on the Sexual Harassment Act in light of the December 2018 deadline for firms to become compliant with the legislation. The session was facilitated by Director Donna Hope, who further provided templates of relevant policies and documents for participants to use in satisfaction of the requirements in the legislation.

### 2.5 Barbados Revenue Authority Seminar

A training session was held in collaboration with the Barbados Revenue Authority to sensitise firms on the new TAMIS platform of the government and the process required to register. Participants were introduced to the new online facility and assisted in completing their online registration in the new system.

### 2.6 New Domestic Payment System

The SBA hosted an information session on the Domestic Payment System which will be introduced by the Government of Barbados in the fiscal year 2019 – 2020. The new payment system is promoted as a means of government going green by stopping the issuance of paper cheques and taking advantage of technology, as well as a cost saving mechanism.

### 2.7 Business Development Forum

A Business Development Forum was facilitated by member-firm Impact Training & Development Services on the topic “Understanding & Leveraging your Business Model”. Areas taught included:

- Be clear on what’s a business model
- Understand the benefits of leveraging your business model
- Be familiar with traditional and innovative business models



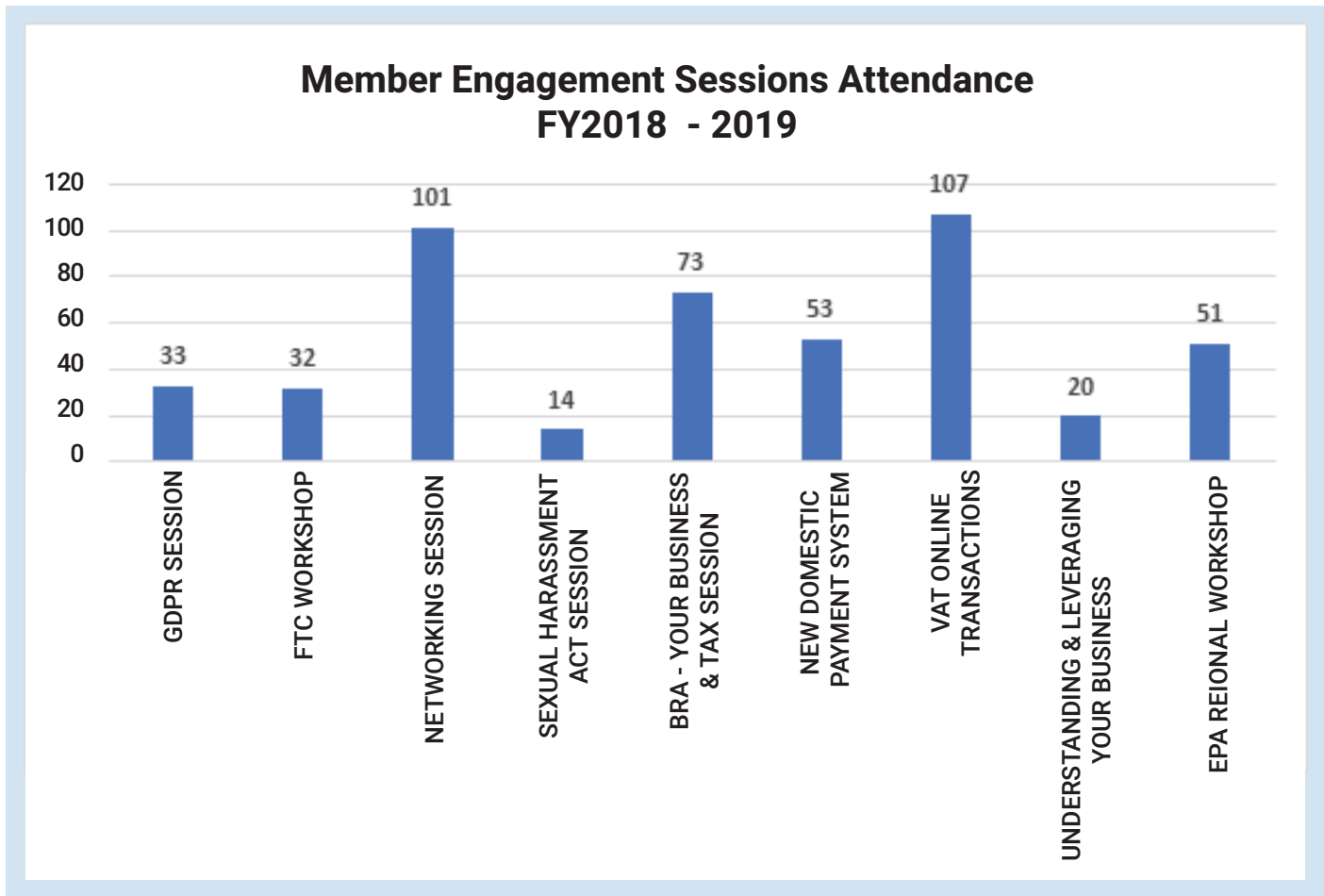
The SBA partnered with the Caribbean Export Development Agency to host a two (2) day workshop to support export-led economic growth. The workshop was entitled “Leveraging the CARIFORUM-EU Economic Partnership Agreement (EPA)” and was attended by businesses across the Caribbean region, including from Antigua, Dominica, St. Lucia, St. Kitts, Grenada and St. Vincent. There were also 30 local businesses drawn from the SBA’s membership who export or have an interest in exporting their goods or services.

The CARIFORUM-EU EPA was developed to facilitate integration and regional cooperation and to support enhanced sustainable growth, increased production and supply capacity. The overall objective of the EPA is the sustainable development of the ACP States and their integration into the world economy and the eradication of poverty.

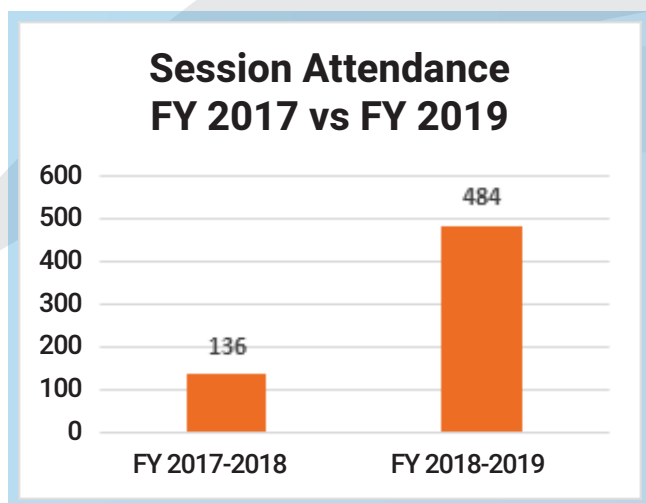
2.9 VAT on Online Transactions

An information session was held on the topic, VAT on Online Transactions, to sensitise MSMEs to the issues relative to this new form of tax collection. The session was streamed live due to the overwhelming response by the sector, and provided pertinent information on the operationalisation of the new system. Key points of note were that the tax was applicable only to online purchases of items consumed in Barbados and on those items where VAT was already charged.

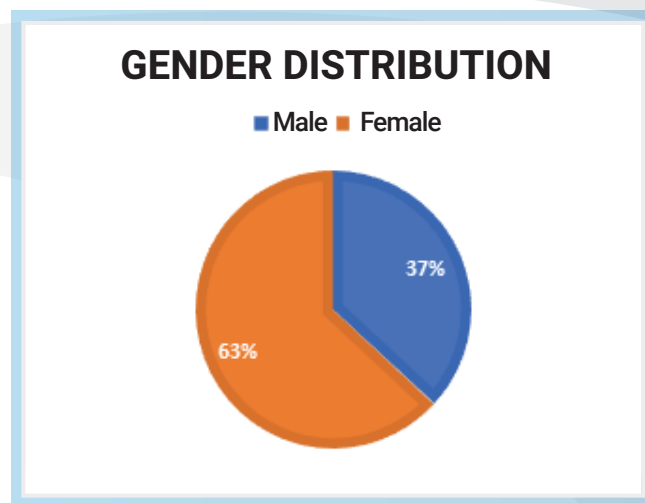
Figures 5 – 8 show diagrammatically, information on the member engagement sessions.



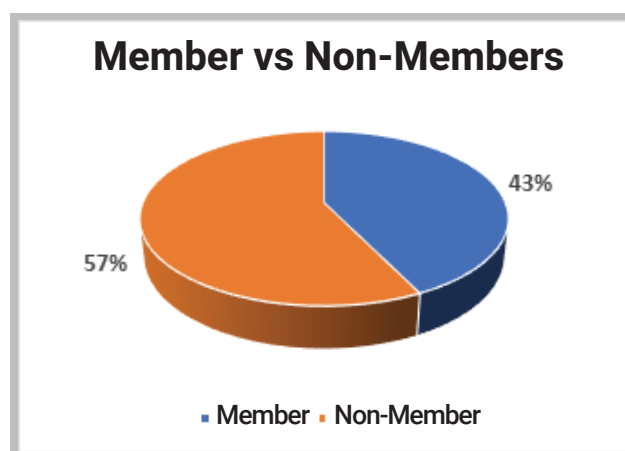
» Figure 5



» Figure 6



» Figure 7



» Figure 8

### 3. ENTERPRISE IN ACTION (EIA) YOUTH PROGRAMME

The SBA held its 10th iteration of the Enterprise in Action Youth programme during academic year 2018 – 2019. The programme features business training, as well as the development of various commercial projects by participating students, culminating in a product showcase. The theoretical training provides an overview of the process involved in starting a business and includes such topics as: -

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

Some ten schools participated in the last academic year, fielding 12 individual projects with a total student count of 272. Table 1 shows the participating schools and the business project being undertaken by students.

SCHOOL	BUSINESS NAME
St. Michael School 1	Phresh Experience
St. Michael School 2	Customized 4 U
Foundation	Sugar Rush
Alleyne School	Angel Care
Frederick Smith	Exquisite Beauty
Springer Memorial 1	Fruit Paradise
Springer Memorial 2	Kandy Krave
Coleridge & Parry	King & Queen Beauty Supplies
Graydon Sealy	Kreat! v Xplo\$ion
Lodge School	Fresh Blends
Queen's College	T-Shirt Printing (Name tbc)
St. Leonard's	SLB Entertprise

» Table 1

3.1 Partnership with the Barbados Guidance Counsellors Association

The SBA partnered during the year with the Barbados Guidance Counsellors Association (BGCA) in its 13th National Career Showcase. As this is the 10th year for the EIA Youth programme, the association sought to expand its reach in the schools through the BGCA. The national showcase was held under the theme ‘**Embracing the Opportunities... Expanding your Vision**’ and featured 150 booths with businesses from various sectors showcasing the career opportunities in each field.

The SBA was a Silver Sponsor and coordinated booths of the business projects from the EIA programme as its in-kind contribution. Six projects were showcased from five 5 schools, namely, St. Michael School, Frederick Smith Secondary, Coleridge & Parry, Springer Memorial School and the Graydon Sealy Secondary.

The photos below are some of the images from the national showcase.



Springer Memorial Students





The Frederick Smith Secondary School



Graydon Sealy Scondary School



The Coleridge & Parry School's showcase



St Michael School



## 4. STRENGTHEN DISTRIBUTION CHANNELS

The use of several social media mechanisms formed a key part of the SBA's communications strategies due to the cost-effectiveness of these media. These platforms help to promote the events of the association such as training, membership and networking activities, as well as promote the product offerings of members, particularly through the Be SME SMART marketplace. On account of these e-platforms, the SBA has been able to build a strong following of close to 8,000 persons from various socio-economic groups, sectors and countries. Table 2 shows the movement in support over the year, whereas figures 9 – 12 indicate the Facebook and website performance.

### 4.1 Social Media

PLATFORM	June 2018	June 2018	Actual Increase	Percentage Increase
FACEBOOK	6397	7929	1532	24%
TWITTER	1521	1648	127	8%
LINKEDIN	2010	2893	883	44%

Table 2

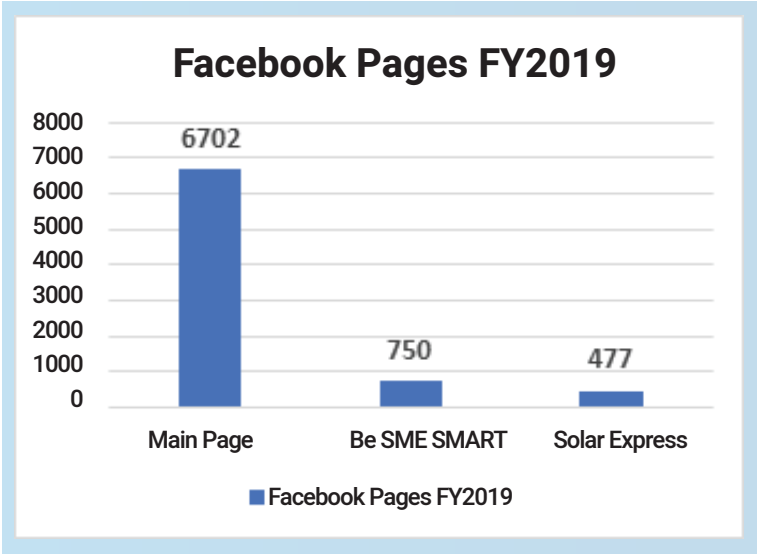


Figure 9

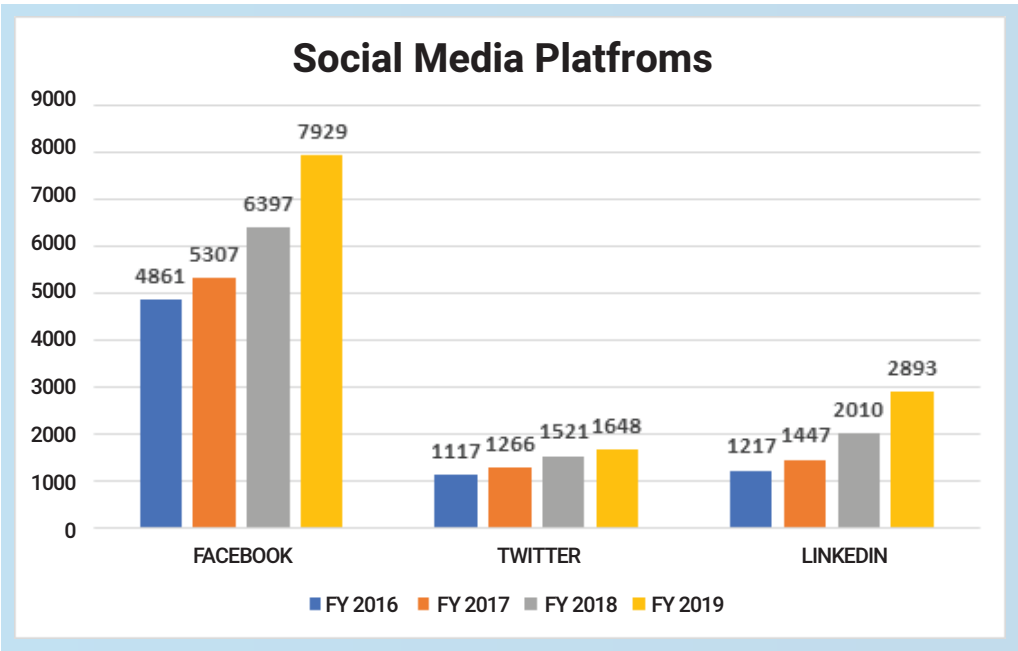
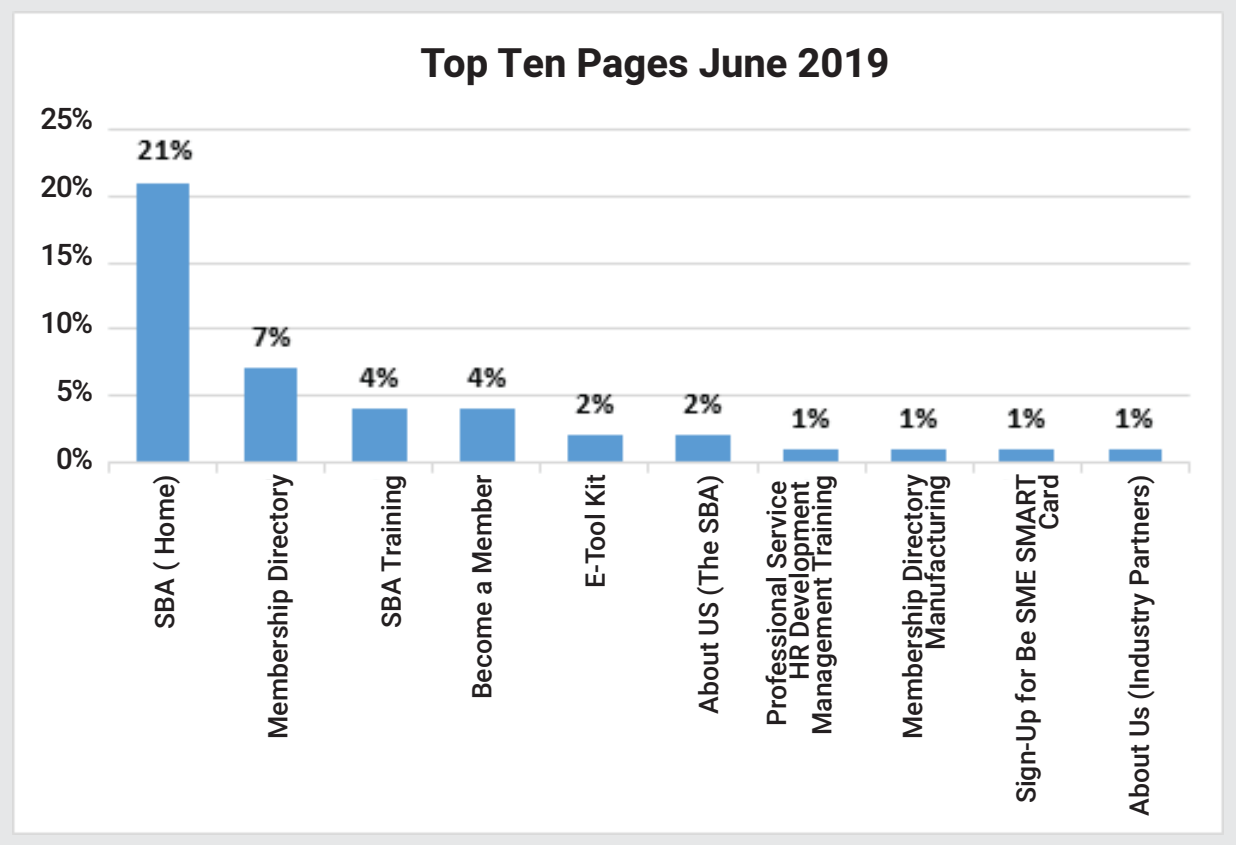
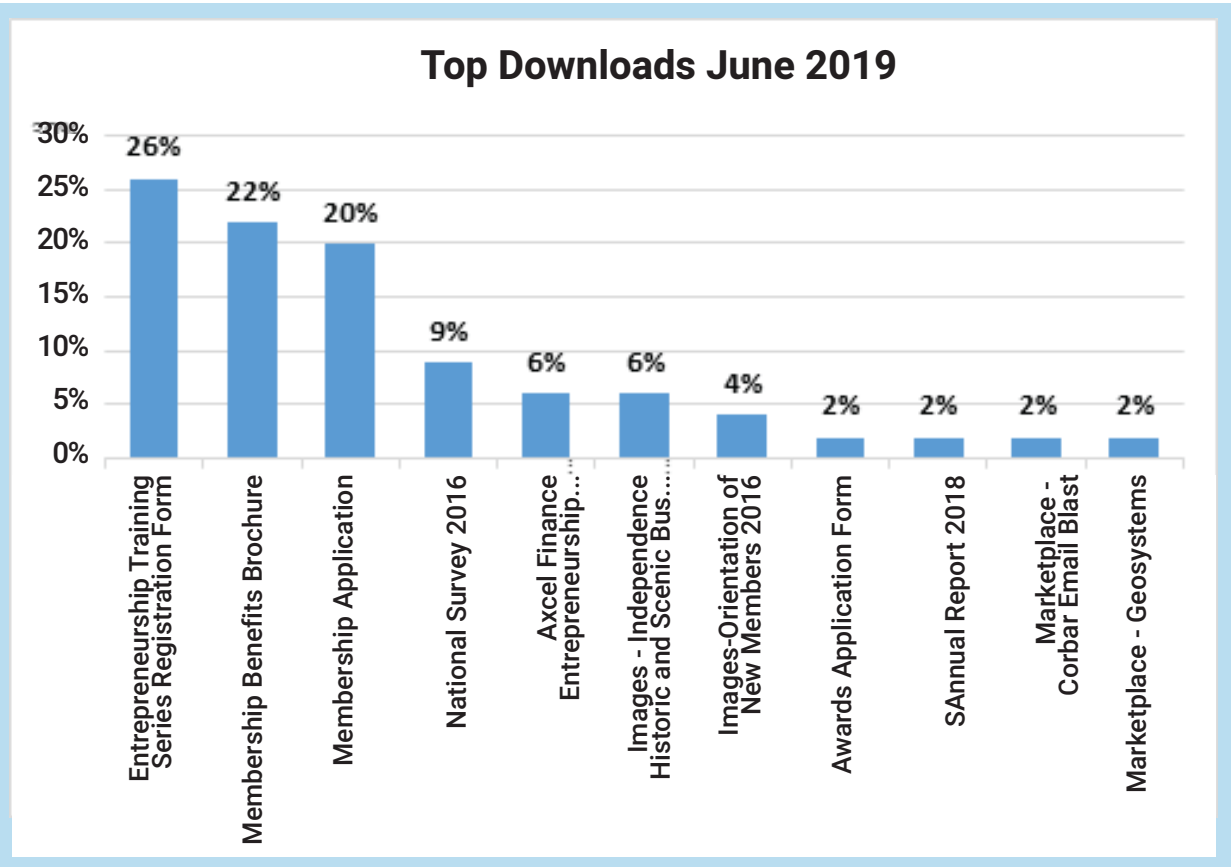


Figure 10



» Figure 11



» Figure 12

## 5. BUSINESS DEVELOPMENT INITIATIVE

The SBA introduced the Be SME Smart programme as a business development activity to assist members in growing their market share through participating in an online marketplace. The programme features the provision of Discount Cards to consumers who are encouraged to patronise businesses in the purchase of their goods and services, while benefiting from a range of discounts and special offers. The initiative is supported by a dedicated Facebook page, which is used to promote the product offerings of firms and to send promotions to cardholders on a weekly basis. Additionally, several promotions were held during the year, capitalising on specific calendars events including, Valentine’s Day, Independence and the Christmas season.

At the end of the year, some 2906 smart cards were distributed. Of that sum, 1977 card holders were female and 929 were male. The majority of the smart card holders were between the age of 46 - 65 and were employed (see figures 13 – 15).

Gender Distribution

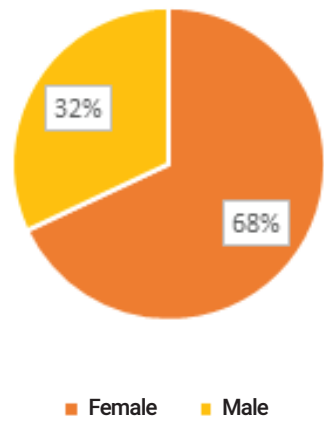


Figure 13

Employment Status

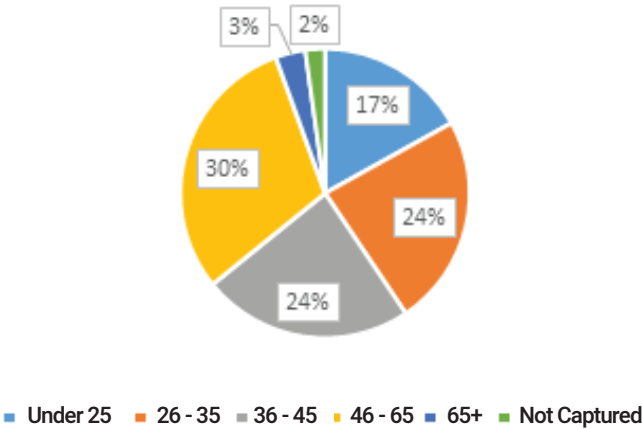


Figure 14

Employment Status

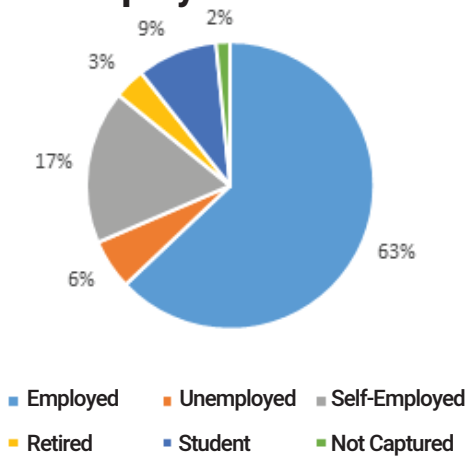
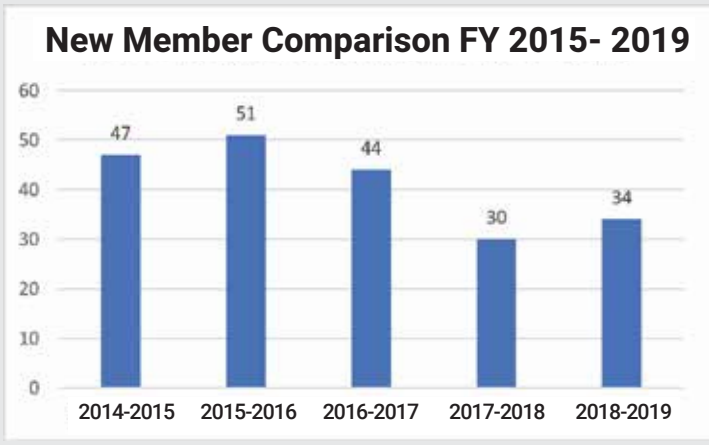


Figure 15

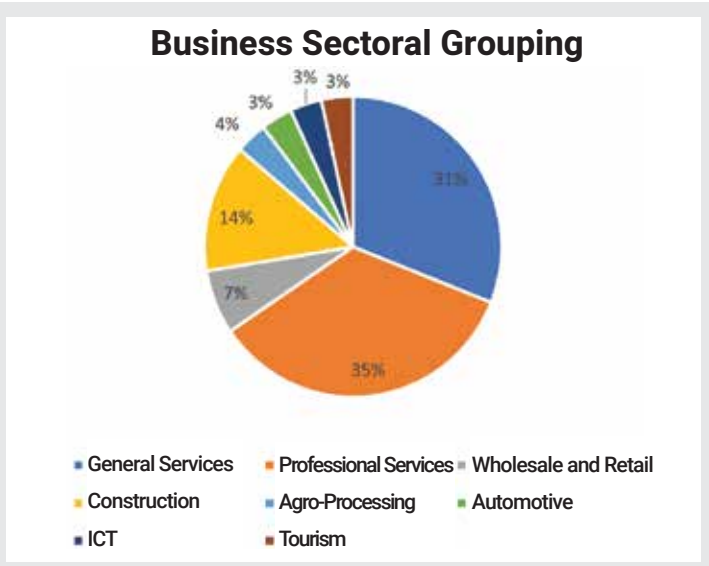


## 6. NEW MEMBERSHIP

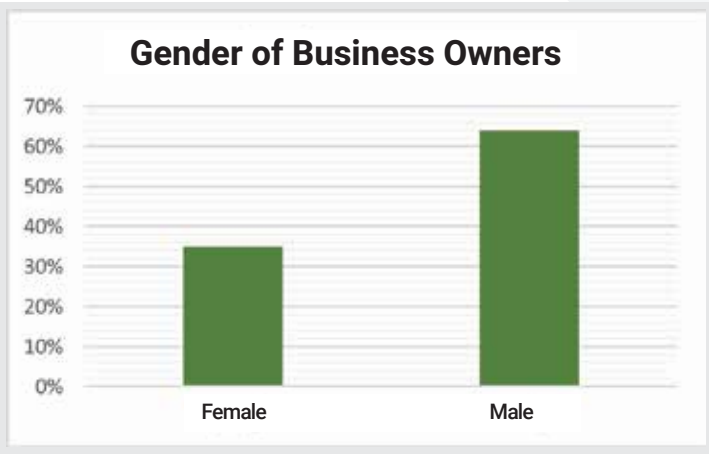
Some 34 new firms joined the SBA's membership during fiscal year 2018 – 2019. This represented a marginal increase of 13% over the previous year amount of 30 businesses and continues the trend in sluggish growth seen over the past five years. The majority of the new members were male-own businesses, accounting for 64% compared to 36% female owned firms. The businesses were operating in eight sectoral areas, with general and professional services representing 66% of the firms (see figures 16 – 17).



» Figure 16



» Figure 17



» Figure 18

## 7. GENERAL

### 7.1 Small Island Future Fest

The Small Island Future Fest (SIFF) is the Caribbean's premier environmental festival celebrating Caribbean innovation & resilience. It's an initiative of the Global Environmental Facility (GEF) Small Grants Programme (SGP) implemented by the UNDP in collaboration with the Future Centre Trust (FCT) and the Blue Green Initiative (BGI). This initiative was held in Barbados for the first time during the month of June 2019. The SIFF culminated the activities for Environment Month with the two-day festival which attracted locals and visitors alike to experience what makes small islands amazing and inspire action towards building a sustainable future through food, fashion, film, poetry, dance, theatre arts and music, applied science and real-world live demonstrations. They also had an opportunity to view various exhibitions of present and past grantees of the GEF Small Grants Programmes.

As a grantee of the GEF Small Grants Programmes, the SBA was invited to exhibit the Solar Express vehicle. The Solar Express Bus was developed to show awareness of sustainable transport in and around the historic city of Bridgetown. The Solar bus is powered by the sun, which makes each tour energy and environmentally safe.

Below are photos taken of the Solar Bus in operation at the Island Future Fest.





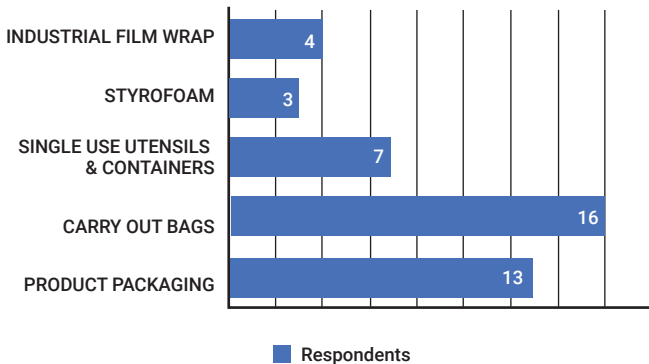


Several persons participated in the tours, including the Minister of the Environment, Hon Trevor Prescod and officials of the UNDP.

### 7.2 Survey on Single-Use Plastics

In light of the government's announced policy to ban the use of single-use plastics, the SBA conducted an exploratory study amongst its members in key sectoral groups to ascertain the impact of this ban on their firms. A telephone survey was undertaken to assess by qualitative technique, whether the proposed ban may be harmful and focused on questions related to plastics-use, ability to source alternative sources and personal thoughts on the ban. 35 businesses were surveyed from 6 sectoral groups. Enclosed is an extract of the survey results.

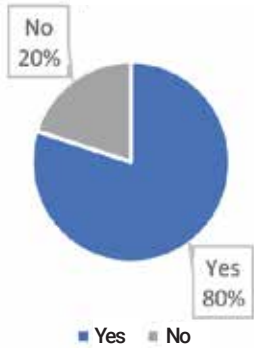
#### Types of Plastics Used By Respondents



» Figure 20

Based on figure 21, 54% of respondent will not be negatively affected by the ban.

#### Respondents

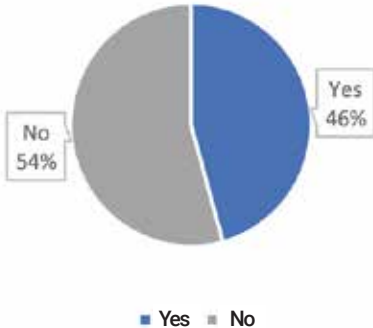


» Figure 19

80% of respondents confirmed they currently use plastics in their businesses.

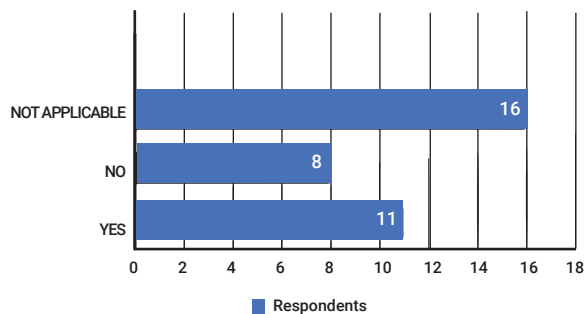
Of those who utilised plastics, the respondents indicated carry-out bags was the main item used.

#### Respondents



» Figure 21

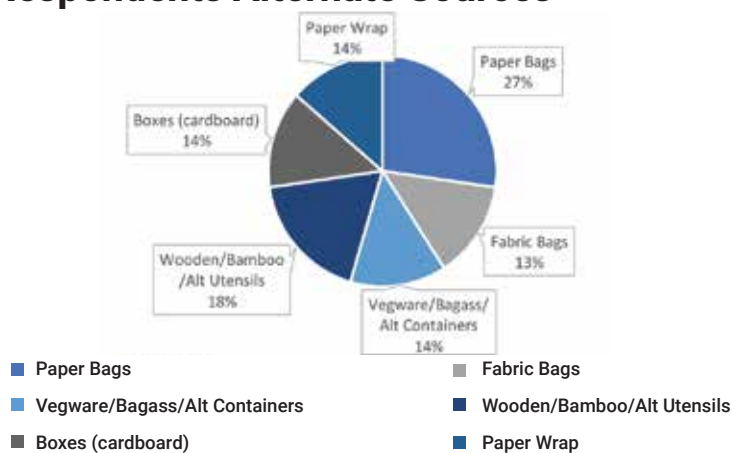
### Ability to Procure Alternative Sources



Members were also asked if they were able to negate the impact with alternative sources.

Figure 22

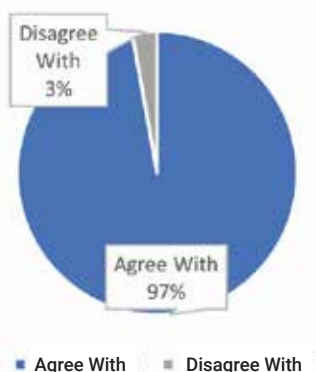
### Respondents Alternate Sources



The majority of those who confirmed they would be affected by the ban, were able to identify alternative sources for the business.

Figure 23

### Respondents



Generally, the majority of respondents were in agreement with the ban.

Figure 24

### Issues Concerning Respondents

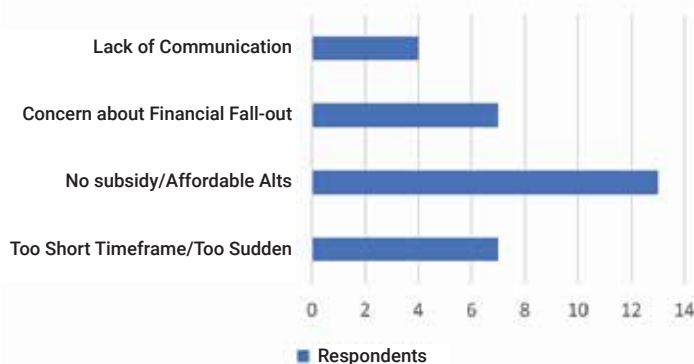


Figure 25

The SBA concluded its 15th iteration of Small Business Week (SBW) held during the period September 23 – 29, 2018. The theme was “**the Role of SMEs in Building Sustainable Economies**” and was specifically geared towards focusing attention on the impact that small and medium enterprises can plan in the resuscitation and transformation of the Barbados economy. The Week included four events, which catered to the various stakeholder groups of the association, in an effort to educate, entertain and engage. The events were as follows:

### Service of Thanksgiving

The service was held at the First Baptist Church, Constitution Road, where SBA members, staff, and strategic partners gathered to give thanks for their accomplishments during the year and to find inspiration for the months ahead.

### Youth Forum

The Enterprise in Action (EIA) Youth Programme was showcased during this forum as students from participating secondary schools presented their business projects. Several lessons learnt were also shared by the 4th and 5th form students who underscored the value of the theoretical training received in the programme, supported by the practical application in developing a business case. Such skills as leadership, teamwork, problem solving, communication and planning, were inculcated during the project.

The youth forum also featured the winners of the SBA's **Be SME Smart Essay** competition. This initiative provides an opportunity for class 4 primary school students to submit essays on relevant themes within the discipline of entrepreneurship, in an effort to inspire these students to think creatively.

### Bus Tour & Community Outreach

The Bus Tour and Community Outreach activity was held to provide members and sponsors the opportunity to engage the public through the promotion of their goods and services. The tour further offered participants a scenic ride around the island, on board a refurbished 'Rocklyn' bus.

### AGM and Awards Ceremony

The signature event for the Week was the Annual General Meeting & Awards Ceremony, where members received the operations and financial reports of the SBA for the year just ended and celebrated the achievements of members in several sectoral groups. The association also welcomed two new members to the Board of Directors in the persons of Mr. Wayne Willock as president, and Ms. Allison Millington, secretary.

The Minister of Small Business, Entrepreneurship and Commerce, the Hon. Dwight G. Sutherland, gave his maiden address at an SBA function, underscoring his ministry's commitment to collaborating with the association on such projects at the Trust Loans and financial literacy training.

A total of 10 awards were presented to members – six sectoral awards, the inaugural Minister's Award, the President's Award and the Small Business of the Year Award. The SBA also welcomed a partnership with R. L. Mark & Co Ltd., and the introduction of the Excellence in Entrepreneurship Award sponsored by this company.

**The Minister's Award** - the Minister's Award for Innovation and Green Technology was presented to O's Inc.

**The President's Award** - the President's Award was presented to Caribbean Dream Publishing.

**Small Business of the Year** - the most outstanding business for the year 2017 - 2018 was Terasu Inc. Terasu Inc. also won the Sectoral Award in General Services and the R.L. Mark “Excellence in Entrepreneurship” Award.

### Sectoral Awards

**General Manufacturing Sectoral Award** - NPure Water Filtration

**Niche Manufacturing Sectoral Award** - IMORO

**Professional Services Sectoral Award** – Resilia Accounting

**Group Member Award** - Copyright Society of Composers, Authors & Publishers Inc.











## LOOKING AHEAD

Following the growth of the membership engagement activities and the impact on firms in building networks, reducing cost and build capacity, the **SBA** will further strengthen this intervention in the next fiscal period. Recognising the opportunities that exist through clusters and strategic partnerships, the association will look to forge regional networks on the behalf of members to help with maximising the export potential available through the CSME. These partnerships will also improve knowledge sharing and form value chains to build competitiveness. Akin to this regional focus will be further effort at proposal development to attract donor funding to drive project implementation and attract financial support for membership programmes. The continued focus on building strategic partnerships with local business support organisations, financiers and development partners will play a critical role in the income generation thrust of the organisation.

The SBA will continue its advocacy efforts to represent the MSME sector to government, for improvement in the legislative and policy environment. These interventions include standardised definitions for micro, small and medium enterprise categories; procurement opportunities; digitisation of service offerings in the public and private sectors; as well as incentives for participating in an equity market for firms to access different kinds of capital. MSMEs also stand to benefit from new sunrise industries and should be included in opportunities for new licences, and investment in the renewable energy sector.

As the local economy continues in its structural adjustment programme, MSMEs will need to access economical forms of capital, new markets through export initiatives, and opportunities to leverage returns on investment through participating in value chains. Drawing on the theme of Small Business Week 2019, **“Small Size, Big thinking – Changing the Mindset for Global Engagement”**, the SBA will continue the dialogue on influencing a paradigm shift in the mindset of small business owners, towards becoming global firms capable of competitively engaging international markets.

**Presented on behalf of the Board of Directors**  
by

**Wayne Willock**  
President



# Brian F. Griffith & Co. CHARTERED ACCOUNTANTS

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## Independent Auditors' Report To the members of Small Business Association

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### Opinion

We have audited the consolidated financial statements of **Small Business Association**, which comprise the consolidated balance sheet as at June 30, 2019, and 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, 2019, 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 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/ICAB\\_Public/Resource\\_Library/Technical\\_and\\_Professional\\_Matters/Auditing/AUDITING%20DOCUMENTATION.aspx?hkey=414b0300-2d26-41cf-b3e9-55bc522151fc](https://www.icab.bb/ICAB_Public/Resource_Library/Technical_and_Professional_Matters/Auditing/ICAB_Public/Resource_Library/Technical_and_Professional_Matters/Auditing/AUDITING%20DOCUMENTATION.aspx?hkey=414b0300-2d26-41cf-b3e9-55bc522151fc)



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

September 3, 2019  
Bridgetown, Barbados



**Small Business Association  
(Limited by Guarantee)  
Consolidated balance sheet  
As at June 30, 2019**

	Notes	2019 \$	2018 \$
<b>ASSETS</b>			
Cash at bank	3	527,516	406,426
Accounts and other receivable	4	151,306	18,379
Prepaid expenses		4,364	6,620
		<u>683,186</u>	<u>431,425</u>
<b>Non-current assets</b>			
Term deposits	5	600,000	910,350
Property, plant and equipment	6	19,912	31,351
		<u>619,912</u>	<u>941,701</u>
<b>Total assets</b>		<b><u>1,303,098</u></b>	<b><u>1,373,126</u></b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Accounts payable and accruals		64,617	76,675
		<u>64,617</u>	<u>76,675</u>
<b>Non-current liabilities</b>			
Deferred income	7	438,750	472,450
		<u>438,750</u>	<u>472,450</u>
<b>Total liabilities</b>		<b><u>503,367</u></b>	<b><u>549,125</u></b>
<b>Equity</b>			
Accumulated deficit		(2,200,269)	(2,175,999)
Capital grant	8	3,000,000	3,000,000
		<u>799,731</u>	<u>824,001</u>
<b>Total liabilities and equity</b>		<b><u>1,303,098</u></b>	<b><u>1,373,126</u></b>

Approved by the Board of Directors on September 3, 2019 and signed on its behalf by:

DIRECTOR N. S. Willode DIRECTOR Dave

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, 2019**

	Notes	2019 \$	2018 \$
Income	9	584,269	808,458
Expenses	10	<u>608,539</u>	<u>834,075</u>
Deficit from operations		(24,270)	(25,617)
Other expenses	2(e) & 13	<u>-</u>	<u>1,435,287</u>
Deficit for the year		<u>(24,270)</u>	<u>(1,460,904)</u>
Accumulated deficit at start of year		(2,175,999)	(708,394)
Correction of prior period errors		<u>-</u>	<u>(6,701)</u>
Accumulated fund restated		<u>(2,175,999)</u>	<u>(715,095)</u>
Accumulated deficit at end of year		<u>(2,200,269)</u>	<u>(2,175,999)</u>

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, 2019**

	2019 \$	2018 \$
<b>Cash flows from operating activities</b>		
Deficit for the year	(24,270)	(1,460,904)
Adjustments for non-cash income and expenses		
Depreciation	13,075	14,235
Operating deficit before working capital changes	(11,195)	(1,446,669)
Increase in accounts receivables	(132,927)	(1,605)
Decrease in prepaid expenses	2,256	721
Decrease in accounts payable and accruals	(12,059)	(2,250)
<b>Net cash used in operating activities</b>	<u>(153,925)</u>	<u>(1,449,803)</u>
<b>Cash flows from investing activities</b>		
Addition to property, plant and equipment	(1,635)	(500)
Decrease in other assets	-	33,401
Decrease in investments	-	1,007,960
<b>Net cash from/(used) in investing activities</b>	<u>(1,635)</u>	<u>1,040,861</u>
<b>Cash flows from financing activities</b>		
Decrease in deferred income	(33,700)	(168,780)
Decrease in amounts due by subsidiary company	-	167,027
Increase in amounts due to shareholder	-	24,610
<b>Net cash from financing activities</b>	<u>(33,700)</u>	<u>22,857</u>
<b>Net decrease in cash for the year</b>	(189,260)	(386,085)
<b>Cash at beginning of year</b>	<u>1,316,776</u>	<u>1,702,861</u>
<b>Cash at end of year</b>	<u><b>1,127,516</b></u>	<u><b>1,316,776</b></u>
<b>Cash and cash equivalents comprise:</b>		
Cash	527,516	406,426
Term deposits	<u>600,000</u>	<u>910,350</u>
	<u><b>1,127,516</b></u>	<u><b>1,316,776</b></u>

The accompanying notes form part of these financial statements.

**Small Business Association  
(Limited by Guarantee)  
Notes to consolidated financial statements  
June 30, 2019**

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

**2. Significant accounting policies**

**a) Basis of accounting**

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

**b) Currency**

These financial statements are expressed in Barbados dollars.

**c) Depreciation**

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

The annual rates used are:-

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

**d) Comparative information**

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

**Small Business Association  
(Limited by Guarantee)  
Notes to consolidated financial statements  
June 30, 2019**

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**5. Term deposits**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Small Business Association	-	310,350
Small Business Venture Capital Inc. (CLICO Investments)	<u>600,000</u>	<u>600,000</u>
	<b><u>600,000</u></b>	<b><u>910,350</u></b>

The treatment of the CLICO Investments was announced in Government's Financial Statements and Budgetary proposals on March 20, 2019. Discussions on the new investment instruments to be issued are still on-going with the principals of New Life Investment Company Inc., the company that has acquired the assets of CLICO, and had not been concluded by the end of the financial year. Consequently, management decided that as the fair value of the investment was indeterminable at the end of the year, the instruments would be recorded at their cost.

**6. Property, plant and equipment**

	<b>Furniture and fittings \$</b>	<b>Office equipment \$</b>	<b>Total 2019 \$</b>
<b>Cost</b>			
At July 1, 2018	57,696	150,242	207,938
Additions	-	1,635	1,635
At June 30, 2019	<u>57,696</u>	<u>151,877</u>	<u>209,573</u>
<b>Accumulated depreciation</b>			
At July 1, 2018	56,412	120,174	176,586
Charge for the year	232	12,843	13,075
At June 30, 2019	<u>56,644</u>	<u>133,017</u>	<u>189,661</u>
<b>Net Book Value -2019</b>	<b><u>1,052</u></b>	<b><u>18,860</u></b>	<b><u>19,912</u></b>
<b>Net Book Value -2018</b>	<b><u>1,284</u></b>	<b><u>30,067</u></b>	<b><u>31,351</u></b>

**Small Business Association  
(Limited by Guarantee)  
Notes to consolidated financial statements  
June 30, 2019**

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**2. Significant accounting policies continued**

**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**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Small Business Association	484,219	356,393
Small Business Venture Capital Inc.	43,297	50,033
	<u><b>527,516</b></u>	<u><b>406,426</b></u>

**4. Accounts and other receivable**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Government of Barbados - Subvention	120,000	-
UNDP	20,000	-
TVET Council	5,680	-
Caribbean Export Development Agency	4,501	-
Other receivables	1,125	18,379
	<u><b>151,306</b></u>	<u><b>18,379</b></u>

**Small Business Association  
(Limited by Guarantee)  
Notes to consolidated financial statements  
June 30, 2019**

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**7. Deferred income**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Project revenue (residual amount)	437,450	472,450
Membership dues	<u>1,300</u>	<u>-</u>
	<b><u>438,750</u></b>	<b><u>472,450</u></b>

**8. Capital grant**

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

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

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

**Small Business Association**  
**(Limited by Guarantee)**  
**Notes to consolidated financial statements**  
**June 30, 2019**

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**9. Income**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Ordinary Grant - Annual subvention	307,500	250,000
Special Projects Revenue	110,689	275,778
Training Programme	55,110	70,680
Membership fees	39,750	46,690
Small Business Week	29,750	96,550
Enterprise in Action	18,500	40,000
Services	10,671	7,379
Interest income	9,766	12,919
Solar Transport Project	1,983	-
Tech Smart Project	350	1,850
Dividends income	200	6,200
Other income	-	412
	<b><u>584,269</u></b>	<b><u>808,458</u></b>



**Small Business Association**  
**(Limited by Guarantee)**  
**Notes to consolidated financial statements**  
**June 30, 2019**

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**10. Expenses**

	<b>Notes</b>	<b>2019</b> \$	<b>2018</b> \$
Personnel Cost		325,336	332,157
Projects expenses	11	100,417	304,609
Utilities		43,316	46,052
Rent		42,500	42,773
Secretariat expenses	12	19,584	25,780
Professional fees		18,875	16,097
Depreciation		13,075	14,235
Repairs and maintenance		12,509	11,369
Directors' fees		11,275	10,385
Marketing and business development		5,659	1,593
Insurance		5,192	1,186
Membership fees		3,000	6,000
Bank charges and interest		2,420	2,469
Advertising & public relations		1,990	284
Internet expenses		1,825	2,463
Overseas, conferences and meetings		750	-
Security		458	264
Training and seminars		235	150
Induction ceremony expenses		102	270
Miscellaneous		21	1,010
Bad debt expense		-	14,579
Donations		-	350
		<b>608,539</b>	<b>834,075</b>

**Small Business Association**  
**(Limited by Guarantee)**  
**Notes to consolidated financial statements**  
**June 30, 2019**

---

**11. Project expenses**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Special Project expenses	30,613	164,496
Small Business Week	26,705	88,723
Enterprise in Action Programme	15,421	38,290
Entrepreneurial Training	12,983	13,101
Other	14,695	-
	<u><b>100,417</b></u>	<u><b>304,609</b></u>

**12. Secretariat expenses**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Meeting expenses	6,111	14,448
Supplies & stationery	7,592	7,179
Subscriptions	3,105	1,147
Social events & activities	-	1,372
Postage & printing	301	1,006
General office expenses	2,475	627
	<u><b>19,584</b></u>	<u><b>25,780</b></u>

**Small Business Association**  
**(Limited by Guarantee)**  
**Notes to consolidated financial statements**  
**June 30, 2019**

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**13. Other expenses**

	<b>2019</b>	<b>2018</b>
	\$	\$
Impairment of amount due by SBA Enterprise Inc.	-	191,638
Impairment of investment at cost in SBA Enterprise Inc.	-	127,958
Impairment of investment at cost in seven (7) companies	-	880,000
Impairment of interest receivable on Term deposits with	-	
Clico (Int'l) Life Insurance Limited	-	201,841
Impairment of other receivable	-	33,850
	<u>-</u>	<u>1,435,287</u>

**14. Summary of Financial Operations**

	<b>SBA</b>	<b>SBVCI</b>
	\$	\$
<b>Statement of surplus</b>		
Income	583,769	500
Expenses	<u>602,125</u>	<u>6,414</u>
<b>Deficit for the year</b>	<u><b>(18,356)</b></u>	<u><b>(5,914)</b></u>
<b>Balance sheet</b>		
<b>Assets</b>	<u><b>659,801</b></u>	<u><b>643,297</b></u>
Liabilities	496,898	6,469
Shareholder's equity	<u>162,903</u>	<u>636,828</u>
<b>Liabilities and shareholder's equity</b>	<u><b>659,801</b></u>	<u><b>643,297</b></u>

# STANDING ORDERS

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

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



## Notes

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Small Business Association of Barbados

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