



Small Business
ASSOCIATION

ANNUAL REPORT 2015



Towards **50th** year of
Independence
Reimagining National Development
– the Role of Small Enterprise **2016**

Corporate Vision

The Small Business Association will be the national organisation of choice for business and 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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Notice of Meeting

Notice is hereby given of the 22nd Annual Meeting of Members of the Small Business Association to be held on Thursday November 26, 2015 at 11:30a.m. at the Accra Beach Hotel, Rockley Christ Church.

Agenda

1. Ascertainment of Quorum and Call To Order
2. Prayers
3. Excuses
4. Welcome and Opening Remarks
5. Minutes of the 21st annual meeting held on November 25, 2014
6. Matters arising from minutes
7. Presentation of keynote speaker
8. Board of Director's Report
9. Treasurers Report and Financial Statements
10. Auditor's Report
11. Appointment of Auditors
12. Elections
13. Any other business
14. Termination

By Order
Charles Carter
Secretary

Core Values

LEADERSHIP: having the courage to act on our convictions; aligning actions with shared values; fostering collaboration, building trust, and facilitating meaningful relationships among stakeholders; seizing initiatives and looking outward for innovative ways to improve; providing examples for our members to emulate.

RESPONSIVENESS: valuing the business of our customers; being highly sensitive to their needs; committing to be open, flexible, reliable and accountable in delivering service.

INTEGRITY: being trustworthy and standing for what is right; honouring our commitment to our stake-holders; treating all individuals with courtesy and dignity; impressing on our stakeholders to be transparent in their business practices.

TRUST & MUTUAL RESPECT: acknowledging the dignity and value of each employee, member and customer; willing at all times to seek the best interest and well-being of employees, members and other stakeholders.

EXCELLENCE: exhibiting exemplary behaviours and maintain the highest standards of performance, aiming for continuous quality improvement in our day-to-day operations; encouraging members and industry partners to value the importance of consumers.

INTERDEPENDENCE: enlisting others in a common vision by appealing to share aspirations; engaging in the sharing of ideas and knowledge among employees, members and other stakeholders; encouraging cooperative efforts at all levels in the association.

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

Corporate Information

Bankers

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

First Citizens Bank

Lower Broad Street, Bridgetown

CIBC First Caribbean

International Bank
Warrens, St. Michael

Scotia Bank

Lower Broad Street, Bridgetown

Auditors

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

SBA Office

#1 Pelican Industrial Estate
St. Michael, Barbados
Tel. (246)228-0162
Fax. (246)228-0163
Email: theoffice@sba.bb

Leadership Team



President - Dalton Medford



Vice President
Gayle Headley-Lowe



Treasurer - Adlai Stevenson



Secretary - Charles Carter



Assistant Secretary/Treasurer
Robert Homer



Director - Roland Clarke



Director - Margaret Hoyte



CEO - Lynette Holder



Board of Directors Report for FY 2014 - 2015

Presented to the 22nd Annual Meeting of the Small Business Association

INTRODUCTION

A review of Barbados' economic performance during financial year 2014 – 2015 revealed that the micro, small and medium enterprise (MSME) sector continued to be challenged in maintaining operational viability and profitability on account of the prolonged recessionary business environment in Barbados. The macro economic conditions, as reported by the Governor of the Central Bank in his various updates on the economy, demonstrated that the country's fiscal deficit continued to increase owing to the lack of growth in the gross domestic product (GDP). This had resulted in several attempts on the part of Government to raise revenue through a medium term programme of fiscal adjustment. The resultant impact has been an increase in taxation on the populace and the attendant effect of reduced spending power by consumers.

The MSME sector has been adversely affected since a reduction in disposable income among consumers equates to less spending with micro and small firms. This has been further compounded by increased cost in inputs and the inability to access much needed capital to finance operations and expansion. The sector therefore emerged at the end of the year in a more vulnerable position within the context of global competitiveness. There is therefore the need for relevant policies to provide an enabling business environment, financial and technical resources to enhance viability, and competency training to improve skills and capacity of owners/managers and staff of small firms.

It is against this backdrop that the Small Business Association (SBA) focused its programmes in FY 2015 on those areas that were critical to giving member-firms the opportunity to survive in the current recessionary climate. Consequently, the work plan for the year concentrated on increased lobbying, marketing programmes to enhance the profile of the association and provide opportunities for firms to increase revenues, and training geared towards building competence of members in particular occupational areas.

The following provides an update on the activities for the year along four strategic areas:

- **Governance**
- **Advocacy & Stakeholders Relations**
- **Education & Training**
- **Business Development & Networking**

Report On Operations

1. GOVERNANCE

A sound governance framework is needed to set the platform for the performance of the company, to ensure accountability by all and provide an environment by which the deliverables of the association would be achieved. As a result, the Board commenced the year with a review of the strategic plan 2013 – 2016 and developed a work plan for the fiscal year based on the critical success factors needed to drive operations. An operating budget was prepared for the year to determine the revenues needed to finance the company's programmes and to manage expenditure levels. The Policy Manual was updated to guide the relationship between Board & staff, and facilitate the working environment within which staff would function. These tools provided the Board the governance framework to conduct bi-monthly meetings with executive management to review the association's performance. Additionally, the Board completed a review of the SBA's by-laws to ensure that this document reflected changes in membership, the business environment and the strategic direction needed for the association in the next decade. A special meeting of members would be held in the new financial year to present the proposed amendments.

INSTITUTIONAL STRENGTHENING

The SBA acknowledges that there are a number of capacity challenges to be addressed by the organisation. Consequently, the association applied for, and received funding through the Human Resource Development Strategy of Barbados (HRDS) to conduct an institutional assessment to holistically identify and address the association's capacity constraints. It is envisioned that the end product of this activity would provide the solutions and consequent proposals/projects to strengthen the SBA's capacity to serve its members. A review of the SBA's institutional capability to meet its members' needs will serve to improve its capacity to respond to members, particularly their advocacy, training and educational needs.

A number of capacity issues are recognized by the SBA, which will be addressed by the institutional assessment. These include: -

- Strengthening the association's capacity to provide qualitative and quantitative information on its membership and the wider small business sector in Barbados.
- Provision of more training and educational support on a diverse number of areas at both the vocational and managerial levels.
- Determining the human resource needs, technological and organizational structure required to achieve the strategic results of the association.
- The institutional assessment was started during the fiscal year under review and will be completed within the first half of the new financial year.

2. ADVOCACY & STAKEHOLDER RELATIONS

The SBA maintained an active lobby throughout the year to highlight the needs of the MSME sector and to encourage the necessary actions to strengthen the sector. The advocacy of the organisation was two-fold – public commentary via media interviews and press releases, and representation on various government committees and working groups. Based on feedback from members and an analysis of the business environment, the underlying issues addressed throughout the year were as follows:

- a) The need for government to implement the policy announced in 2008, of setting aside a percentage of its procurement of goods and services to the MSME sector. This would increase the market share for firms while protecting key vulnerable groups.
- b) Improving the access to financial solutions, particularly non-traditional sources of finance such as equity and development finance.
- c) Facilitating electronic trade through a credible, cost effective and secure e-commerce framework.
- d) Updated legislation, with the attendant incentives, to enable the growth of micro businesses.

The association further strengthened its advocacy through involvement in committees and working groups in the areas of:

- a) Safety and health through the National Advisory Council on Safety & Health
- b) Development of our human resources through participation on the Steering Committee of the Human Resource Strategy of Barbados and the Pillar 5 Working Group of the Strategy
- c) Civil Society involvement in the democratization process via the Non-State Actors Panel
- d) The Barbados Private Sector Association and by extension the Social Partnership of Barbados
- e) Government's Committee on Foreign Affairs
- f) Housing & Sustainable Urban Development through the Habitat III Committee
- g) Task force on Trade & Business facilitation organized by the Ministry of Commerce
- h) Modernization of Government's Procurement System
- i) Ministry of Commerce's Steering Committee on Industrial Sector Policy
- j) Development of a National MSME Policy facilitated by the Ministry of Small Business Development

In addition to the above substantive committees, the SBA continued its advocacy in several seminars and workshops on renewable energy, agricultural development, science & technology, HIV/Aids, and the development of the apparel industry in Barbados.

3. EDUCATION & TRAINING

The SBA continued its training programme throughout the year achieving an overall student enrollment of 181 participants, 70% were female and 30% male. This represents a decline of 7% in student attendance compared to the 194 recorded for the year 2013/2014.

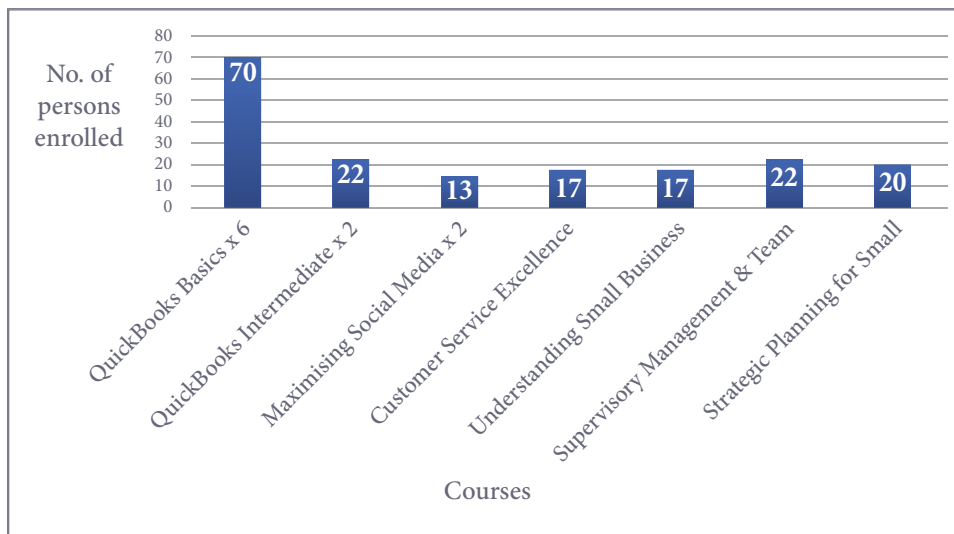


Figure 1

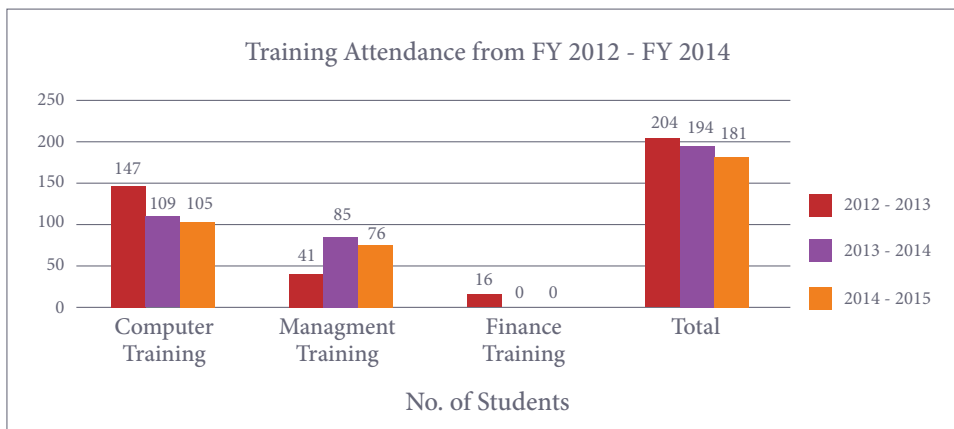


Figure 2

An analysis was carried out in the month of June 2015 on the training completed to collect demographical information on participants to inform future training actions. A review of the training implemented indicates the following:

- 80% of participants in the training were non-members of the SBA underscoring the value of the training product to the general public
- 56% of participants were full-time employees (inclusive of self-employed) and were being trained to strengthen their entrepreneurial skills to start and/or manage their own small business
- 64% of students use the training to acquire new skills, inclusive of the unemployed whose goal was to develop skills for business development activity
- The majority of students, 51%, were between the age of 25 – 40.

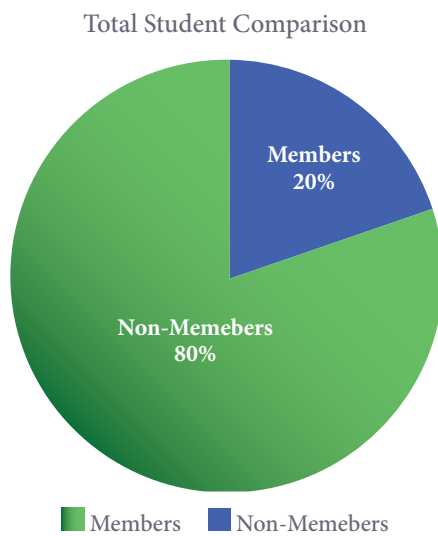


Figure 3

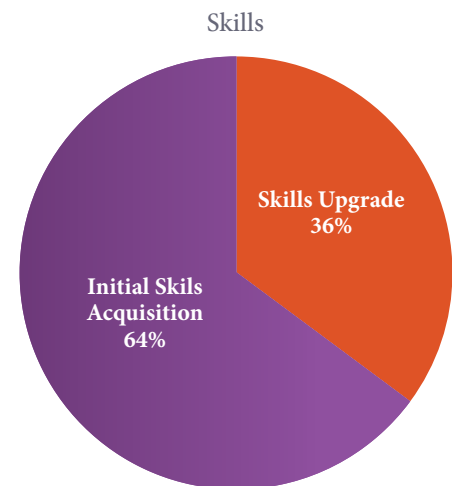


Figure 5

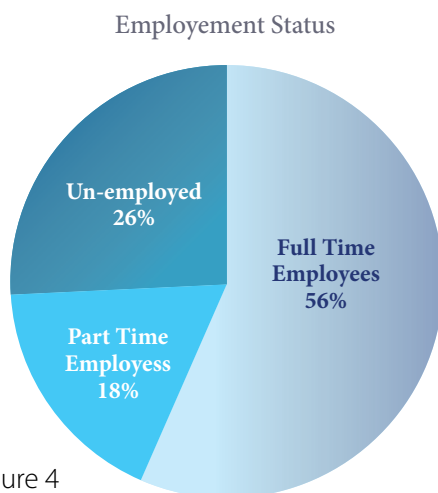


Figure 4

■ Full Time Employees ■ Part Time Employees ■ Un-Employed

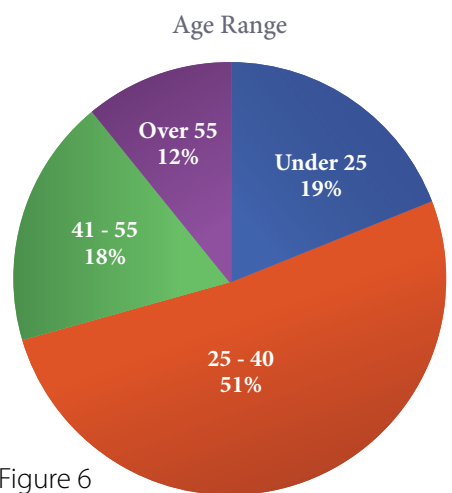


Figure 6

■ Under 25 ■ 25 - 40 ■ 41 - 55 ■ Over 55

3.1 SEMINARS & WORKSHOPS

Additionally, four educational seminars were held to address current topics affecting the MSME sector. These are listed in the below table.

July 2014	E-Commerce: Benefits and Challenges in collaboration with the Ministry of Industry, International Business, Commerce and Small Business Development
November 2014	Changes to the Central Bank's Financing Schemes in conjunction with the Central Bank of Barbados
February 2015	Strategies to Build Market Share A collaborative seminar between the Barbados Postal Service and the Ministry of Commerce on distribution networks and marketing strategies.
May 2015	Seminar on Disaster Preparedness prior to the start of the Atlantic Hurricane Season. Presentations were made by representatives of the Coastal Zone Management Unit, the Department of Emergency Management and insurance providers.

3.2 COMPETENCY-BASED TRAINING

During the reporting period the SBA commenced the administration of training for small business owners and managers in the occupational area, Developing a New or Existing Business Enterprise Level 3. The programme is part of the Competency-Based Training fund cycle of projects. Training was started in the period for some 25 participants to attain the National Vocational Qualification (NVQ) in this area. A further 25 firms are slated to commence the second cohort of training in January 2016. The NVQ, which is awarded by the Technical Vocational and Educational Training Council, will enhance the competency of business owners while strengthening the marketability of the firm as the qualification is accepted within the region and internationally. The SBA is therefore seeking to build the capacity of members through this initiative and to enhance their competitiveness for both domestic and export markets. Some six sessions have been held to date for students in cohort one, which is scheduled to be completed in February 2016.

In order to achieve full certification, candidates must complete the following seven (7) mandatory units:

- **Achieve the goals for your business**
- **Win and keep customers**
- **Build relationships to build your business**
- **Check the likely success of a business idea**
- **Decide on the capital needs of your business**
- **Check the ability to run your business**
- **Plan how you will sell your products or services**

4. BUSINESS DEVELOPMENT & NETWORKING

Business development and networking activities organized throughout the year were geared towards assisting members to grow their revenue streams and enhance overall marketability. These activities included the re-launch of the Be SME Smart programme, and greater use of social media and the Internet to promote members' product offerings. The SBA also hosted its signature promotional and networking event, Small Business Week, during the period.

4.1 BE SME SMART PROGRAMME

During the year the SBA commenced the roll out of a marketing programme to strengthen the opportunity for MSMEs to increase their revenues. Dubbed, Be SME Smart, the programme featured an on-line marketplace for firms to promote their goods and services and a discount card, the Smart Card, for consumers to access a variety of discounts and special offers from businesses. The programme targets consumers and encourages them to patronize small businesses in their everyday purchases. The value proposition is that with increased patronage of local MSMEs the Barbados economy will save jobs, reduce the use of foreign exchange, sustainable businesses will be created and the MSME sector will improve the quality of goods and services produced. Promotion for the programme utilized all major media platforms including print, electronic and web-base marketing, along with sales teams in key geographical areas and networking sessions. The campaign also has its own Facebook page, which is used to promote members' products.

The campaign will be implemented annually, to provide a vehicle for MSMEs to promote their goods and services and to galvanize the consuming public to patronize small firms while enjoying a range of discounts and special offers. The programme will have a phase two component in the new financial year, which will include the delivery of goods to consumers purchased in the on-line marketplace via a courier service and an e-commerce facility to allow for on-line trading.

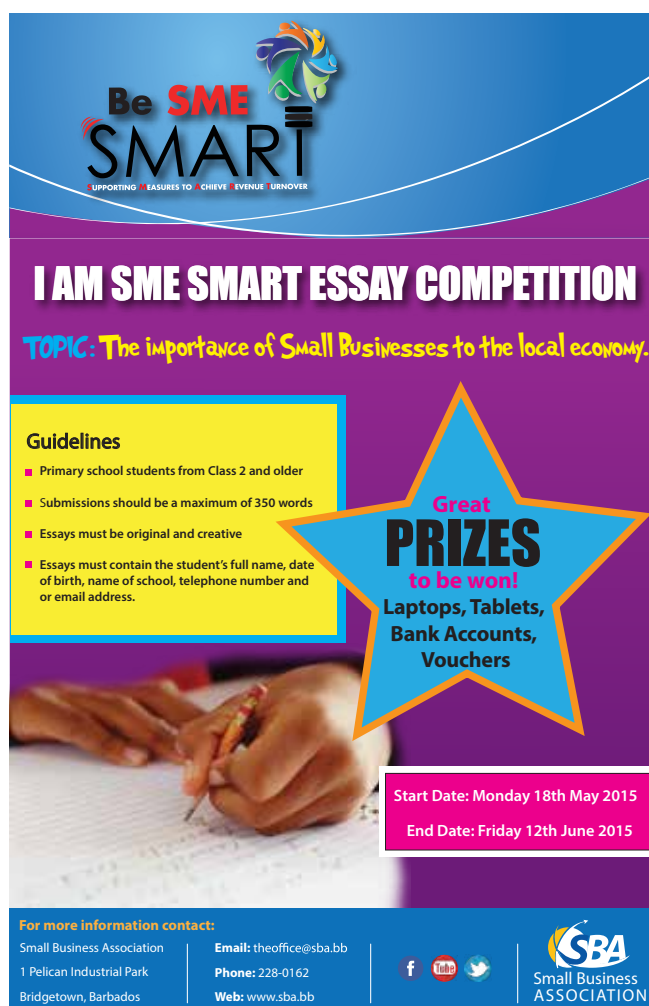


4.1.1 SME SMART ESSAY COMPETITION

The SBA also launched the 'I Am SME SMART Essay Competition' as a further fillip to the Be SME Smart programme. The competition was opened to primary school students from class two to four requiring them to write an essay, maximum of 350 words on the topic ***"The Importance of Small Businesses to the Local Economy"***. This topic was chosen to assist children in developing an understanding from a young age, about the role that small businesses played in an economy and for them to value this contribution.

Primary schools from rural and urban Barbados participated in the first year, providing an opportunity for their charges to explore the world of small business development within the context of the local economy. At the end of June there were 18 submissions from students in classes two – four. These essays would be reviewed according to set criteria and winners announced during the Small Business Week 2015 Youth Forum.

The SBA desires to use the Be SME Smart campaign and essay competition to sow the seeds necessary to create a cultural paradigm towards embracing entrepreneurs and facilitating greater innovation & creativity across the island.



The poster is for the 'I Am SME SMART Essay Competition'. At the top, it features the 'Be SME SMART' logo with a colorful bird icon and the tagline 'SUPPORTING • REASURES TO • CHIEVE • REVENUE • URNOVER'. Below this, the title 'I AM SME SMART ESSAY COMPETITION' is prominently displayed in white on a purple background. The topic, 'TOPIC: The importance of Small Businesses to the local economy.', is written in a stylized font. A yellow box on the left contains the 'Guidelines' for the competition. A large blue star on the right lists 'Great PRIZES to be won! Laptops, Tablets, Bank Accounts, Vouchers'. The bottom section includes the 'Start Date: Monday 18th May 2015' and 'End Date: Friday 12th June 2015'. At the very bottom, contact information for the Small Business Association is provided, along with social media icons and the SBA logo.

Be SME SMART
SUPPORTING • REASURES TO • CHIEVE • REVENUE • URNOVER

I AM SME SMART ESSAY COMPETITION

TOPIC: The importance of Small Businesses to the local economy.

Guidelines

- Primary school students from Class 2 and older
- Submissions should be a maximum of 350 words
- Essays must be original and creative
- Essays must contain the student's full name, date of birth, name of school, telephone number and or email address.

Great PRIZES to be won!
Laptops, Tablets, Bank Accounts, Vouchers

Start Date: Monday 18th May 2015
End Date: Friday 12th June 2015

For more information contact:
Small Business Association
1 Pelican Industrial Park
Bridgetown, Barbados

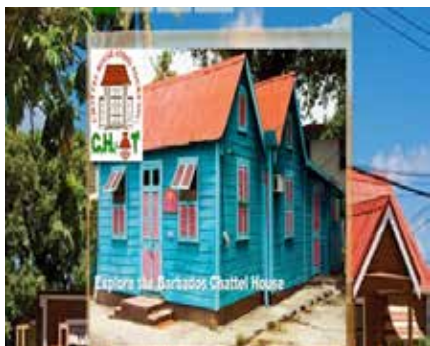
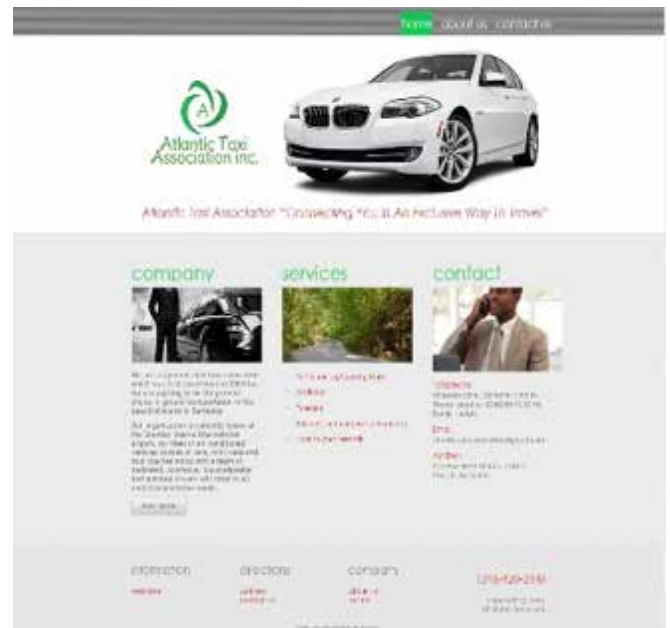
Email: theoffice@sba.bb
Phone: 228-0162
Web: www.sba.bb

SBA
Small Business ASSOCIATION

"I Am SME SMART" Essay Competition Poster

4.2 TECHSMART PROGRAMME

Through a technical assistance grant from the Central Bank of Barbados, the SBA started a website development project for members titled 'TechSmart'. The project was designed to provide free websites for members to assist them in improving their operational efficiencies and competitiveness through the use of the World Wide Web. It is hope that a second component of the project will see the build out of an e-commerce platform to assist members to trade their goods and services on-line. The project included the facilitation of workshops for participating members in website management and content development, to ensure that members were capable of managing the content upgrade and back-end features of the sites. The first phase of the project featured the development of 50 websites for members. Another 15 firms were identified during the reporting period and work started to design sites for these members to enhance their marketability through the use of the Internet. Enclosed are images of websites developed during the year.



4.3 E-COMMUNICATIONS

The Internet continued to be a strategic tool being used by the association throughout the year. Social media platforms and the SBA's website were incorporated in the overall communications strategy of the association resulting in significant growth in users of these mechanisms and greater awareness of the organization's programmes among the general public.

4.3.1 SOCIAL MEDIA

At year end, the SBA had realized its work-plan target of 4000 Facebook followers (actual 4187) and the 50% increase in its Twitter and LinkedIn accounts as projected. The use of these tools not only provided an economical way of showcasing members' goods and services but also promoted the activities of the association. A social media presence serves to position the SBA in the market as a relevant business support organisation catering to the needs of a technologically engaged generation of entrepreneurs and potential self-employed persons.

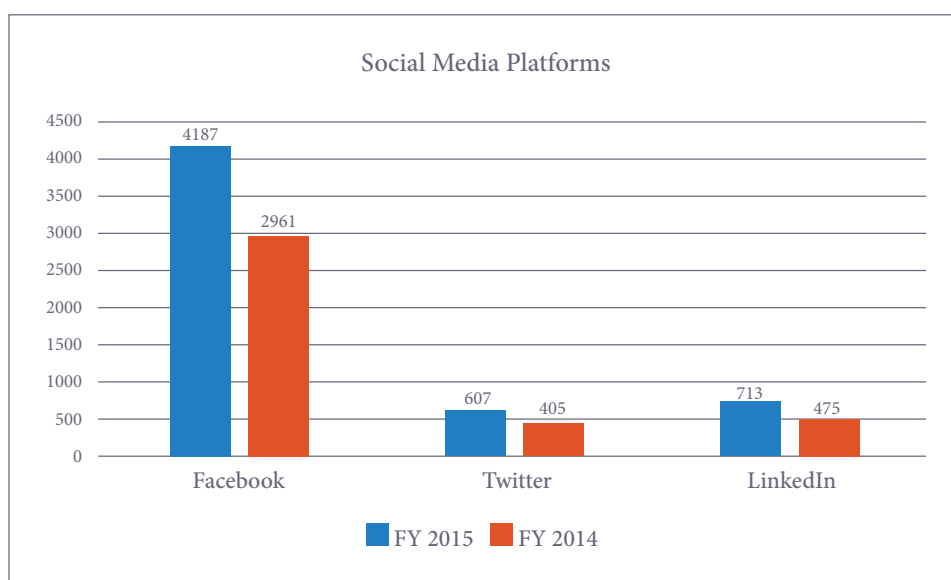


Figure 7

4.3.2 WEBSITE

The SBA's website was also used to disseminate information to members and the public. The launch of the **Be SME Smart** programme with the value added feature of the on-line market place, assisted in attracting persons to the site. As a result, the website usage grew exponentially during the year from a baseline figure of 750 sessions per month at the end of June 2014 to a monthly average of 1,542 as at June 2015, an increase of 106%.

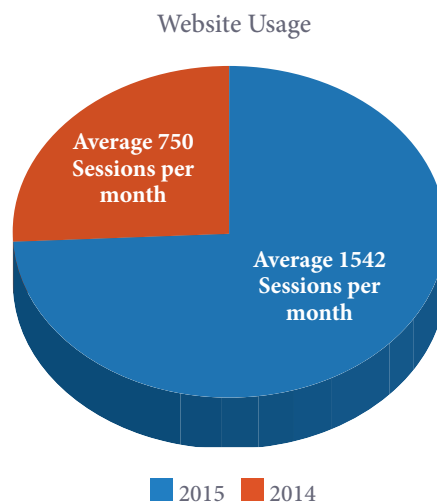


Figure 8

4.3.3 E-NEWSLETTER

The association published its e-newsletter each month during the year as projected. The publication titled, **Outlook**, provides another platform for the SBA to promote its service offerings, report on activities held during the year such as training, members' meetings and other networking sessions, and highlight the goods & services provided by members. The e-newsletter also assists with promoting the events of stakeholders and addressing critical areas of MSME development. All editions of the newsletter are posted on www.issuu.com, the SBA's website, LinkedIn and the association's Facebook pages. The database of recipients at the end of the year increased to 11,272, or 13% above the amount for the previous year.

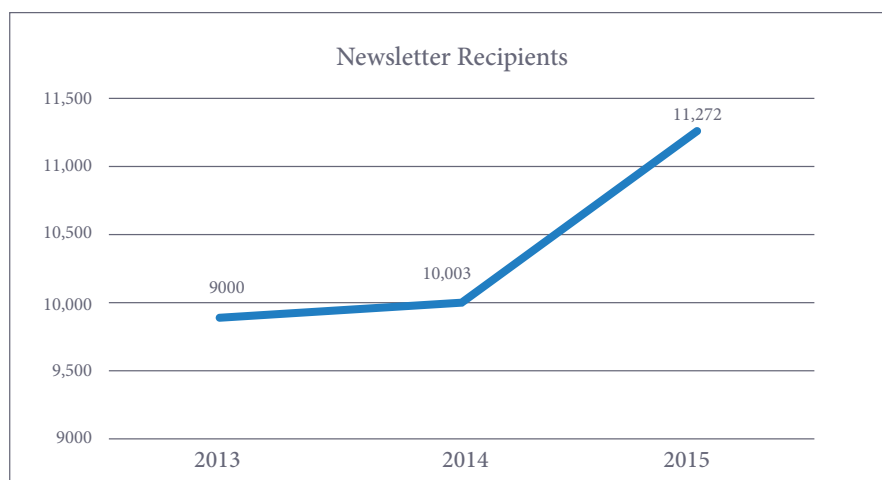


Figure 9

4.4 SMALL BUSINESS WEEK

The annual week of activities, **Small Business Week (SBW)**, was coordinated for the 11th consecutive year during fiscal period 2014/15. The activities began with a media launch in the month of August, followed by six events held in September. The week of activities again focused on recognizing members and other contributors to MSME development at the national level, through an awards programme, and engaged the general public through educational and promotional events. Similar to other national industry promotions, SBW focuses national attention on the contribution of the MSME sector to economic and social development and strengthens the lobby for improvement in the policy & legislative framework, the provision of financing and other resources needed for the sector.

Under the theme *“Small Business as an Elixir for Economic Recovery”*, SBW featured six events that educated, entertained and enlightened the sector and the general public. Events included:

- i. A **Church Service** held at the Sanctuary Empowerment Centre
- ii. The **VI Leo Leacock Memorial Lecture** delivered by keynote speaker, Sir Dwight Venner, Governor of the Eastern Caribbean Central Bank.
- iii. **Youth Forum** at the Savannah Beach Hotel for over 150 students from 12 secondary schools and featuring the Enterprise in Action Youth programme.
- iv. **Promotional Bus Tour** on a Rocklyn Bus, visiting strategic business points around the island including Speightstown, Six Roads and Oistins.
- v. **The 20/20 Cricket Match**
- vi. **Awards Ceremony & Dinner.** Several entrepreneurs and business support organizations were recognized for their contribution to business and community development. Professor Avinash Persaud, internationally acclaimed economist and Barbadian, spoke about the “entrepreneurial state” and challenged the audience, to conceptualize a greater state than what currently obtained. Awards were as follows:
 - 7 Sectoral Awards
 - The People’s Entrepreneur Award – C.S.L. Enterprises
 - The Entrepreneur of the Year – C & G Star Trading
 - President’s Award – Andrea C. Taylor, SBA’s Business Operations Manager
 - Community Awards – Caribbean Export Development Agency and the Barbados Coalition of Services Industries Inc.

HIGHLIGHTS OF SMALL BUSINESS WEEK 2014





5. UPCOMING PROJECTS

At the end of financial year 2015, the SBA had begun two strategic interventions designed to strengthen the MSME sector, through policy, programming and business development. The organisation received funding through the HRDS to complete a national survey of the sector and develop a start-up toolkit for potential business owners. The research project will provide the quantitative and qualitative information on the sector relative to employment, percentage of GDP, sectoral contribution, gender distribution, among other matrices, to assist with policy development, advocacy and the introduction of relevant programmes to grow the sector. The start-up toolkit provides a one-stop guide to address the legislative, administrative, financial requirements, business systems and other processes to be followed to set up a small business in Barbados. These initiatives will enhance the association's ability to offer value-added services to the MSME sector at a time when the sector's contribution to economic recovery is vital. The SBA's core offerings of advocacy, training & education and business development will be improved through these actions.

6. LOOKING AHEAD

As the nation Barbados approaches its 50th year as an independent sovereign state, the need for a review of its development model becomes imperative. This is occasioned by weaknesses in the country's macro economic fundamentals exposed by exogenous shocks, and the resultant impact on citizens' quality of life. The question must therefore be asked, whither Barbados 50 years hence? What kind of social and economic policies are needed? What role will the MSME sector play going forward? The SBA continues to posit the view, that small and medium enterprises are catalytic in the development of an economy. That said, a focused strategy of enabling policies, relevant educational solutions, available business support & financial services and a culture that embraces innovation, must be harnessed to maximize on the exponential contribution that the MSME sector can make. Looking ahead, the association will continue to use its resources to champion the development of the sector. The SBA will facilitate further the national discussion, started during its 2015 Small Business Week, along the theme ***"Re-imagining National Development – the Role of Small Enterprise"***. It is hoped that the ensuing year will bring robust debate and dialogue as all stakeholders work together towards developing a model for Barbados' growth in its next era of Independence. The MSME sector has demonstrated its capacity to be a key driver of such growth and should be enabled, now more than ever, to contribute fully to the development process.

Presented by

Dalton Medford, President

Board of Directors

**Small Business Association
(Limited by Guarantee)
Partially Consolidated Financial Statements
For The Year Ended
June 30, 2015**

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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, 2015, 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 financial statements in accordance with the International Financial Reporting Standard for Small and Medium Size Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

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, 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium Size Entities.

A handwritten signature in dark ink, appearing to read "Brian F. Griffith & Co.", written over a faint horizontal line.

Brian F Griffith & Co.
Chartered Accountants

10 November 2015
Bridgetown, Barbados

**Small Business Association
(Limited by Guarantee)
Partially consolidated balance sheet
As at June 30, 2015**

	Notes	2015 \$	2014 \$
Assets			
Cash at bank	3	453,175	460,681
Term deposits	4	1,113,991	1,101,841
Accounts receivables	5	159,706	105,809
Due by related parties		191,638	191,638
Investments	6	1,007,958	1,042,958
Prepaid expenses		8,660	9,095
Other assets		34,000	-
Non-current assets	7	18,715	10,785
Total assets		2,987,843	2,922,807
Liabilities			
Accounts payable and accruals		136,224	54,928
Deferred revenue		562,268	562,275
		698,492	617,203
Equity			
Accumulated fund		(710,649)	(694,396)
Capital grant	8	3,000,000	3,000,000
		2,289,351	2,305,604
Total liabilities and equity		2,987,843	2,922,807

The accompanying notes form part of these financial statements.

Approved by the Board

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

**Small Business Association
(Limited by Guarantee)
Statement of partially consolidated accumulated fund
For the year ended June 30, 2015**

	\$
Accumulated fund - June 30, 2013	(636,066)
Deficit for the year	(58,330)
Accumulated fund - June 30, 2014	(694,396)
Deficit for the year	<u>(16,253)</u>
Accumulated fund - June 30, 2015	<u>(710,649)</u>

The accompanying notes form part of these financial statements.

Small Business Association
(Limited by Guarantee)
Statement of partially consolidated surplus
For the year ended June 30, 2015

		2015	2014
	Notes	\$	\$
Income	9	733,631	690,547
Expenses	10	<u>749,884</u>	<u>723,877</u>
Deficit for the year		(16,253)	(33,330)
Investments written off		<u>-</u>	<u>(25,000)</u>
Deficit for the year		<u>(16,253)</u>	<u>(58,330)</u>

Small Business Association
(Limited by Guarantee)
Statement of partially consolidated cash flows
For the year ended June 30, 2015

	2015	2014
	\$	\$
Cash flows from operating activities		
Deficit for the year	(16,253)	(58,330)
Adjustments for non-cash income expenses		
Depreciation	<u>7,219</u>	<u>8,142</u>
Operating surplus before working capital changes	(9,034)	(50,188)
Net change in non-cash working capital balances	<u>27,828</u>	<u>590,276</u>
Net cash from operating activities	<u>18,794</u>	<u>540,088</u>
Cash flow from investing activities		
Decrease in investment	35,000	25,000
Addition to non-current assets	(15,150)	-
Increase in other assets	<u>(34,00)</u>	<u>-</u>
Net cash from/(used in) investing activities	<u>(14,150)</u>	<u>25,000</u>
Cash flows from financing activities		
Decrease in disadvantage fund	<u>-</u>	<u>(560,828)</u>
Net cash used in financing activities	<u>-</u>	<u>(560,828)</u>
Net increase in cash for the year	4,644	4,260
Cash at beginning of year	<u>1,562,522</u>	<u>1,558,262</u>
Cash at end of year	<u>1,567,166</u>	<u>1,562,522</u>
Cash and cash equivalents comprise:		
Cash	453,175	460,681
Term deposits	<u>1,113,991</u>	<u>1,101,841</u>
	<u>1,567,166</u>	<u>1,562,522</u>

The accompanying notes form part of these financial statements.

**Small Business Association
(Limited by Guarantee)
Notes to partially consolidated financial statements
June 30, 2015**

1. Incorporation and principal activity

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

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

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

2. Significant accounting policies

a) Basis of accounting

These financial statements are prepared under the historical cost convention.

No account has been taken of the effects of inflation.

b) Depreciation

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

The annual rates used are:-

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

c) Currency

These financial statements are expressed in Barbados dollars.

Small Business Association
(Limited by Guarantee)
Notes to partially consolidated financial statements
June 30, 2015

3. Cash at bank

	2015	2014
	\$	\$
Small Business Association	391,245	410,528
Small Business Venture Capital Inc.	<u>61,930</u>	<u>50,153</u>
	<u>453,175</u>	<u>460,681</u>

4. Term deposit

	2015	2014
	\$	\$
Small Business Association	312,150	300,000
Small Business Venture Capital Inc.	<u>801,841</u>	<u>801,841</u>
	<u>1,113,991</u>	<u>1,101,841</u>

5. Accounts receivable

	2015	2014
	\$	\$
Small Business Association	<u>159,706</u>	<u>105,809</u>
	<u>159,706</u>	<u>105,809</u>

**Small Business Association
(Limited by Guarantee)
Notes to partially consolidated financial statements
June 30, 2015**

6. Investments

	2014	2014
	\$	\$
Small Business Association	127,958	127,958
Small Business Venture Capital Inc.	880,000	915,000
	<u>1,007,958</u>	<u>1,042,958</u>

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

7. Non-current assets	Furniture and fittings	Office equipment	Property, plant equipment	Leasehold Improvements	Total 2015
	\$	\$	\$	\$	\$
Cost					
At July 1, 2014	94,784	152,024	4,980	110,983	362,771
Additions	-	15,150	-	-	15,150
At June 30, 2015	<u>94,784</u>	<u>167,174</u>	<u>4,980</u>	<u>110,983</u>	<u>377,921</u>
Accumulated Depreciation					
At July 1, 2014	85,109	150,915	4,980	110,983	351,987
Charge for the year	3,477	3,742	-	-	7,219
At June 30, 2015	<u>88,586</u>	<u>154,657</u>	<u>4,980</u>	<u>110,983</u>	<u>359,206</u>
Net Book Value - 2015	<u>6,198</u>	<u>12,517</u>	<u>-</u>	<u>-</u>	<u>18,715</u>
Net Book Value - 2014	<u>9,675</u>	<u>1,109</u>	<u>1</u>	<u>-</u>	<u>10,785</u>

**Small Business Association
(Limited by Guarantee)
Notes to partially consolidated financial statements
June 30, 2015**

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

	2015	2014
	\$	\$
Ordinary Grant - Annual subvention	324,500	371,000
Special Projects Revenue	137,002	12,500
Small Business Week	81,800	93,450
Enterprise in Action	50,000	79,000
Membership fees	48,775	44,730
Training Programme	48,169	56,350
Interest income	12,634	13,800
Tech Smart Project	11,200	-
Dividends income	10,084	2,500
Services	8,660	8,178
Other income	807	1,289
Membership booklet	-	4,200
The Business Lead	-	3,550
	<u>733,631</u>	<u>690,547</u>

Small Business Association
(Limited by Guarantee)
Notes to partially consolidated financial statements
June 30, 2015

10. Total expenses

	2015	2014
	\$	\$
Personnel Cost	316,030	363,461
Projects expenses	255,213	147,151
Rent	40,925	37,515
Utilities	29,804	27,125
Research & business development	24,770	-
Repairs and maintenance	19,580	14,813
Professional fees	18,131	23,051
Secretariat expenses	13,518	22,612
Directors' fees	12,100	14,600
Depreciation	7,219	8,142
Insurance	2,987	3,499
Internet expenses	1,940	1,735
Bank charges and interest	1,885	1,661
Security	1,169	1,046
Training and seminars	1,071	200
Advertising & public relations	974	873
Membership fees	933	7,414
Donations	600	-
Miscellaneous	444	1,294
Induction ceremony expenses	373	552
Penalties and interest	111	813
SBA/IDB Micro-Project	107	38,060
Bad debts	-	3,970
Marketing & member promotions	-	3,690
Overseas conferences, meetings	-	600
	<u>749,884</u>	<u>723,877</u>

Small Business Association
(Limited by Guarantee)
Notes to partially consolidated financial statements
June 30, 2015

11. Summary of Financial Operations

	SBA	SBVCI
	\$	\$
Statement of income		
Income	746,494	11,137
Expenses	742,990	30,894
Net surplus/(loss) for the year	<u>3,504</u>	<u>(19,757)</u>
 Balance sheet		
Assets	<u>3,263,636</u>	<u>1,777,771</u>
Liabilities	691,924	60,130
Shareholder's equity	<u>2,571,712</u>	<u>1,717,641</u>
Shareholder's equity and liabilities	<u>3,263,636</u>	<u>1,777,771</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, after which he shall immediately sit.
3. No member shall address the meeting except through the Chairman.
4. A member may not speak twice on the same subject except:
 - a) The mover of a motion – who has the right to reply.
 - b) He rises to object or to explain (with the permission of the Chair).
 - c) With permission of the Chairman.
5. The Mover of a Procedural Motion – (Adjournment laid on the table, Motion to postpone) is to have no right of reply.
6. No speeches are to be made after the “Question” has been put and carried negative.
7. A member rising on a “Point of Order” to state the point clearly and concisely. (A “Point of Order” must have relevance to the “Standing Order”)
8. a. A member should not “Call” another member “to Order” – but may draw the attention of the Chair to a “Breach of Order”.

b. In no event can a member call the Chair “to Order”.
9. A “Question” should not be put to the vote if a member desires to speak on it or move an amendment to it – except, that a “Procedural Motion”, the “Previous Question”, “Proceed to next business” or “the Closure”, may be moved at anytime.
10. Only one amendment should be before the meeting at one and the same time.
11. When a motion is withdrawn, and amendment to it fails.
12. The Chairman to have the right to a “Casting Vote”.
13. If there is equality of voting on an amendment, and if the Chairman does not exercise his casting vote, the amendment is lost.
14. Provision to be made for protection by the Chairman from vilification (personal abuse).
15. No member shall impute improper motive against another member.





Small Business
ASSOCIATION

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