

Access  
**Accelerator**

Small Business Development Centre

**2019-2020**

# **ANNUAL REPORT**



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# MESSAGE

## FROM THE DEPUTY PRIME MINISTER

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Since the creation of the Access Accelerator Small Business Development Centre (A<sup>2</sup>) we have seen this organization meet the high demand for assistance in the face of crisis. Under the incredible leadership of Chairman Geoffery Andrews and Executive Director, Davinia Grant funding through the organization has expanded from over one million dollars to now having funded \$49.9 million to micro, small and medium-sized enterprises (MSMEs) throughout The Bahamas. Every investment into micro, small and medium-sized enterprises is an investment into the strength of the Bahamian economy.

It is estimated that for every dollar invested into the Access Accelerator an **additional \$2.70 is generated in economic growth** due to economic activities it creates.

More than ever before The Bahamas must focus on restabilizing after facing two major events that severely impacted our country. As the nation recovers from Hurricane Dorian and the effects of the COVID-19 pandemic this administration will continue to support small businesses as this sector will push the rebuilding of our economy. We recognize that this support cannot stop at the Access Accelerator. To ensure that businesses can truly prosper we must continue to enhance the ease of doing business in the country. While our efforts have been fruitful, there is much more to be done and it will be done because we understand that an easier way to do business allows Bahamian entrepreneurs to provide better products, better services and ultimately more employment opportunities.

The past year has not been an easy one, especially for small business owners. Yet daily we see the strength, resilience and pure determination of the entrepreneurial spirit that is deeply entrenched in Bahamians. Together we will come out stronger and even more united as we develop a country that is for Bahamians by Bahamians.

**K. Peter Turnquest,  
The Bahamas Deputy Prime Minister  
& Minister of Finance**





# MESSAGE

## FROM THE CHAIRMAN

The entrepreneurial landscape around the world is changing and nowhere more so than here at home in the Commonwealth of The Bahamas. We are in the midst of a recognition that old paradigms are unfit for modern business needs, and we are witnessing a massive shift in the understanding of how business gets done. The global health crisis and the deleterious aftermath of two hurricanes – one a devastating Cat 5 monster – have provided us with incentive enough to embrace the change.

And what does that change entail? Where are we, now that the old models are broken?

We are in the new industrial age now, the age that some refer to as Industry 4.0. The zeitgeist here is “the intelligent networking of machines and processes in industry with the aid of information and communication technology.” In other words, Industry 4.0 references the fusion of digitalization with traditional industrial processes. This has implications for all aspects of the business process, from value chains and product lifecycles to product delivery and maintenance.



Standing and looking at Fiscal Year 2019/2020, we see the adaptation of the Access Accelerator Small Business Development Centre to the new paradigm, particularly focusing on driving our clients to inculcate ICTs into their business models as they strive for sustainability or a successful pivot in the new normal. We are perfectly poised at this point to prepare our clients to prosper in Industry 4.0, and to achieve sustainability.

By helping our clients focus on adopting technology for their business processes, and working to streamline the regulatory and policy environment in which they work, I feel confident that we have provided the kind of service to our clients that will set them firmly on the path to growth and impact. I look forward in the coming year to finding other ways to enhance the way we assist small businesses but also enhance and advance business advocacy and policy creation to better govern, regulate and protect the interests of the Bahamian small business sector.

**Geoffrey Andrews, Chairman  
Board of Directors, Access Accelerator**

# MESSAGE

## FROM THE EXECUTIVE DIRECTOR

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The 2019-2020 year for the Access Accelerator Small Business Development Centre (A<sup>2</sup>) was one that taught us many lessons. This year, as a country, we faced unexpected events and tragedies. MSMEs throughout the archipelago needed not only financial assistance but motivation to rebuild and pivot in the face of such adversity. Through our partnership with the Government and private sector financial institutions, the Access Accelerator was able to step in and provide necessary assistance to entrepreneurs.

The resiliency of Bahamian small business owners continued to be the engine that kept us going. As Sun-Tzu, a great strategist and philosopher, once said, “in the midst of chaos comes creativity”. We witnessed entrepreneurs rebuild their businesses better than before or pivoted their businesses to meet the demands and restrictions of our new reality.

As we look ahead to a new year our focus is to ensure that Bahamian businesses use tools like technology to sustain and protect their businesses from the unexpected. The Access Accelerator also looks forward to fostering more relationships with the private sector so that we can continue to provide entrepreneurs with opportunities to own a part of their economy. The Bahamas is still recovering from Hurricane Dorian and mitigating the effects of the COVID-19 pandemic but as we have seen already, the spirit of entrepreneurship that lives within Bahamians will continue to push us to the goal of a robust and resilient economy.

**Davinia Grant, Executive Director**  
**Access Accelerator**







## INTRODUCTION

Access Accelerator (A<sup>2</sup>) was founded with the goal of increasing employment and wealth generation opportunities in The Bahamas through the development and advancement of the Micro, Small and Medium-sized Enterprise (MSME) sector.

- Improving the environment to enable small business to flourish.
- Increasing direct financing to MSMEs.
- Creation and promotion of innovative programmes to support MSMEs.
- Fostering a culture of entrepreneurship and innovation, with a particular focus on marginalized groups.



# MISSION

We will support the evolution of Micro, Small and Medium-sized Enterprises (“MSMEs”) in The Bahamas, maximise the creation of economic impact through strategic partnerships, and – by equipping and empowering MSMEs – increase the ability of our sector to provide employment, create wealth and drive development of a robust and resilient economy.

# VISION

The Access Accelerator envisions a Bahamas where Bahamians can get into business and succeed.

“EQUIPPING &  
EMPOWERING MSMEs”

# ECONOMIC IMPACT

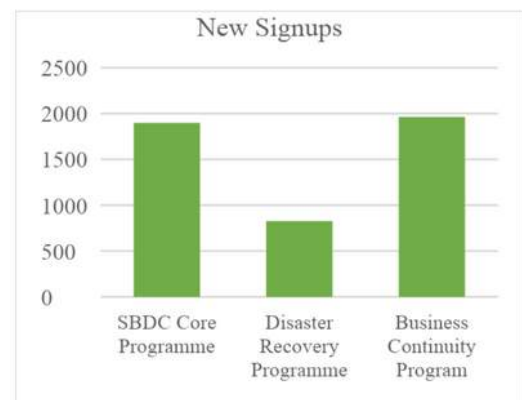
Through its services, Access Accelerator intends to equip and empower MSMEs in the Bahamas by providing the tools and resources necessary to thrive. A<sup>2</sup> offers three main services to entrepreneurs delivered through its various programmes: Business Advisory Services, Training & Entrepreneurial programming and Access to Capital.

The Access Accelerator core programme is the main product offering. This programme is offered to all entrepreneurs within The Bahamas whose businesses fit the description of an MSME: that is a business with less than 50 employees with annual revenue of less than \$5,000,000. The Over-The-Hill programme is another programme of Access Accelerator that focuses on equipping the businesses and entrepreneurs within the Over-The-Hill communities with the training, tools and resources to thrive. During FY2019 additional programmes were introduced in response to the changing needs of MSMEs. From the devastation of Hurricane Dorian to the blow of the novel Coronavirus (COVID-19) pandemic, the economy of The Bahamas has suffered significantly. As a result of these hits to the Bahamian economy, specifically the MSME sector, A<sup>2</sup> had to adjust its product offering to better aid those in need.

Accordingly, two special programmes were introduced to MSMEs: The Disaster Recovery Relief programme and the Business Continuity programme.

The Disaster Recovery Relief programme was introduced in response to the effects of Hurricane Dorian. This programme was opened to entrepreneurs in October 2019 to help existing business in Abaco & Grand Bahama that were affected by Hurricane Dorian to rebuild and restore their businesses on those affected islands.

Likewise, the Business Continuity programme was launched in response to the effects of the COVID-19 pandemic. In March of 2020, Access Accelerator partnered with numerous local financial lending institutions to provide low-interest loans to MSMEs throughout The Bahamas that were impacted by the viral pandemic. Each of these programmes has a unique mission to assist in development and growth of businesses and to secure funding for MSMEs.



Additionally, all three programmes directly affect the Access Accelerator's economic impact in FY2019.

At the end of FY2019, 9,488 clients were registered with SBDC Bahamas. Of that total, 4,688 were new clients who registered within the fiscal year. The addition of the Disaster Recovery and the Business Continuity programme coupled with the SBDC Core programme led to a near 50% increase in clientele for the SBDC in FY2019.

**9,488**  
CLIENTS  
REGISTERED WITH ACCESS  
ACCELERATOR AT THE END OF FY2019

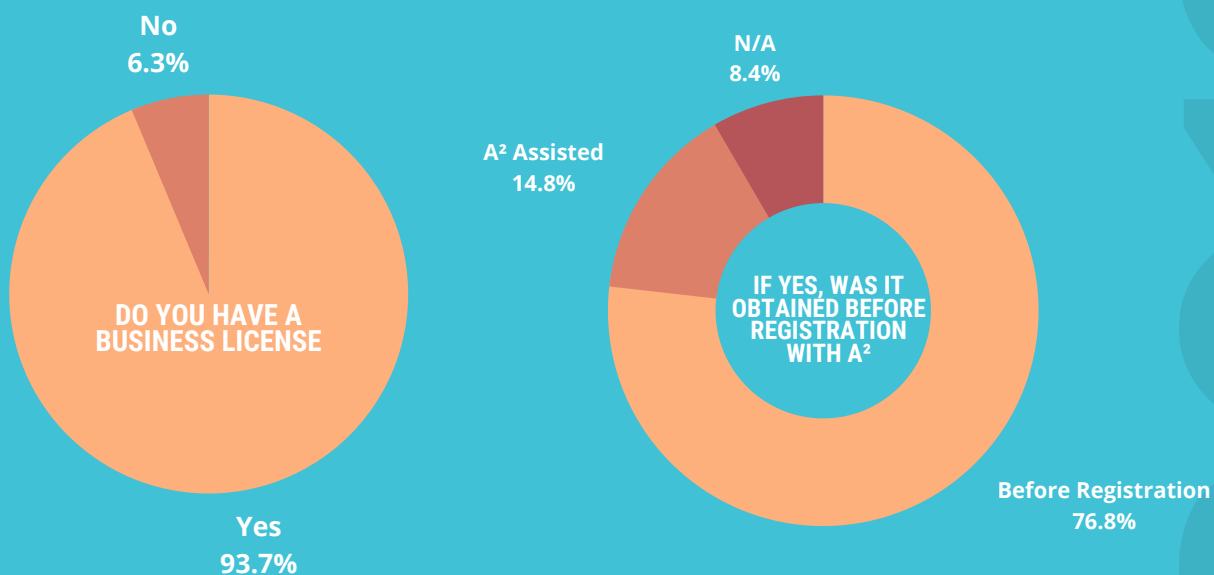
# ECONOMIC IMPACT SURVEY

In FY2019, Access Accelerator served countless clients through advising and training. The direct effects of these counselling services on The Bahamas' economy are job creation/retention, capital injection and revenue addition.

A survey was conducted to collect the data necessary to measure the economic impact of the services rendered by A<sup>2</sup> during FY2019. The survey consisted of 29 questions regarding demographic background, business status, business industry, business formalizations, employment status (jobs created and/or retained) business revenue, business financing, customer satisfaction and more.

The survey was distributed to 280 A<sup>2</sup> clients. There were 142 responses to the survey, a 50% response rate. The clients to whom the survey was sent represent the population of funded clients of the A<sup>2</sup> up to FY2019. The survey results detailing changes in employment, jobs created and retained, and financing obtained were used to determine the economic impact of A<sup>2</sup>.

The Access Accelerator is dedicated to helping businesses within the MSME sector move to formalizing their businesses. We push all our clients to obtain the relevant licenses or permits to operate, declare and pay taxes, compensate workers and pay taxes on labour and comply with safety, health, environmental, and other regulations as dictated by the law. Through support services, clients are assisted through the process of formalization. The formalization of businesses provides better access to finance and creates procurement opportunities and ensures that all businesses are sufficiently covered by the laws of The Bahamas. While it is encouraged that clients have business licenses, it is not a requirement for registration as we strive to aid in this process.

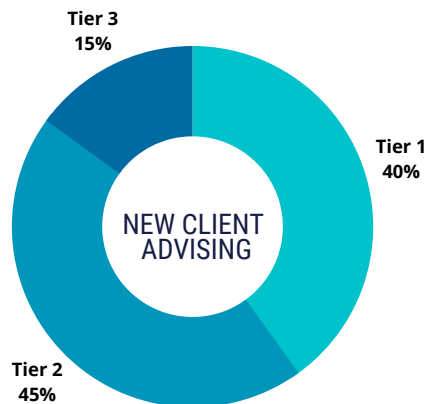


Based on impact results obtained through the survey 93.7% of the respondents have a business license. Of that percentage 76.8% of clients had their license before registration and 14.8% were assisted through the process of obtaining licenses

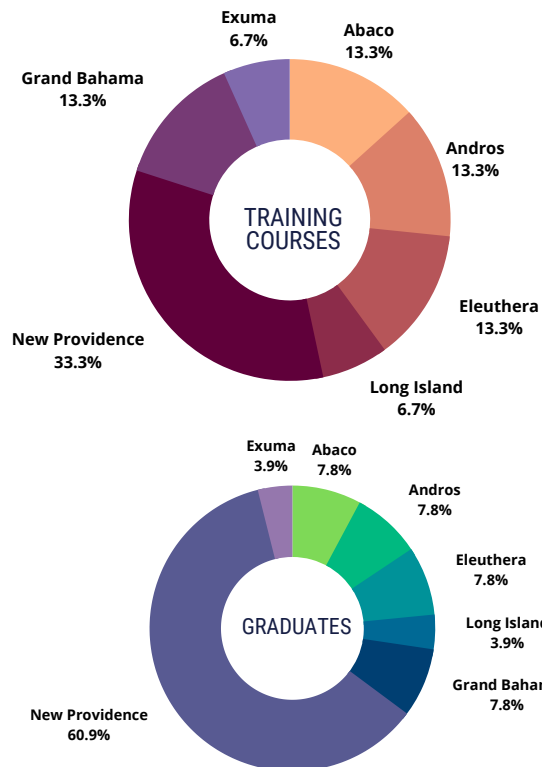
# ADVISORY & TRAINING SERVICES

Access Accelerator has a network of 27 qualified, experienced and creative business advisors. In the FY2019, advisors have dedicated countless hours in assisting clients through an array of advisory services. While each of Access Accelerator's programmes require specific counselling, advisory services typically include business counselling, business mentorship, business plan development, financial statement preparation and analysis, exporting and importing support, disaster recovery assistance, research and business coaching.

The services provided to clients help entrepreneurs accomplish their goals and ensure that their small businesses succeed. The advisory team assisted **539 new clients** in this fiscal year and devoted **4,612.53 hours** to all clients.



Likewise, the training team is composed of both qualified educators and business advisors. In FY2019, clients across various islands in The Bahamas had the opportunity to participate in a total of 15 training programmes; 306 clients successfully completed these trainings and obtain certifications.



Access Accelerator training courses are intended to improve the skills and knowledge of participating entrepreneurs through the provision of in-person seminars, online business tutorials and live webinars.

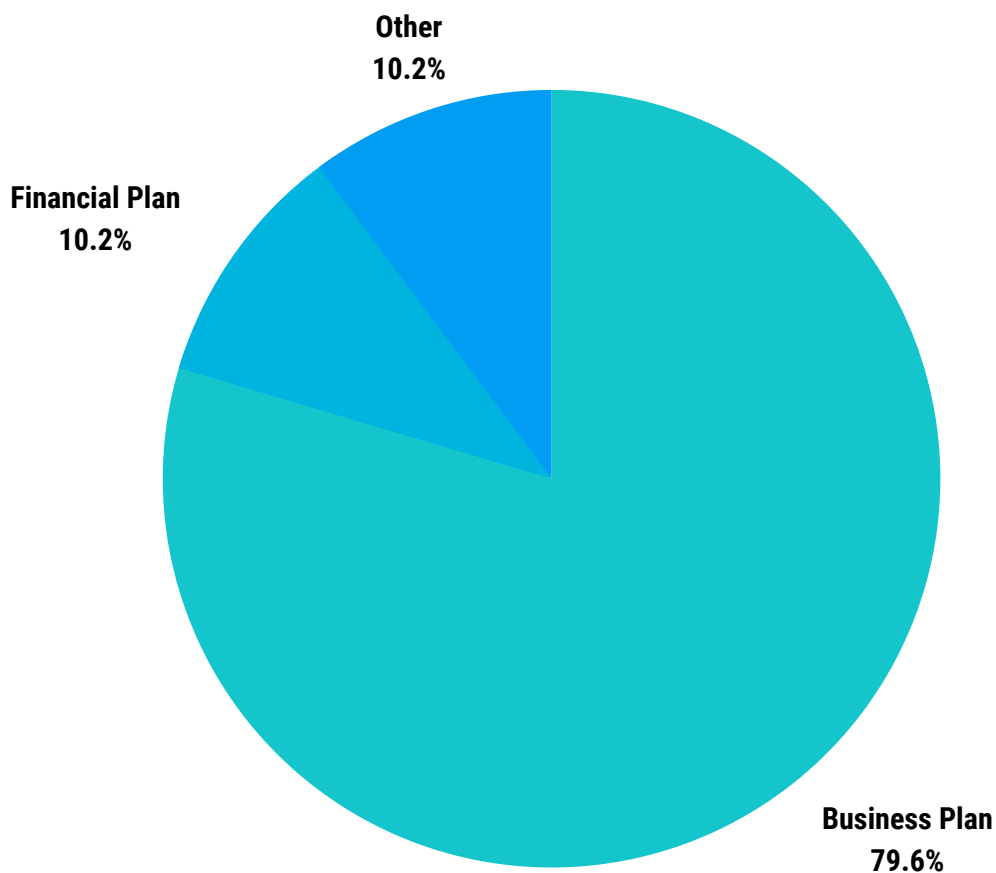
Advising and training hours directly impact the clients. The total amount of time Access Accelerator spends on advising and training services is referred to as direct service hours. The A<sup>2</sup> advisory and training team is comprised of 26 advisors; five full-time and 21 part-time. These advisors - in addition to the Executive Director, Deputy Director and Training Coordinators - all have direct impact on clients. The total hours of output of both the advisory and training teams divided by the amount of available hours of personnel gives us the percentage of direct service hours to total available hours. Given the interruptions caused by the hurricane and worldwide pandemic, available hours for A<sup>2</sup> personnel were significantly decreased. As reflected in FY2019, Access Accelerator's direct service hours were **8,668.53**, which means that 24% of available hours based on the number of full-time employees were used advising and training.

Tiers were based on the complexity of the business models and funding requests. Tier 1 being the least complicated and Tier 3 being the most.  
 Tier 1: Clients seeking under 15K | Tier 2: 15k-100k | Tier 3: Clients seeking over 300K



# ACCESS ACCELERATOR SERVICES

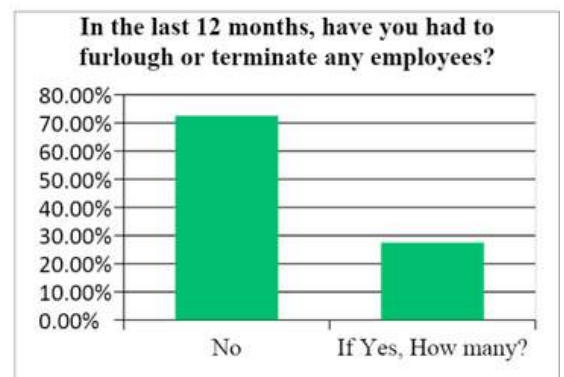
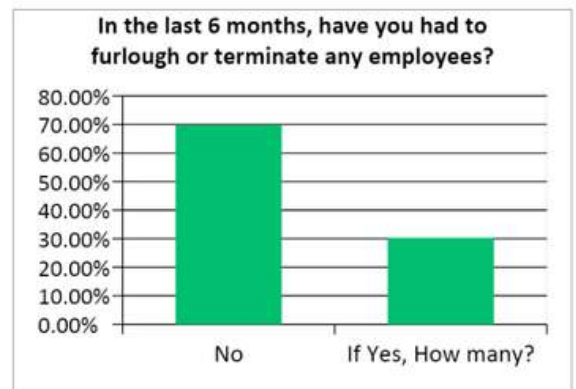
According to the survey results, business plan assistance has been the most received service of FY2019. A<sup>2</sup> advisors and trainers helped 485 clients with business plan assistance.



# BUSINESS PERFORMANCE

Respondents reported a total of \$4,474,224.11 in sales for their businesses in the FY2019. Additionally, clients were able to employ 443 full-time, part-time, temporary and seasonal employees in FY2019. These jobs contributed to the economy significantly with a labour injection of \$2,017,072.39.

Data from the survey shows that approximately 70% of clients have not had to furlough any employees in spite of strenuous economic conditions.





# CAPITAL INJECTION

One of the most challenging issues that MSMEs face is obtaining capital. Access Accelerator works with the government, private sponsors and numerous financial institutions to acquire debt, grant and equity financing for its clients. In FY2019 approximately 49.9 million dollars in financing was obtained for 944 clients through Access Accelerator services.

**\$49.9**  
MILLION  
**944**  
CLIENTS  
IN FINANCING DURING THE  
2019-2020 FISCAL YEAR

Programme	# of Approvals	Total Approved Loans	Total Approved Grants	Total Funds Approved
<b>A<sup>2</sup> Programme</b>	151	\$1,577,503.79	\$1,181,135.52	\$2,758,639.31
<b>Over-The-Hill Programme</b>	30	-	\$74,500	\$74,500
<b>Disaster Recovery Relief Programme</b>	193	\$3,654,546.13	\$2,739,901	\$6,394,447
<b>Business Continuity Programme</b>	570	\$34,751,700.04	\$5,887,611.52	\$40,639,311.56

# CAPITAL INJECTION DISBURSEMENTS

Programme	Total Disbursed	Number of Clients
Disaster Relief Fishing & Farming Grants	\$459,148.68	11
Disaster Relief Matching Grant	\$1,061,394.54	88
Disaster Relief Stand Alone Grants	\$499,737.11	103
Disaster Relief Micro Loans	\$1,477,915.38	87
GB Technical Grants	\$143,161.01	31
Over The Hill Grants	\$120,256.82	48
SBDC Matching Grants	\$420,986.02	46
SBDC Micro Loans	\$611,015.19	52
Business Continuity Loan Programme	\$25,819,144.82	526
<b>Total Disbursed</b>	<b>\$30,612,759.57</b>	<b>992</b>

<b>Local disbursements</b>	<b>\$22,959,569.68</b>
<b>International payments</b>	<b>\$7,653,189.89</b>

*On average total local disbursements to international payments are 75% to 25%*

**Note:** The disbursement numbers reported above related to in-house disbursement only and do not include disbursements made by external financial institutions.



# SUMMARY OF IMPACT

TOTAL JOBS

443 Jobs

LABOR INJECTION

\$2,017,072.39

SALES INJECTION

\$4,474,224.11

FUNDING OBTAINED

\$49,866,897.87

**Note:** This summary of impact is based on the results from the Economic Impact Survey



# THE HIGHLIGHTS

ACCESSING PARTNERSHIPS,  
ACCELERATING GROWTH





**ACADEMY OF WOMEN ENTREPRENEURS (AWE),  
UNITED STATES EMBASSY**



In partnership with the Access Accelerator, Small Business Development Centre (SBDC), the US Embassy launched the Academy of Women Entrepreneurs (AWE) programme in The Bahamas on January 27, 2020. The AWE programme is an educational opportunity for potential women entrepreneurs, that uses a facilitated MOOC (massive open online course) called DreamBuilder. It is designed for energetic women with entrepreneurial ideas. AWE supports the White House-led Women's Global Development and Prosperity Initiative to empower women worldwide to fulfill their economic potential. The Bahamas is one of just 26 pilot countries selected to launch this exciting initiative. The inaugural Bahamas cohort includes 120 women from New Providence and Grand Bahama.

It is sponsored by the U.S. Department of State's Bureau of Educational and Cultural Affairs with local support from the Women's Investment Group and the Small Business Development Centre (SBDC).



# DISNEY ELEUTHERA \$1 MILLION PLEDGE

The Access Accelerator (A<sup>2</sup>) has partnered with Disney Cruise Line and The Eleuthera Chamber of Commerce to give Bahamian entrepreneurs an opportunity to access the benefits of upcoming Disney developments. The Memorandum of Understanding was signed by all parties on February 13, 2020 on the island of Eleuthera.

This collaborative effort will allow A<sup>2</sup> to carry out more training and hands-on business education, expanding our reach to create and improve businesses in Eleuthera.

Over the next three years, the \$1 million investment will help to advance the knowledge and skills of entrepreneurs on the island.





## **ACCELERATE BAHAMAS!**

The Inter-American Development Bank (IDB), as administrator of the Multilateral Investment Fund (“IDB Lab”), will make funds available to Access Accelerator to finance Accelerate Bahamas! Project. The Project seeks to contribute to the development of the entrepreneurial ecosystem in The Bahamas through the provision of high-quality business support services, greater access to finance through a multibank Fintech platform, digital skills training, mentorship, and innovation promotion. The Project will also support the ecosystem development through the collection and analysis of data on businesses in The Bahamas and bring key ecosystem players together for advocacy and policy recommendations related to entrepreneurship, the ease of doing business, and innovation in The Bahamas.

The expected impact of the project is the growth and development of Bahamian MSMEs and start-ups through digital transformation, innovation adoption and access to finance. The expected result of the project is the creation of an effective entrepreneurial and innovation ecosystem in The Bahamas through the provision of high-quality and technology-oriented support services for MSMEs and start-ups.

This project supports the activities for the Small Businesses around the use of the Credit Enhancement Facility and each component will include the following activities:

Component 1: Improving the Quality of Ecosystem Support to Businesses

Component 2: Building the Capacity of Bahamian Businesses to Scale

Component 3: Awareness-Raising and Stakeholder Engagement



**Project signing date:  
January 22, 2020**

# CARIBBEAN SBDC PROGRAMME

## ORGANIZATION OF AMERICAN STATES

The Caribbean SBDC project, seeks to improve the access of MSMEs in the CARICOM region, to sustainable and effective assistance services based on the US Small Business Development Centre (SBDC) model. The SBDC model focuses on enhancing the cooperation among public and private sector entities and academia to maximize resources, synergies, and complementarities to benefit a range of actors in the MSME sector.

Further, the program seeks to promote and sustain private sector development through an improved administrative and policy environment, including support to MSMEs that will lead to increased employment, economic inclusion, and reduced poverty. By providing support to start-ups, micro, small, and medium enterprises to opportunities in value chains and by establishing the enabling business support infrastructure, the SBDC program ultimately hopes to promote inclusive development to decrease unemployment, vulnerability and provide options for poverty alleviation. The program also supports the strengthening of the capacity of public agencies to ensure a coordinated, harmonized, synergized delivery of services to MSMEs, focusing on the capture and creation of economic impact.

The MSME sector in the Caribbean is recognized as integral to steady economic growth and increased national competitiveness in the region. Thus, the Caribbean SBDC programme aims to address five priority areas:

1. adjusting the regulatory framework to address the needs of MSMEs more efficiently,
2. developing human capital,
3. fostering MSME competitiveness and entrepreneurial spirit,
4. developing regional MSME support structures,
5. and developing public/private partnerships to support the development of the sector.



The Network of Caribbean SBDCs was formally launched on Thursday 5th December 2019 at the Biltmore Hotel in Belize City Belize.

# ACCESS TO NEW PROGRAMMING



## HURRICANE RECOVERY RELIEF PROGRAMME

The Access Accelerator through the Ministry of Finance and private financial partners, began offering grants, equity investments and government-guaranteed loans to MSMEs directly affected by Hurricane Dorian.

The Government of The Bahamas provided up to 10 million dollars to facilitate grants, loan guarantees and equity capital for entrepreneurs residing and displaced from the islands of Abaco and Grand Bahama.

## BUSINESS CONTINUITY PROGRAMME

In response to the economic impact of COVID-19, The Government of The Bahamas made provisions, through the Access Accelerator to disburse \$20 million in small business loans. This programme was launched on March 25th, 2020.

With an overwhelming response, the funding allotted for this programme was increased. To date the programme has assisted 570 clients for a total of **\$40,639,311.56** accessed in loan and grant funding.

## EXCURSION LIABILITY INSURANCE PROGRAMME

As we continue to stay true to our mandate for advocacy, we are proud to announce a new partnership with Tristar Insurance to address a gap in Liability Insurance coverage for tourism vendors.



# YEAR IN REVIEW







# 2019-2020

## JULY 2019

### ACCESS ACCELERATOR REACHES ONE MILLION DOLLARS IN DISBURSEMENTS

A<sup>2</sup> has distributed over one million dollars to Bahamian micro, small and medium-sized enterprises (MSMEs). Seventeen companies have received funding with assistance from the SBDC. Through the organization's grant committee, bank loans and investments from the Bahamas Entrepreneurial Venture Fund, a total of **\$1,073,479** was directly invested into local Bahamian businesses.

### A<sup>2</sup> SIGNED MEMORANDUM OF UNDERSTANDING WITH BAIC

The Access Accelerator signs a memorandum of understanding (MOU) with the Bahamas Agriculture & Industrial Corporation.

The two organizations have collaborated to provide business development and advisory services for local businesses. The primary goals of the agreement are to improve the environment for small businesses, increase direct financing into micro, small and medium-sized enterprises (MSMEs) in The Bahamas, create and promote innovative programmes to support MSMEs and to foster a culture of entrepreneurship and innovation within marginalized groups.





## JULY 2019

### ACCESS ACCELERATOR PARTICIPATES IN ATLANTA SHOWCASE

Through the efforts of the Consulate General of Atlanta, the Access Accelerator facilitated a trip to Atlanta, Georgia. There, four Bahamian companies participated in The Village Market Atlanta selling Bahamian handmade products. The village features black entrepreneurs and creates opportunities for black business owners to maximize profits while creating and sustaining generational wealth in black communities. With 1300 businesses within the village and over 3000 attendees, The Village Market Atlanta offered great opportunities for networking and increasing product reach outside of The Bahamas.



### CHERYL TAXI AND TOURS SECURES \$200,000 IN INVESTMENT FUNDING

The Access Accelerator, Small Business Development Centre assisted Cheryl's Bahamas Taxi & Tours in accessing \$230,000 in debt financing from the Royal Bank of Canada. Cheryl Cambridge, owner of Cheryl's Bahamas Taxi & Tours, began her taxi business in Grand Bahama in the early '80s. According to Cambridge, it all started with a nice clean car.

### ENTREPRENEUR SUMMER SUCCESS SERIES

Access Accelerator held its first Entrepreneurship Summer Success series entitled "Access to Crown Land" with keynote speaker Debbie Strachan, Senior Deputy General Manager of BAIC. The event covered the process and regulations for leasing of crown land for businesses, which Strachan described as "every Bahamian's inheritance."



### OVER-THE-HILL FIRST GRADUATION OF 18 ENTREPRENEURS

A<sup>2</sup> held its first graduation for the organization's Over-The-Hill component. At the ceremony, 18 graduates received certificates of completion and grant cheques for investment into their businesses totalling \$45,000.





## AUGUST 2019

### ACCESS ACCELERATOR FIRST COHORT SOUTH ANDROS

Over 20 entrepreneurs in graduated from our first entrepreneurial course for start-up businesses in South Andros.

## SEPTEMBER 2019

### SPONSORSHIP OF WOW EXPERIENCE

A<sup>2</sup> sponsored the WOW Experience event which focused on credibility, visibility, and profitability in business for women entrepreneurs.

## OCTOBER 2019

### HURRICANE RELIEF PROGRAMME LAUNCHED

The Disaster Recovery Relief programme is launched to help business owners on Abaco and Grand Bahama in the aftermath of Hurricane Dorian.

## OCTOBER 2019

### GLOBAL EXPORT WORKSHOP WITH CEDA

A<sup>2</sup> and the Caribbean Export Development Agency (CEDA) partnered to host a global export workshop for entrepreneurs. The 3-day workshop entitled, "Services Go Global" was conducted at the Access Accelerator by Dr Nsombi, CEDA Consultant.

### ALVERNIA BUSINESS CONSULTING FUNDED OVER \$100,000

**Alvernia Business Consulting (ABC Bahamas Ltd.)** received **\$112,500** in investment loans from the Royal Bank of Canada (RBC) through A<sup>2</sup>. ABC Bahamas Ltd. is a boutique Information Technology (I.T.) service provider specializing in Small and Medium-sized Enterprises (SME) technologies and support. The tech company leads and assists with technical support, procurement, and implementations.

### PRINTING COMPANY ACCESSES OVER \$200,000 IN FUNDING

**Kevco Printing** successfully obtained **\$215,000** in loan investments from the Royal Bank of Canada (RBC), through A<sup>2</sup>. Kevco Printing is a large format digital printing company.

## NOVEMBER 2019

### A<sup>2</sup> AND CEDA PARTNER TO SEND THREE BAHAMIANS TO PARTICIPATE IN THE BUSINESS OF MUSIC PROGRAMME

The Caribbean Export Development Agency and the Access Accelerator partnered to have three Bahamians participate in the Business of Music (BOM) programme hosted by CEDA. Terneille Burrows, Sonovia Pierre and Jason Ferguson represented The Bahamas in the programme with Burrows and Ferguson traveling to Barbados to attend a two-day face-to-face workshop.

### BREWERY ACCESSES \$300,000 IN FUNDING

**2 B Investments Limited (Rip Tyd)** has received \$300,000 in funding, making it the Access Accelerator client with the highest financing to date! RBC Bahamas Limited funded the beverage company \$211,000, and a private investor committed \$89,000 to ensure that Christine Albury and team could bring their brewery dreams to life.

## DECEMBER 2019

### LE PAVILLION ACCESSES 186,000 DOLLARS IN INVESTMENT

LePavillion Interment & Mausoleum successfully obtained 186,000 dollars in capital loans from RBC through A<sup>2</sup>. The company provides cemetery and mausoleum services to Grand Bahamians.

## DECEMBER 2019

### CASHLESS CHRISTMAS SHOWCASE

The Access Accelerator hosted its first cashless showcase for clients to promote and sell their products and services. The cashless system of the event was powered by Kanoo, the newest digital wallet of The Bahamas. Using the digital system, consumers were able to put cash into their Kanoo digital wallets and pay A<sup>2</sup> merchants with a scan of their phone.





## JANUARY 2020

### **\$50,000 INCREASE FOR ACCESS ACCELERATOR HURRICANE RELIEF PROGRAMME**

The Access Accelerator announced that through Government funding received an increase for hurricane relief investments of microloans from 15,000 dollars to 50,000 dollars for businesses impacted by Hurricane Dorian.

### **SECOND COHORT OF ENTREPRENEURIAL CLASSES BEGIN**

The Access Accelerator began its second cohort of entrepreneurial training courses with over 100 hopeful business owners participating.

### **SIGNING OF \$600K GRANT AGREEMENT WITH IDB**

The Inter-American Bank (IDB) Labs has provided a grant of more than half a million dollars to the Access Accelerator Small Business Development Centre's "Accelerate Bahamas" programme, which is geared towards providing further support to Bahamian entrepreneurs

## JANUARY 2020

### **AWE PROGRAMME IS LAUNCHED**

In conjunction with the USA Embassy the Access Accelerator launched the Academy of Women Entrepreneurs (AWE).

## FEBRUARY 2020

### **EXPORT READINESS PROGRAMME BEGINS**

The Access Accelerator launches its Export Readiness programme training entrepreneurs on best practices for exporting their products internationally.

### **DISNEY \$1 MILLION SIGNING**

In partnership with Disney Cruise Line and the Eleuthera Chamber of Commerce the Access Accelerator signed a memorandum of understanding accessing one million dollars donated by Disney to assist local entrepreneurs on the island.

### **FOWLCO MARINE AND LOGISTICS MANAGEMENT APPROVED FOR \$500,000**

Fowlco Marine and Logistics Management of Grand Bahama attained approval for \$500k in investment funding through the Access Accelerator's hurricane recovery programme. This funding makes Fowlco the highest funded company through the Access Accelerator.

## FEBRUARY 2020

### **ACCESS ACCELERATOR SPEAKS AT BAHAMAJAC**

Davinia Grant, Executive Director of the Access Accelerator Small Business Development Centre, spoke to Junior Achievement Bahamas achievers during their annual BahamaJAC retreat.

## MARCH 2020

### **NEOSERRA TRAINING**

Locally, the OAS Caribbean SBDC program supported a NeoSerra training for the Bahamas that included: Access Accelerator, The Tourism Development Corporation, and the GB Port Authority.

### **BUSINESS CONTINUITY LOAN PROGRAMME BEGINS**

In response to the economic impact of COVID-19 pandemic, the Government of The Bahamas has made provisions, through the A<sup>2</sup> to disburse \$20 million to small businesses.

### **INTERNATIONAL WOMEN'S DAY WITH EQUALITY BAHAMAS**

To celebrate International Women's Day the Access Accelerator partnered with Equality Bahamas and participated in their expo sharing insights on business with attendees and supporters.



## MAY 2020

### LAUNCH OF ACCESS ACCELERATOR'S DIGITAL PLATFORM

The Access Accelerator launches digital system that allows clients and employees of the organization to remotely access services and continue work.

### ZOOM PANEL DISCUSSION HOSTED BY THE INTERNATIONAL LABOR ORGANIZATION

Davinia Grant, Executive Director of the Access Accelerator, discussed ways The Bahamas has mitigated the effects of COVID-19 on MSMEs and ways we can rebuild better.

### POST FUNDING BUSINESS VISITS BEGIN

Senior team members of the Access Accelerator began visiting funded clients to see how they are coping with new operating dynamics due to the pandemic and assess their store fronts to see progress since funding.

### BUSINESS OUTLOOK WEBINAR – MOVING THE ECONOMY

Under the theme “Moving the Economy”, Davinia Grant represented the Access Accelerator as a panelist where she discussed the future of business in The Bahamas and ways to boost and sustain the economy.

## JUNE 2020

### LAUNCH OF ACCESS ACCELERATOR BLOG, INSIDER ACCESS

Bringing together some of the brightest minds in different areas of business, the Access Accelerator launched its blog called “Insider Access” to give entrepreneurs practical advice, tools and tips that are local, accessible, and helpful.

### 20K FOR BUCKEYE'S ECONOMIC STIMULUS GRANT

The Access Accelerator received a \$20,000 donation to create a unique Buckeye's Economic Stimulus Grant specifically for Grand Bahama in the wake of the pandemic. Five clients that adapted and continued to operate during the pandemic were awarded \$4,000 each. Those clients were Better To Serve You Café, Dynasti Graphix and Copy Center, Health Springs Pharmacy, Oh Henry Bar & Grill and Ruthnell Technical Institute



# ACCESSING THE VILLAGE SQUARE



## **ABACO TOWN HALL HOSTED BY DISASTER RECONSTRUCTION AUTHORITY**

January 16th and 17th the Access Accelerator participated in the Disaster Reconstruction Authority's Abaco Town Halls held in Sweeting's Village and Central Pines, respectively. Abaconian business owners were reminded of assistance provided to them through the organization's Disaster Recovery programme. While there, the team also answered questions and assisted small business owners with issues regarding applying to the programme.

## **EXUMA TOWN HALL HOSTED BY ACCESS ACCELERATOR**

The Exuma Town Hall hosted on February 10th by the Access Accelerator brought together small business owners from throughout the island. The event opened the room to allow entrepreneurs to express issues that they face as business owners and were reminded of access to our local office and advisor.

## **ABACO TOWN HALL HOSTED BY ACCESS ACCELERATOR**

Access Accelerator (A<sup>2</sup>) hosted a town hall meeting focused specifically on hurricane recovery. The purpose was to ensure that small business owners on Abaco were being properly assisted and knew of the services being offered. This event was held on February 20th.

## **GRAND BAHAMA TOWN HALL HOSTED BY ACCESS ACCELERATOR**

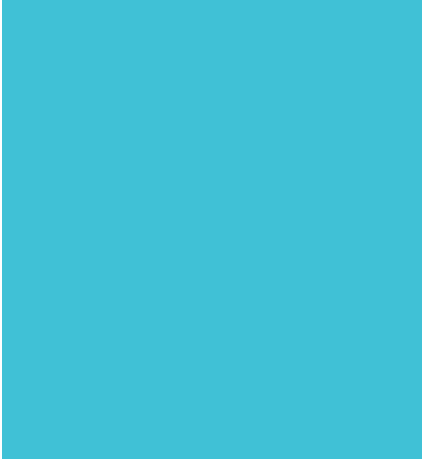
The Access Accelerator participated in the Disaster Reconstruction Authority's Grand Bahama Town Hall on February 21st, hearing the additional needs of small businesses post Hurricane Dorian, fielding questions and ensuring that Grand Bahamians business owners were aware of the assistance provided to them through the Disaster Recovery programme.



# APPEARANCES: ACCESSING THE PLATFORM



- Webinar – Int’l Labour Org., Executive Director, Davinia Grant, ILO Caribbean Office virtual roundtable series panel discussion.
- US Embassy AWE programme – Webinar, D. Grant presentation ‘Rebuilding Smart Using Technology’, hosted by D. Grant
- Junior Achievement Bahamas, D. Grant presentation at BahamaJAC 2020
- Business Outlook Webinar Series on Moving the Economy, D. Grant presentation
- Virtual Town Hall with the Deputy Prime Minister and Minister of Finance, K. Peter Turnquest, hosted by Davinia Grant
- The Bahamas Ministry of Tourism & Aviation “Small Business Matters”. Executive Director, Davinia Grant presented on the Impact of COVID-19 on Small Businesses.





# NOTEWORTHY:

## A<sup>2</sup> STAFF IDB CERTIFICATION

Congratulations to A<sup>2</sup> team members Adjuah, Judith, Paige and Ambrosina (not pictured) on the completion of the IDB Project Management Associate Course..From April 21st to June 8th the team successfully completed 55 accredited hours to receive their PM4R Professional Certification. They all completed with honors! .

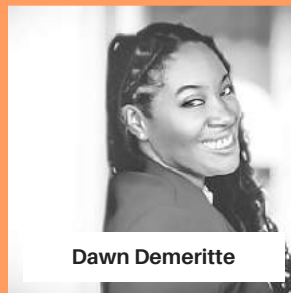
We thank our partners at Inter-American Development Bank for providing this training, ensuring our team is fully equipped as the executing agency of our upcoming joint project.



In June 2020, Access Accelerator launched its first-ever A<sup>2</sup> Blogspot - Insider Access.

The blogspot brings together young professionals giving the latest insights and advice for a variety of business industries.

Every week, a new blog post is released from our team of volunteer contributors that cover topics in finance, marketing, branding, human resources, law, entrepreneurship and more.



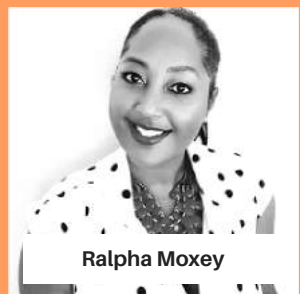
**Dawn Demeritte**



**Vernique Henfield**



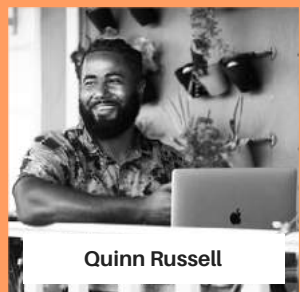
**I.A. Nicholas Mitchell**



**Ralpha Moxey**



**Janay Pyfrom-Symonette**



**Quinn Russell**



**SBDC BAHAMAS**

**Audited Financial Statements for the  
Year ended 30 June 2020  
and Independent Auditors' Report**

# **SBDC BAHAMAS**

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## **INDEPENDENT AUDITORS' REPORT**

**To the Board of Directors of:  
SBDC BAHAMAS**

### **Opinion**

We have audited the accompanying financial statements of SBDC Bahamas (the "Company") which is comprised of the statement of financial position as at 30 June 2020 and the related statements of income and retained funds and cash flows for the year ended 30 June 2020 and accompanying notes to the financial statements which contain a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 30 June 2020, its financial performance and its cash flows for the year ended 30 June 2020 in accordance with International Financial Reporting Standards ("IFRSs") for MSMEs.

### **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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Commonwealth of The Bahamas, 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**

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

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TEL: (242) 327-0689 FAX: (242) 327-0696 EMAIL: [info@hlbgalanis.com](mailto:info@hlbgalanis.com)

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company'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 ISA will always detect a material misstatement. 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.

As part of an audit in accordance with ISA, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation or the override of internal control;
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our Auditors' Report to the related disclosure in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The engagement partner on the audit resulting in this Independent Auditors' Report is Philip C. Galanis.

*HLB Galanis & Co.*

March 5, 2021

Nassau, Bahamas



**SBDC BAHAMAS**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2020**  
*(Expressed in Bahamian Dollars)*

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents (Note 5)	\$ 5,972,093	\$ 851,619
Accounts receivable (Note 6)	57,441	129,042
Other assets (Note 7)	65,297	52,937
Prepaid asset	82,513	4,906
<b>Total current assets</b>	<u>6,177,344</u>	<u>1,038,504</u>
<b>Non-current assets</b>		
Plant and equipment, net (Note 8)	54,201	39,054
Long-term notes receivable (Note 9)	27,849,302	121,487
<b>TOTAL ASSETS</b>	<u>\$ 34,080,847</u>	<u>\$ 1,199,045</u>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 112,585	\$ 35,392
Other current liabilities	10,816	-
<b>Total current liabilities</b>	<u>123,401</u>	<u>35,392</u>
<b>Non-current liabilities</b>		
Loan guarantees (Note 10)	1,898,350	750,000
<b>TOTAL LIABILITIES</b>	<u>2,021,751</u>	<u>785,392</u>
<b>EQUITY</b>		
Retained fund - unrestricted	(477,140)	(112,362)
Retained funds - restricted	32,536,236	526,015
<b>TOTAL EQUITY</b>	<u>32,059,096</u>	<u>413,653</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u>\$ 34,080,847</u>	<u>\$ 1,199,045</u>

These financial statements were approved by the Board of Directors on 15 March 2021 and are signed on its behalf by:

Director 

Director 

*The accompanying notes form an integral part of these audited financial statements.*

**SBDC BAHAMAS**  
**STATEMENT OF INCOME AND RETAINED FUNDS**  
**FOR YEAR ENDED 30 JUNE 2020**  
*(Expressed in Bahamian Dollars)*

	<u>2020</u>			<u>2019</u>		
	<u>Unrestricted Fund</u>	<u>Restricted Funds</u>	<u>Total Funds</u>	<u>Unrestricted Fund</u>	<u>Restricted Funds</u>	<u>Total Funds</u>
<b>INCOME</b>						
Grants and contributions (Note 13)	\$ 2,254,699	\$ 35,234,911	\$ 37,489,610	\$ 1,186,405	\$ 575,000	\$ 1,761,405
<b>EXPENSES</b>						
Social purpose activities (Note 14)	1,013,367	3,224,690	4,238,057	461,974	48,985	510,959
Operating expenses (Note 14)	1,389,246	-	1,389,246	744,674	-	744,674
Administrative expenses (Note 14)	193,529	-	193,529	74,452	-	74,452
Directors' fees (Note 14)	23,335	-	23,335	17,667	-	17,667
<b>Total expenses</b>	<b>2,619,477</b>	<b>3,224,690</b>	<b>5,844,167</b>	<b>1,298,767</b>	<b>48,985</b>	<b>1,347,752</b>
<b>Net (loss) / income</b>	<b>(364,778)</b>	<b>32,010,221</b>	<b>31,645,443</b>	<b>(112,362)</b>	<b>526,015</b>	<b>413,653</b>
<b>RETAINED FUNDS:</b>						
Beginning of year/period	(112,362)	526,015	413,653	-	-	-
<b>End of year/period</b>	<b>\$ (477,140)</b>	<b>\$ 32,536,236</b>	<b>\$ 32,059,096</b>	<b>\$ (112,362)</b>	<b>\$ 526,015</b>	<b>\$ 413,653</b>

*The accompanying notes form an integral part of these audited financial statements*

**SBDC BAHAMAS**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2020**  
*(Expressed in Bahamian Dollars)*

	<u>2020</u>	<u>2019</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the year/period	\$ 31,645,444	\$ 413,653
Decrease (increase) in accounts receivable	75,786	(129,042)
(Increase) in other current assets	(11,685)	-
(Increase) in prepaid asset	(77,607)	(4,906)
Increase in accounts payable	77,400	35,186
Increase in other current liabilities	10,609	206
Depreciation (Note 8)	10,064	7,569
<b>Net cash provided by operating activities</b>	<u><b>31,730,011</b></u>	<u><b>322,666</b></u>
<b>INVESTING ACTIVITIES</b>		
Plant and equipment (Note 8)	(25,211)	(46,623)
(Increase) in other long term notes receivable	<u>(27,732,676)</u>	<u>(174,424)</u>
<b>Net cash used in investing activities</b>	<u><b>(27,757,887)</b></u>	<u><b>(221,047)</b></u>
<b>CAH FLOWS FROM FINANCING ACTIVITIES</b>		
Loan guarantees (Note 10)	<u>1,148,350</u>	<u>750,000</u>
<b>Net cash provided by financing activities</b>	<u><b>1,148,350</b></u>	<u><b>750,000</b></u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents, beginning of year/period	5,120,474	851,619
	<u>851,619</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR/PERIOD</b>	<u><b>\$ 5,972,093</b></u>	<u><b>\$ 851,619</b></u>

*The accompanying notes form an integral part of these audited financial statements.*

**SBDC BAHAMAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**  
*(Expressed in Bahamian Dollars)*

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**1. GENERAL INFORMATION**

SBDC Bahamas (the “Company” or “SBDC”) was established on 24 May 2018 in the Commonwealth of The Bahamas (“The Bahamas”) as a company limited by guarantee and a Non-Profit Organization. The founding members of the Company are the University of The Bahamas, The Bahamas Chamber of Commerce and Employer’s Confederation and the Ministry of Finance of the Commonwealth of The Bahamas. The Company’s registered address is University of The Bahamas, Bahamas Tourism Training Centre, Ground Floor, West Wing, University Drive, P. O. Box N-4912, New Providence, The Bahamas and the principal office is situated at Gladstone Freight Terminal, New Providence, The Bahamas.

The objects for which the Company is established are: -

- a) To support the development of Micro, Small and Medium-sized Enterprises (“MSMEs”) in The Bahamas and maximise the creation of economic impact;
- b) To educate MSMEs by providing information that would sustain their growth and development;
- c) To offer training programmes to MSMEs on how to start, manage, expand their businesses, and engage in international trade;
- d) To foster collaboration among students, the faculty of the University of The Bahamas, the government the private sector and the public at large to encourage the growth of MSMEs;
- e) To conduct research that would facilitate and support MSMEs;
- f) To advocate for the growth and development of MSMEs including advocating for improving the ease of doing business;
- g) To purchase, take on lease or in exchange, hire or otherwise acquire any real and personal estate which may be deemed necessary or convenient for any of the objects of the Company; and
- h) To do all things necessary or convenient to carry out the objects of the Company.

SBDC aims to increase the ability of this sector to provide employment, diversity, wealth and drive the development of a robust economy.

SBDC partners with the following institutions:

- Bahamas Chamber of Commerce and Employers Confederation
- University of The Bahamas
- Ministry of Finance
- Venture Coworking
- Over-The-Hill Community Development Partnership



**SBDC BAHAMAS  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020  
(CONTINUED)**

*(Expressed in Bahamian Dollars)*

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**1. GENERAL INFORMATION (CONTINUED)**

These financial statements represent the results of the Company's operation for the period from 1 July 2019 to 30 June 2020.

**2. STATEMENT OF COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS**

The Company's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") for SMEs as issued by the International Accounting Standards Board ("IASB") and are presented in Bahamian Dollars ("BSD\$"), the Company's functional currency.

**3. BASIS OF PREPARATION**

**Management's use of judgments and estimates**

The Company uses accounting estimates and assumptions in the preparation of the financial statements. Although these estimates are based on management's best knowledge of current events and transactions, actual results may ultimately differ from those estimates. The effect of any changes in estimates will be recorded in the Company's financial statements when determinable. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a. Cash and cash equivalents**

Cash and cash equivalents include all cash and other assets that are readily convertible into cash.

**b. Accounts receivable**

Accounts receivable are incurred during the normal course of business and are amounts due to the Company as at the date of the statement of financial position.

**SBDC BAHAMAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**  
**(CONTINUED)**  
*(Expressed in Bahamian Dollars)*

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**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**c. Prepaid asset**

Prepaid asset are expenses paid in advance.

**d. Plant and equipment**

The Company plant and equipment policy provides that all assets will be depreciated over their estimated useful life using the straight-line depreciation basis. The estimated useful lives for the Company's plant and equipment are as follows:

Computers and devices	3 years
Furniture and equipment	5 years
Leasehold improvements	3 years
Fintech platform development	3 years
Branding and signage	5 years
Vehicles	5 years

**e. Accounts payable**

Accounts payable are incurred in the normal course of business and are amounts that the Company owes to other institutions or individuals as at the date of the statement of financial position.

**f. Grants, donations and contributions**

The Company obtains its funding from external grants, donations and contributions. Grants, donations and contributions are recorded as income at the time of receipt in accordance with IAS 20.

**g. Expenses**

Expenses are accounted for on the accrual basis.

**SBDC BAHAMAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**  
**(CONTINUED)**  
*(Expressed in Bahamian Dollars)*

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**h. Taxation**

Under existing legislation of the Commonwealth of The Bahamas, there is no income, capital gains, corporate taxes payable by the Company. Taxes recorded in the Company's statement of income and retained funds represents value added taxes paid out to vendors during the normal course of business.

**5. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents as at 30 June 2020 are as follows:

	2020			2019		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
BOB-0202	\$ 4,287,349	\$ -	\$ 4,287,349	\$ 91,232	\$ -	\$ 91,232
BOB-4911	-	1,249,955	1,249,955	-	749,988	749,988
RBC-6058	-	268,243	268,243	-	-	-
RBC-6041	-	148,267	148,267	-	-	-
SCOTIA	16,504	-	16,504	-	-	-
BOB-2400	1,082	-	1,082	9,948	-	9,948
BOB- 5184	-	693	693	-	-	-
Petty cash	-	-	-	451	-	451
<b>Cash and cash equivalents</b>	<b>\$ 4,304,935</b>	<b>\$ 1,667,158</b>	<b>\$ 5,972,093</b>	<b>\$ 101,631</b>	<b>\$ 749,988</b>	<b>\$ 851,619</b>

**Restricted funds**

Funds in restricted accounts are allocated for client disbursements under specific programs and special projects only.

**Unrestricted funds**

Funds in unrestricted accounts are used for the day-to-day operations of the SBDC and its programs.

**SBDC BAHAMAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**  
**(CONTINUED)**

*(Expressed in Bahamian Dollars)*

**6. ACCOUNTS RECEIVABLE**

Accounts receivable as at 30 June 2020 are as follows:

	<u>2020</u>	<u>2019</u>
Receivable from clients	\$ 52,743	\$ 4,400
Due from employees	4,698	514
Receivable from Bahamas Development Bank	-	124,128
<b>Total accounts receivable</b>	<u><b>\$ 57,441</b></u>	<u><b>\$ 129,042</b></u>

The aging of accounts receivable is comprised of the following balances:

	<u>2020</u>	<u>2019</u>
Current	\$ 11,401	\$ 4,914
1 - 30 days	440	-
31 - 60 days	26,559	124,128
61 - 90 days	308	-
91 days and over	18,733	-
<b>Balance, end of period</b>	<u><b>\$ 57,441</b></u>	<u><b>\$ 129,042</b></u>

**7. OTHER ASSETS**

Other assets as at 30 June 2020 are as follows:

	<u>2020</u>	<u>2019</u>
Social media development	\$ 22,000	\$ 22,000
Database development	18,572	18,572
Royal Bank of Canada credit card security deposit	15,000	-
Website development	9,725	11,725
Licenses and registration	-	640
<b>Other assets</b>	<u><b>\$ 65,297</b></u>	<u><b>\$ 52,937</b></u>



**SBDC BAHAMAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**  
**(CONTINUED)**  
*(Expressed in Bahamian Dollars)*

**8. PLANT AND EQUIPMENT**

Plant and equipment as at 30 June 2020 are as follows:

	2020						
	COST			DEPRECIATION			Net Book Value
	Beginning	Additions	Ending	Beginning	2020	Accumulated	
Computers and devices	\$ 15,414	\$ 16,012	\$ 31,426	\$ 3,730	\$ 4,821	\$ 8,551	\$ 22,875
Furniture and equipment	10,401	3,268	13,669	962	1,227	2,189	11,480
Leasehold improvements	7,855	-	7,855	1,623	995	2,618	5,237
Fintech platform development	9,500	-	9,500	736	2,431	3,167	6,333
Branding and signage	3,453	2,431	5,884	518	465	983	4,901
Vehicles	-	3,500	3,500	-	125	125	3,375
<b>Totals</b>	<b>\$ 46,623</b>	<b>\$ 25,211</b>	<b>\$ 71,834</b>	<b>\$ 7,569</b>	<b>\$ 10,064</b>	<b>\$ 17,633</b>	<b>\$ 54,201</b>
Totals for 2019	\$ -	\$ 46,623	\$ 46,623	\$ -	\$ 7,569	\$ 7,569	\$ 39,054

**9. NOTES RECEIVABLE**

Amounts listed under notes receivable represents total micro loan disbursements made on behalf of approved business continuity, SBDC and disaster relief clients. Clients approved under the SBDC and the Disaster Relief Micro Loan Funding Programs were awarded low interest micro loans up to BSD \$50,000 with a payback period of seven years maximum rate at 5% interest. Clients approved under the Business Continuity Loan Program were awarded low interest loans up to \$300,000 with a payback period of seven years and interest of 5%.

Loans issued under the SBDC and the Disaster Relief Micro Loan Programs are administered and managed by The Bahamas Development Bank. Loans issued under the Business Continuity Loan Program are administered and managed by a group of financial institutions and small loan lenders.

	<u>2020</u>	<u>2019</u>
<b>HURRICANE DORIAN DISASATER RELIEF MICRO LOAN PROGRAM</b>		
The Bahamas Development Bank	\$ 1,423,543	\$ -
<b>Total Business Continuity Loan Program</b>	<u>\$ 1,423,543</u>	<u>\$ -</u>
<b>SBDC / BAHAMAS DEVELOPMENT BANK MICRO LOAN PROGRAM</b>		
The Bahamas Development Bank	\$ 606,614	\$ 121,487
<b>Total SBDC/Bahamas Development Bank Micro Loan Program</b>	<u>\$ 606,614</u>	<u>\$ 121,487</u>
<b>TOTAL NOTES RECEIVABLE</b>	<u>\$ 27,849,302</u>	<u>\$ 121,487</u>

**SBDC BAHAMAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**  
**(CONTINUED)**  
*(Expressed in Bahamian Dollars)*

**9. NOTES RECEIVABLE (CONTINUED)**

	<u>2020</u>	<u>2019</u>
<b>BUSINESS CONTINUITY LOAN PROGRAM</b>		
Simplified Lending	\$ 9,163,675	\$ -
Omni Financial	6,392,970	-
Bahamas Development Bank	3,462,500	-
Cash N Go Ltd	3,250,000	-
Sunshine Finance Limited	1,300,000	-
Baahamas Entrepreneurial Venture Fund	1,000,000	-
Leno Corporate Services	750,000	-
Fidelity Bank	500,000	-
<b>Total business continuity loan program</b>	<u>\$ 25,819,145</u>	<u>\$ -</u>
<b>TOTAL NOTES RECEIVABLE</b>	<u>\$ 27,849,302</u>	<u>\$ 121,487</u>

**10. LOAN GUARANTEE FUND**

The SBDC serves as guarantor for its clients who receive loans from local banks and other financial institutions in excess of the SBDC's Micro Loan and the Disaster Relief's Micro Loan Programs maximum allowed loan amount of \$50,000. Under both Loan Guarantee Programs, SBDC clients are eligible to obtain loans up to \$500,000 and the SBDC guarantees up to 75% of the loan amount. The loan guarantee fund enables the SBDC to immediately fund any guarantee calls under these programs.

Funds reserved for the Guarantee Fund are recorded on SBDC's books as a contingent liability in accordance with IAS 37.

	<u>2020</u>	<u>2019</u>
Disaster relief loan guarantee	\$ 1,000,000	\$ -
Guarantees held by Royal Bank of Canada	(101,650)	-
SBDC loan guarantee	1,000,000	750,000
<b>Other assets</b>	<u>\$ 1,898,350</u>	<u>\$ 750,000</u>

**SBDC BAHAMAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**11. RELATED PARTIES**

Parties are related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Related parties include directors and senior management level employees as they could affect the financial or operating policies of the Company through the presence of control or significant influence.

**12. CAPITAL**

The Company has no authorised share capital but is limited by guarantee. Each Member has agreed that in the event of the Company's winding up and its liabilities exceed its assets, to contribute up to one dollar (B\$1.00) each. As at 30 June 2020, the Company had three (3) Members.

**13. GRANTS, DONATIONS AND CONTRIBUTIONS**

Grants, donations and contributions for the year is comprised of the following:

	<u>2020</u>			<u>2019</u>		
	<u>Unrestricted Fund</u>	<u>Restricted Funds</u>	<u>Total</u>	<u>Unrestricted Fund</u>	<u>Restricted Funds</u>	<u>Total</u>
<b>GRANTS AND CONTRIBUTIONS</b>						
COVID - 19 MSME Business Continuity Program	\$ -	\$ 30,000,000	\$ 30,000,000	\$ -	\$ -	\$ -
Hurricane Dorian disaster relief program	-	4,220,242	4,220,242	-	-	-
Government contributions	2,190,349	-	2,190,349	1,093,729	-	1,093,729
Micro loan fund	-	500,000	500,000	-	250,000	250,000
Grant fund	-	331,564	331,564	-	225,000	225,000
Grand Bahama Technical Grant	-	149,000	149,000	-	-	-
In-kind donations	61,096	-	61,096	80,345	-	80,345
Buckeye Bahamas Limited Grant	-	20,000	20,000	-	-	-
Academy for Women Entrepreneurs program funding	-	14,105	14,105	-	-	-
Other miscellaneous income	3,254	-	3,254	12,331	-	12,331
Over the Hill Program Fund	-	-	-	-	100,000	100,000
<b>Total grants and contributions</b>	<b>\$ 2,254,699</b>	<b>\$ 35,234,911</b>	<b>\$ 37,489,610</b>	<b>\$ 1,186,405</b>	<b>\$ 575,000</b>	<b>\$ 1,761,405</b>

**a. COVID – 19 MSME Business Continuity Program**

The COVID - 19 Business Continuity Loan Program was launched in March 2020 in response to the national lockdowns that took place as a result of the covid pandemic. The SBDC partnered with various financial institutions and small loan lenders who facilitated the disbursement of funds to clients.

**SBDC BAHAMAS  
NOTES TO THE FINANCIAL STATEMENTS  
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**13. GRANTS, DONATIONS AND CONTRIBUTIONS (CONTINUED)**

**a. COVID – 19 MSME Business Continuity Program (Continued)**

The goal of this program is to ensure business continuity for MSMEs domiciled in The Bahamas. Under this program, eligible MSMEs are able to obtain funding up to \$300,000 in low interest working capital loans to help overcome the temporary loss of revenues and up to \$20,000 in grant funding to be used for salaries only.

**b. Hurricane Dorian Disaster Relief Program**

The Hurricane Dorian Disaster Relief Loan Program was developed and launched in September 2019 with the goal of assisting existing MSMEs in Freeport and Abaco obtain access to funding to re-establish their businesses. Under this program, MSME's were eligible for four funding streams:

- Stand alone grants up to \$5,000
- Farming and fishing grants up to \$50,000 (these grants were available only to MSMEs that operated within the agriculture and fisheries industries)
- Micro loans up to \$50,000 (low interest working capital loans)
- Matching grants up to \$20,000 (tied to micro loans only)

**c. SBDC/BDB Micro Loan Fund**

The SBDC/BDB Micro Loan Program is a partnership with the Bahamas Development Bank. Under this program, approved SBDC clients are eligible for low interest loans with the Bahamas Development Bank (BDB). These loans are approved in-house through SBDC and are booked/ administered by BDB on SBDC's behalf. Initially, the maximum loan amount allowed under this program was \$15,000. In October 2019, this amount was increased to \$50,000 in response to the number of small loans being requested by clients.

**d. Grant Fund**

The grant fund relates to the SBDC's Micro Loan Program. Under this program, all approved SBDC clients can be awarded up to a maximum of \$20,000 in grant funding which must be matched with debt or equity investment from other sources.

**e. Grand Bahama Technical Grant**

The Grand Bahama technical grant program was a program developed and launched by the Prime Minister's Office in Grand Bahama.



**SBDC BAHAMAS  
NOTES TO THE FINANCIAL STATEMENTS  
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**13. GRANTS, DONATIONS AND CONTRIBUTIONS (CONTINUED)**

**e. Grand Bahama Technical Grant (Continued)**

Funding was provided to the SBDC for disbursement to approved MSMEs in Grand Bahama that were found to be in need of technical assistance in the form of website development and other marketing needs, POS (point of sale) system, other accounting software and business management systems. MSMEs were eligible for grants up to \$5,000 under this program.

**f. Buckeye Bahamas Limited Grant**

The Buckeye Bahamas Limited grant was a \$20,000 donation received by the SBDC from Buckeye Bahamas Ltd., a Grand Bahama based business. With this donation, the Buckeye economic stimulus grant for Grand Bahamian MSMEs was created. Under this program, five grants were awarded in the amount of \$4,000 to five businesses on the island that were able to adapt and continue operations during the pandemic.

**g. Academy for Women Entrepreneurs' Program Funding**

The AWE (Academy for Women Entrepreneurs) program was a partnership between the SBDC Bahamas and the US Embassy. The focus of this program was to provide its participants with educational, mentorship and networking opportunities through weekly online sessions, facilitated by SBDC staff and female clients. Sessions were held in both Nassau and Freeport over a period of eighteen weeks and allowed participants the ability to learn ways to develop and promote their businesses internationally. Funding received for this program was used to pay facilitators and for rental of session spaces.

**h. Over the Hill Fund**

As a part of the Government's Over the Hill Revitalization Program, SBDC adapted its two-week Smart Start Business Planning course to an eight-week program where residents and business owners of the Over the Hill community were eligible to participate. Upon successful completion of the program, participants received \$2,500 to be used for their businesses.

**SBDC BAHAMAS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**(CONTINUED)**  
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**14. EXPENSES**

The expenses from the year ended 30 June 2020 were as follows:

	<u>2020</u>		<u>Total</u>	<u>2019</u>		<u>Total</u>
	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>		<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	
<b>SOCIAL PURPOSE ACTIVITIES</b>						
Disaster relief loan and grant programs	\$ -	\$ 2,002,707	\$ 2,002,707	\$ -	\$ -	\$ -
Advisory and training	768,207	-	768,207	297,745	-	297,745
Program administrative fees	-	476,260	476,260	-	-	-
Grant disbursements	-	420,486	420,486	-	48,985	48,985
Consulting services	138,760	-	138,760	56,058	-	56,058
Grand Bahama Grant Cohort	-	133,706	133,706	-	-	-
Over the Hill Program	-	120,257	120,257	-	-	-
SBDC special projects	-	71,274	71,274	-	-	-
Advisors travel	48,760	-	48,760	38,150	-	38,150
Accounting services	34,750	-	34,750	10,850	-	10,850
Advertising and promotion	22,890	-	22,890	59,171	-	59,171
<b>Total social purpose activities</b>	<b>\$ 1,013,367</b>	<b>\$ 3,224,690</b>	<b>\$ 4,238,057</b>	<b>\$ 461,974</b>	<b>\$ 48,985</b>	<b>\$ 510,959</b>
<b>OPERATING EXPENSES</b>						
Salaries and wages	\$ 1,061,944	\$ -	\$ 1,061,944	\$ 420,580	\$ -	\$ 420,580
Employee benefits	116,578	-	116,578	105,684	-	105,684
Rent	74,448	-	74,448	48,580	-	48,580
Promotional events	51,398	-	51,398	87,694	-	87,694
Taxes paid (value added tax)	31,874	-	31,874	16,447	-	16,447
Consulting services	28,871	-	28,871	39,932	-	39,932
Telephone expense	16,184	-	16,184	8,578	-	8,578
Other expense	7,949	-	7,949	17,179	-	17,179
<b>Total operating expenses</b>	<b>\$ 1,389,246</b>	<b>\$ -</b>	<b>\$ 1,389,246</b>	<b>\$ 744,674</b>	<b>\$ -</b>	<b>\$ 744,674</b>
<b>ADMINISTRATIVE EXPENSES</b>						
Licenses and permits	\$ 48,233	\$ -	\$ 48,233	\$ 10,390	\$ -	\$ 10,390
Dues and subscriptions	40,990	-	40,990	16,823	-	16,823
Other expenses	25,418	-	25,418	2,464	-	2,464
Office supplies	24,426	-	24,426	11,505	-	11,505
Donations and sponsorships	24,350	-	24,350	9,850	-	9,850
Depreciation	11,295	-	11,295	7,569	-	7,569
Bank service charges	10,594	-	10,594	4,193	-	4,193
Repairs and maintenance	8,223	-	8,223	11,658	-	11,658
<b>Total administrative expenses</b>	<b>\$ 193,529</b>	<b>\$ -</b>	<b>\$ 193,529</b>	<b>\$ 74,452</b>	<b>\$ -</b>	<b>\$ 74,452</b>
<b>DIRECTORS' FEES</b>	<b>\$ 23,335</b>	<b>\$ -</b>	<b>\$ 23,335</b>	<b>\$ 17,667</b>	<b>\$ -</b>	<b>\$ 17,667</b>
<b>Total expenses</b>	<b>\$ 2,619,477</b>	<b>\$ 3,224,690</b>	<b>\$ 5,844,167</b>	<b>\$ 1,298,767</b>	<b>\$ 48,985</b>	<b>\$ 1,347,752</b>

**SBDC BAHAMAS  
NOTES TO THE FINANCIAL STATEMENTS  
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**15. SUBSEQUENT EVENTS**

Subsequent to year-end, the Company has been negatively impacted by the effects of the world-wide coronavirus pandemic. The Company is closely monitoring its operations, liquidity, and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the date of issuance of these financial statements, the full impact to the Company's financial position is not known.

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