



What is The Productivity Council?

The Productivity Council is a TRIPARTITE COUNCIL comprising representatives from employees' and employers' organisations, and the Government of Barbados (the Social Partners).

The Council (formerly Board) was established by an Act of Parliament on August 31, 1993 to further the objectives of the Protocol for the Implementation of a Prices and Incomes Policy which was signed by Government, and employers' and workers' representatives.

Objectives of The Productivity Council

The objectives of The Productivity Council are to:

- (a) create and develop methodologies for productivity measurement, management and improvement in the public service and private sector;
- (b) provide technical advice and assistance for devising productivity-related payment schemes;
- (c) engage in consultations with any fact-finding body or arbitration tribunal on any matter relating to the functions of the Council;
- (d) promote and monitor all aspects of productivity growth;
- (e) assist in the development of improved methods of work organisation geared to the enhancement of productivity levels;
- (f) design, advise on, and conduct educational programmes on productivity;
- (g) disseminate information to stimulate public awareness and promote understanding of the need to improve the quality of work performance nationally and in the context of international trends and standards;
- (h) assist in creating a climate which would maximise the use of productivity gains in collective bargaining exercises; and
- (i) do such further things as are necessary to carry out effectively the purposes of the Act.

Approaches to Achieving Objectives

- Educational and Promotional Programmes.
- Public Sector Productivity Measurement Programme.
- Technical advice and assistance to the Private Sector.
- Marketing of Services.
- Development of our human resources.



The
Productivity
Council

Annual Report

Our Vision

To be the premier agency in Barbados and the Caribbean, renowned for promoting and facilitating productivity, quality management and competitiveness strategies.

Our Mission

To enhance the competitiveness of Barbadian and Caribbean enterprises through the application and dissemination of knowledge of productivity methods.



THE PRODUCTIVITY COUNCIL

Annual Report 2011 - 2013

Published by:

The Productivity Council
3rd Floor Baobab Tower
Warrens
St Michael
BARBADOS

Cover:

Logo of The Productivity Council



The
Productivity
Council

Annual Report

Letter of Transmittal

The Productivity Council
3rd Floor Baobab Tower
Warrens
St Michael

30 June 2014

The Honourable Christopher Sinckler, M.P.
Minister of Finance and Economic Affairs
Ministry of Finance and Economic Affairs
Government Headquarters
Bay Street
St Michael

Dear Minister Sinckler

In pursuance of Section 16 of The Productivity Council Act, 1996-19, I have the honour to submit the Annual Report for the period 1 April 2011 to 31 March 2013.

Akhento Olofinla Corbin, PhD
Chairman



FOREWORD

This is a very exciting time in the history of Barbados! It is a time for innovation, creativity, change and renewal. We at the Council see this as a positive opportunity for us to rise to meet the expectations of our stakeholders and to further fulfill our mandate.

This is a period of time in the history of Barbados in which The Productivity Council has an extremely significant role to play in the sustainable development of Barbados. Every Barbadian knows about the significant economic challenges the country is facing and of the various negative reports that have been made in relation to the growth of the economy. However, we at The Productivity Council clearly understand that our role must be a positive one in contributing to re-igniting the economy and to ensuring that productivity levels in the country are significantly improved in the near future.

This Annual Report outlines the Council's activities which were aimed at contributing to productivity growth in organisations across the island.

The various activities in this report were driven by several premises:

- The Productivity Council understands that productivity is a critical component of competitiveness and that it is the human resources in both public and private sectors

who affect productivity levels. Hence, it is important to ensure that each and every worker in Barbados and most important, every potential future worker (our school children) understands and inculcates the value of consistently high work performance, and of considering the cost implications of whatever we do.

- The Council understands that it must work closely with our public sector partners to develop and implement practical productivity strategies and systems aimed at achieving increased levels of productivity across the service.
- The Council understands the importance of research in developing and implementing productivity measures.

Finally, with the mandate to promote, develop and assist with the development of productivity measures and to monitor productivity growth at the national level, the Council has a very important role to play in the Barbados Growth and Development Strategy: 2013-2020. Hence, the Council will over the coming year, retool, re-energise, re-strategise and re-position itself to add significant value to the process of improving overall performance and productivity levels in both the public and private sectors in Barbados.


 Akhentoolove Corbin, PhD
 Chairman



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Productivity Team

Board of Directors

The Productivity Council comprised a Board of nine (9) Directors.

Chairman

Mr Anthony Johnson (Financial Consultant)

Deputy Chairman

Mr Adrian Carter (Market Analyst, Barbados Light & Power Co Ltd)

Barbados Private Sector Association Representatives

Ms Diana Douglas, Manager – Human Resources, G4S Security Services (B'dos) Ltd

Mr David Foster, Managing Director, Roberts Manufacturing Co Ltd

Mr Andre Thomas, Commercial Manager, Mount Gay Distilleries Ltd

Congress of Trade Unions and Staff Associations of Barbados Representatives

Senator Sir Roy Trotman (General Secretary, Barbados Workers' Union)

Mr Dennis Clarke (General Secretary, National Union of Public Workers)

Public Sector Representatives

Mr Carson Browne/Dr Louis Woodroffe (Permanent Secretary, Economic Affairs)

Mr Carston Simmons/Mr Alyson Forte (Permanent Secretary, Ministry of the Civil Service)

The Productivity Council

Mr John Pilgrim (Executive Director)

Secretariat

The following staff complement was responsible for the execution of the Council's Work Programme and attendant support services

John Pilgrim, Executive Director

Research Unit

Anthony Sobers, Chief Economist

Olivia Chase, Senior Economist

Nadia Skeete, Economist

Technical Assistance Unit

Joanne Mapp, Senior Productivity Officer

Jannell Arthur, Productivity Officer

Training Unit

Shawn Callender, Senior Training Officer

Karen Collins, Training Officer

Administration Unit

Yvonne McClean, Manager Administration

Marion Haynes-Barker, Accounting Officer

Jenefer Carrington, Senior Clerk

Ingrid Weekes, Executive Secretary

Roseann Morris, Stenographer/Typist

Tara Williams, Receptionist/Typist

Anthony Harewood, Driver/Messenger

Marcel Thorpe, Maid

BACKGROUND

The Productivity Council was established as a component of the first Prices and Incomes Protocol which evolved out of the structural adjustment programme of the early 1990s. It is a tripartite statutory body, whose Board of Directors includes representatives of the Congress of Trade Unions and Staff Associations of Barbados, the Barbados Private Sector Association and the Government of Barbados.

The Council's mission is to enhance the competitiveness of Barbadian and Caribbean enterprises through the application and dissemination of knowledge of productivity methods.

OBJECTIVES OF THE COUNCIL

The objectives of the Council are as follows:-

1. TO CREATE AND DEVELOP METHODOLOGIES FOR MEASURING PRODUCTIVITY IN THE PUBLIC AND PRIVATE SECTORS.

PRODUCTIVITY MEASUREMENT PROGRAMME

The Council is involved in implementing a productivity measurement programme in the public and private sectors. The public sector programme focuses on ministries and their departments.

This process involves the establishment of strategic outputs using the Work Measurement Approach and quantifying the institutional resources used.

Two (2) important components of this approach are work-unit analysis to determine output, and techniques for deriving the average standard time for 'pricing' outputs of each public sector agency.

ACHIEVEMENTS

Period: 2011–12

- Three (3) workshops were conducted on Productivity Management.
- Technical assistance was provided to the Welfare Department.
- Assistance was provided in the development of the Urban Development Commission's Performance Management System.
- Twenty-seven (27) workshops were facilitated on Performance-Based Budgeting.



Period: 2012–13

- A Performance Budget Template was developed for the Public Sector.
- Two (2) Strategic Planning and Performance Budgeting sessions were conducted for the National Cultural Foundation.
- Five (5) workshops were facilitated on Performance-Based Budgeting.
- Eighteen (18) Estimates meetings were attended.

2. TO PROVIDE TECHNICAL ADVICE AND ASSISTANCE TOWARDS DEVISING PRODUCTIVITY RELATED PAYMENT SCHEMES.

Several strategic activities have been embarked upon to promote interest in, and the adoption of productivity-related payment schemes. These include:

- General seminars and workshops (include specific fora with persons from different companies)
- TV/Radio programmes and articles in the print media
- In-house presentations at the company and sectoral levels.

ACHIEVEMENTS

Period: 2011–2012

- Follow-up visits were made to thirty (30) of the companies who participated in the Macro-Productivity Indicators Project.
- Eleven (11) educational sessions on Performance-Based Incentive Plans were conducted for the West India Biscuit Co Ltd, National Initiative for Service Excellence and BWU Cooperative Credit Union Ltd.
- Performance-Based Incentive Plans were developed the following companies:
 - (a) National Initiative for Service Excellence
 - (b) West India Biscuit Co Ltd
 - (c) Servall Inc
 - (d) New Water Inc
- Review of the Performance-Based Incentive Plan was undertaken for Cooperators General Insurance Co Ltd.
- A Non-Cash Incentive Scheme was developed for the Barbados Fire Service.



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- Nine (9) educational sessions on Performance Management/Measurement were conducted for the following companies:
 - (a) Barbados National Oil Company Ltd
 - (b) Urban Development Commission
 - (c) Servall Inc
- One (1) general seminar on Performance Management/Measurement was conducted.

ACHIEVEMENTS

Period: 2012–2013

- One (1) educational session on Performance-Based Incentive Plans was conducted for Rayside Construction Ltd.
- Two (2) general seminars on Managing with Measures were conducted.

3. TO BE AVAILABLE FOR CONSULTATION IN ANY MATTER WITHIN ITS JURISDICTION WHICH MAY BE BROUGHT BEFORE IT BY ANY FACT-FINDING OR ARBITRATION BODY.

From time to time, the Unions have sought to establish separate productivity-related pay agreements in the collective bargaining process. On the several occasions where issues relating to the design and development of these schemes arose, the Council's technical expertise has been sought in formulating "home-grown" plans driven by the identification of measures relevant to the nature and needs of the organisation.

The Council continues to work with labour-management sub-committees at the company level, towards ensuring that appropriate technical aspects of the productivity schemes are properly worked out in the interest of both parties.

4. TO ASSIST IN THE DEVELOPMENT OF IMPROVED METHODS OF WORK ORGANISATION GEARED TO ENHANCE PRODUCTIVITY LEVELS.

The introduction of performance-related payment schemes has generated a high degree of interest in the measurement of performance at the individual level. This emerges where discussions centre around the issues of equity and fairness regarding the distribution of gains accruing from productivity enhancement programmes. In order to address the dilemma of apparent inequity in sharing gains, performance management systems have become necessary tools for implementation.



ACHIEVEMENTS

Period: 2011 – 2012

- Performance Management systems, namely Performance Appraisals, Job Descriptions and Standard Operating Procedures Manuals, were developed for the following companies:
 - (a) New Water Inc
 - (b) Servall Inc
 - (c) D C Office People Inc

5. TO PROMOTE AND MONITOR ALL ASPECTS OF PRODUCTIVITY GROWTH

(i) MACRO-PRODUCTIVITY INDICATORS PROJECT

Period: 2011–2012

The Productivity Council has made strides in the establishment of national indices of productivity in the face of the continued reluctance of some companies to collect and forward the requisite data.

The Macro-Productivity Indicators Project is based on the precept that sound labour market information is essential within the analysis of the socio-economic and corporate issues that confront us and ameliorates the design and implementation of policy positions that are appropriately targeted. The initiative will generate more reliable, timely and internationally-comparable productivity indicators for Barbados.

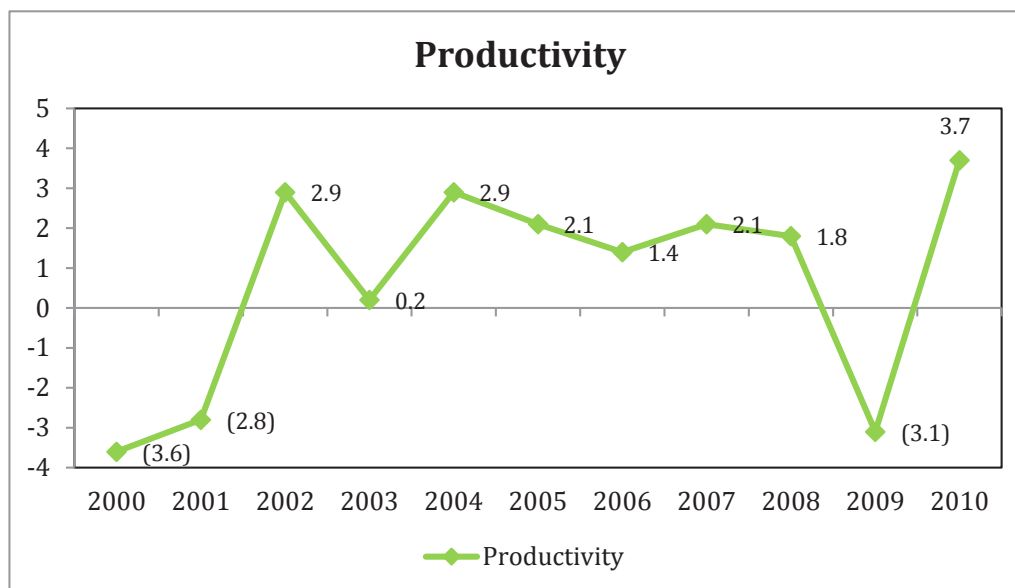
SURVEY RESULTS

For the ninth consecutive year, The Productivity Council estimated productivity indicators. The Macro-Productivity Indicators Project 2011 presents two (2) types of productivity indicators for Barbados. One type of indicator is the national productivity indicator which was calculated using National Accounts statistics, while the other was developed using the annual National Survey of Productivity. The second statistic produced productivity indicators for five (5) sectors of the Barbadian economy – accommodation, construction, financial services, manufacturing and wholesale and retail trade.

National Productivity Growth

Through the use of national accounts statistics, non-government productivity expanded by an estimated 3.7% in 2010, after a contraction of 3.1% in 2009.

Figure: 1 Macro-Productivity Growth (%) 2000 – 2010



Computed from: Hours Worked for the Labour Force Survey and Real GDP
Sources: Barbados Statistical Service and Central Bank of Barbados

Sectoral Productivity Indices

Productivity

The National Survey of Productivity is conducted each year in five (5) sectors of the economy. For these sectors, with respect to labour productivity growth in 2010, two (2) recorded increases in labour productivity, albeit slight – accommodation (1.1 percent) and financial services (1.0 percent), while negative rates of growth were estimated for the construction (28.7 percent), wholesale and retail trade (6.4 percent) and manufacturing (5.0 percent) industries.

Absenteeism

The highest rate of absenteeism (9.4) for the five (5) industries under review was registered for the wholesale and retail trade industry, closely followed by the rate for the financial services sector of 9.2. However, within the sub-sectors significant absenteeism rates were recorded for retail – supermarkets (17.1), clothing and textiles – textiles (13.2), commercial banks, non-metallic mineral products – paints and finishes, retail – books and stationery (10.1) and printing and publishing (10.0).

Conversely, the lowest absenteeism rate recorded for the five (5) sectors was in the construction sector (4.2). In the previous year, the accommodation had the lowest rate, with an estimate of 3.5. With respect to the five industries under review, food, beverages and tobacco – beverages (0.5), mining and quarrying (0.7), framing (0.8), guest houses/apartments (1.5), retail – health care supplies (2.6) and car dealerships and chemicals both 2.8, had the lowest overall average absenteeism rates.



Table 1: Absenteeism Rate for Firms Responding to Survey

Industry	2006	2007	2008	2009	2010
Accommodation	4.2	4.9	5.7	3.5	7.1
Construction	n/a	n/a	1.3	5.5	4.2
Financial Services	1.3	1.2	1.6	7.2	9.2
Manufacturing	3.0	3.0	3.4	8.2	8.9
Wholesale & Retail Trade	3.0	3.2	3.7	8.5	9.4

Source: 2007 – 2011 National Surveys of Productivity

Productivity Statistics by Selected Sectors

Accommodation Establishments

From estimates taken from the 2011 National Survey of Productivity, labour productivity growth in the accommodation sector of the Barbadian economy stands at 1.1 percent. This was despite contractions within the apartment hotels (10.4 percent) and guest houses/apartments (9.5 percent) sub-sectors. The increase in this industry was directly as a result of these reductions being overshadowed by an expansion in the hotels sub-grouping of 7.2 percent. Output per employee and unit labour cost are the two (2) additional indicators estimated in the Macro-Productivity Indicators Project, the indicators report (17.9 percent) and 26.2, respectively for the industry under review.

Construction Companies

In 2010, labour productivity within the construction industry fell by approximately 28.7 percent, after two (2) consecutive years of expansions. Output per employee remained unchanged; while unit labour cost was estimated at 31.8, for this industry.

Financial Services Institutions

After an expansion of 6.1 percent in 2009, an increase of 1.0 percent recorded the second consecutive year of positive productivity growth. All sub-sectors within the industry recorded productivity growth ranging from credit unions (13.7 percent) to commercial banks (2.0 percent). Unit labour cost for this industry was calculated at 23.5, while output per employee fell off by 9.7 percent.

Manufacturing Establishments

The manufacturing industry recorded a decrease of 5.0 percent in 2010, despite an increase of 4.5 percent, one year prior. This contraction was recorded although there were significant expansions in some sub-groupings: mining and quarrying (20.4 percent), chemicals (10.8 percent), clothing and textiles – drapery (5.8 percent) and non-metallic mineral products – paints and finishes (5.4 percent). Conversely, reductions were registered for then sub-sectors of the industry, with the highest in the framing sub-sector (12.7 percent). Output per employee was up slightly by 0.6 percent in the industry, and unit labour cost was calculated at 38.4, the highest for any industry involved in the exercise.



Wholesale and Retail Trade

The wholesale and retail trade registered a second contraction of 6.4 percent. This was mainly as a result of large negative growth rates in two of the sub-sectors: retail – fabric sales (30.4 percent) and wholesale and commission trade (9.5 percent). On the other hand, retail – health care supplies, retail – other and car dealerships registered significantly large positive growth rates of 23.9 percent, 14.7 percent and 13.4 percent, respectively. Output per employee fell by 6.5 percent and unit labour cost was 20.0.

Period: 2012–2013

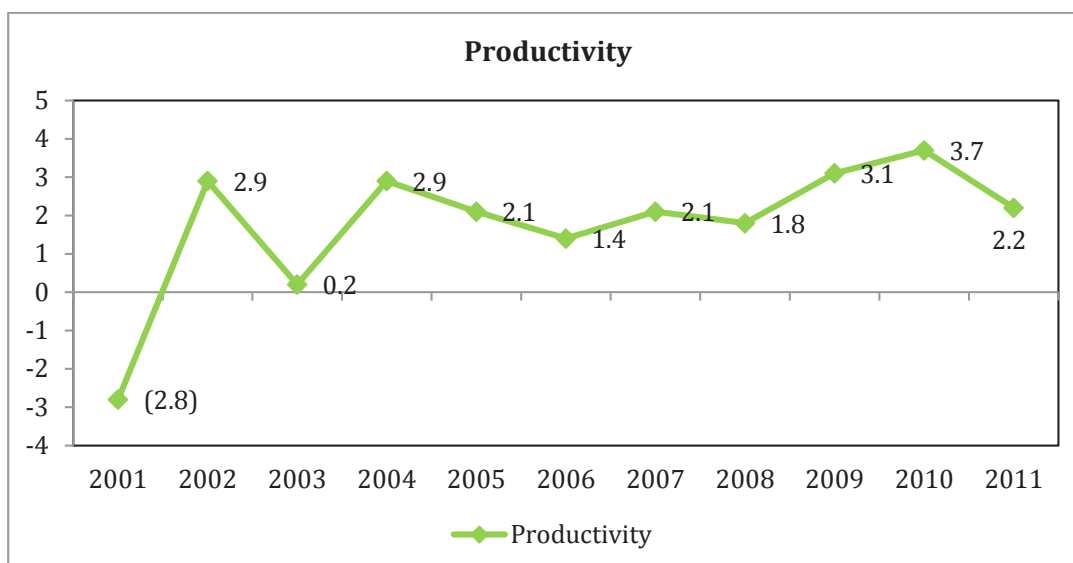
National Productivity Indicators

This is the tenth consecutive year that The Productivity Council has estimated productivity indicators for not just the overall economy, but for five (5) sectors of the Barbadian economy – accommodation, construction, financial services, manufacturing and wholesale and retail trade. The national labour productivity indicator is calculated using National Accounts statistics, while the others – labour productivity, output per employee, unit labour cost and absenteeism rate - for a number of establishments, sub-sectors and sectors - are developed using the annual National Survey of Productivity.

National Productivity Growth

Non-government productivity expanded for the second straight year by approximately 2.2 percent, after an estimated 3.7% in 2010.

Figure: 1 Macro-Productivity Growth (%) 2001– 2011



Computed from: Hours Worked for the Labour Force Survey and Real GDP
Sources: Barbados Statistical Service and Central Bank of Barbados



Sectoral Productivity Indices

Productivity

The National Survey of Productivity is conducted each year in five (5) sectors of the economy. For these sectors, with respect to labour productivity growth in 2011, all but one (1) – construction – recorded increases in labour productivity. The leader in labour productivity for 2011 was the financial services sector (37.0 percent), followed by the wholesale and retail trade industry (9.3 percent), then accommodation (1.6 percent) and finally manufacturing (0.4 percent). A negative growth rate was estimated for the construction sector – 3.0 percent (the sector's second consecutive contraction).

Absenteeism

The lowest absenteeism rate recorded overall for the industries in 2011 was in the accommodation industry 14.2 percent. With regards to the sub-sectors under review, food, beverage and tobacco – fish processors had the lowest total average absenteeism rate (3.8 percent). This was followed by apartments (8.1 percent), clothing and textiles – craft (8.6 percent) and service stations (9.6 percent).

Conversely, the highest absenteeism rate recorded for the five (5) sectors was in the financial services sector (18.2 percent). However, significant absenteeism rates were registered for clothing and textiles – framing (24.5 percent), chemicals (23.5 percent), retail – home furnishings and mining and quarrying both (21.3 percent), retail – books and stationery (20.7 percent) and non-metallic mineral products – cement and concrete (20.1 percent).

Table 1: Absenteeism Rate for Firms Responding to Survey

Industry	2007	2008	2009	2010	2011
Accommodation	4.9	5.7	3.5	11.1 (R)	14.2
Construction	n/a	1.3	5.5	9.2 (R)	13.3
Financial Services	1.2	1.6	7.2	13.2 (R)	18.2
Manufacturing	3.0	3.4	8.2	14.9 (R)	16.2
Wholesale & Retail Trade	3.2	3.7	8.5	19.4 (R)	15.2

Source: 2008 – 2012 National Surveys of Productivity

Productivity Statistics by Selected Sectors

Accommodation Establishments

From estimates taken from the 2012 National Survey of Productivity, labour productivity growth in the accommodation sector of the Barbadian economy stands at 1.6 percent. One sub-sector, apartments registered a contraction of 8.4 percent; while the highest expansion was recorded in the guest houses sub-sector (16.3 percent). The hotel sub-grouping produced a small increase in labour productivity of 0.3 percent and to round out the sector, labour productivity in the apartment hotels sub-sector grew by an estimated 7.5 percent.

Output per employee, one of the other productivity indicators calculated for this industry increased by an estimated 3.7 percent, as a result of expansions in the guest houses (15.7

percent), apartment hotels (10.2 percent) and hotels (1.7 percent) sub-groupings. The final sub-sector, apartments registered the only decrease for the industry (5.0 percent).

The unit labour cost of the firms surveyed within the accommodation industry registered that on average 32.83 percent of expenditure is spent on employees. Guest houses spent the largest percentage of the industry on labour (39.39 percent), while apartments spent the least amount of 18.58 percent.

Construction Companies

In 2011, labour productivity within the construction industry contracted by 3.0 percent; however this was less than the decrease recorded in 2010 of 28.7 percent. Output per employee expanded by an estimated 6.4 percent; while unit labour cost for the industry was the lowest rate for all five industries reviewed - 27.6 percent.

Financial Services Institutions

This sector registered the largest rise in labour productivity for the five (5) sectors under review - 37.0 percent. This followed a small expansion in 2010 of 1.0 percent; recording the third consecutive expansion for the sector. All sub-sectors recorded positive growth from 2.7 percent in offshore banks to 12.5 percent in the insurance companies sub-sector.

The output per employee ratio for the financial services industry increased by approximately 15.3 percent; this rise can be attributed primarily to the insurance sub-sector (44.8 percent) and the credit union and finance and trust sub-groupings (7.6 percent for both). One contraction was registered for the output per employee indicator in the offshore banking sector (10.5 percent)

Unit labour cost for the financial services sector was recorded at 28.24 percent for 2011; insurance companies registered the highest percentage of 36.30 percent, while the lowest was in the commercial banks of 19.68 percent.

Manufacturing Establishments

The manufacturing industry recorded an increase of 0.4 percent in 2011, after a contraction of 5.0 percent, one year prior. Despite, this expansion, significant reductions were registered for clothing and textiles – textiles (38.8 percent), mining and quarrying (29.3 percent), building materials (19.5 percent) and non-metallic mineral products – paints and finishes (15.8 percent). Conversely, large expansions were recorded for food, beverage and tobacco – fish processors (24.8 percent), clothing and textiles – framing (18.0 percent) and clothing and textile – clothing (9.8 percent)

The manufacturing sector was the only industry that registered a decline in output per employee (0.4 percent). This sector recorded major fall-offs of 34.8 percent (clothing and textiles – textiles), 21.5 percent (printing and publishing) and 10.3 percent (recycling). This significantly outweighed large expansions of 62.1 percent (clothing and textiles – drapery and soft furnishings), 22.3 percent (food, beverage and tobacco – fish processors), 13.4 percent (food, beverages and tobacco – confectionery and snacks) and 10.6 percent (clothing and textiles – clothing).



The highest unit labour cost rate for all five industries under review was estimated at 78.55 percent in the manufacturing industry. Within the industry, the highest unit labour cost rate was in the other manufacturing sub-grouping (93.86 percent), while the lowest was 19.23 percent in the recycling.

Wholesale and Retail Trade

The overall labour productivity rate for the industry was calculated at 9.3 percent. However, extremely high productivity growth rates were recorded for five (5) of the wholesale and retail trade sub-sectors, namely supermarkets (69.1 percent), meat processors (54.3 percent), jewellery (37.3 percent), house and hardware supplies (18.0 percent) and retail (12.5 percent). Contractions were registered for seven (7) sub-sectors within the industry: retail – chemicals (18.2 percent), home furnishings (14.6 percent), fabric sales (11.5 percent), air conditioning (11.4 percent), other (4.0 percent), health care supplies (1.8 percent) and apparel (0.5 percent).

There was an expansion of 12.1 percent in the output per employee indicator for the wholesale and retail trade industry. This increase was fuelled by rises in a number of sub-sectors of the industry: retail – meat processors (72.7 percent) and retail – apparel (46.2 percent), despite significant contractions in some sub-sectors of the same industry. These decreases were recorded in the retail – food production (51.9 percent), retail – air conditioning (22.7 percent) and retail – chemicals – 22.7 percent.

The wholesale and retail trade sector registered a unit labour cost of 35.80 percent. Retail – food production registered a significant rate of 75.20 percent, closely followed by retail – chemicals (64.90 percent) and retail – other (59.30 percent). The lowest for this industry was in the retail – house and hardware supplies (18.80 percent), retail – jewellery (18.00 percent) and retail – books and stationery supplies (21.00 percent).

(II) ENTERPRISE PRODUCTIVITY & QUALITY MANAGEMENT SOLUTIONS (EPQMS)

This programme has been developed based on recommendations emanating from the Benchmarking and Best Practices project sponsored by the Inter-American Development Bank. It endeavours to facilitate greater harmonisation between corporate strategy, departmental/team/individual objectives, resource allocation, performance evaluation, improvement and corrective strategies.

The following benefits can accrue to clients' organisations:

- Improved enterprise productivity/performance
- Better service delivery
- Increased regional and international competitiveness

The programme's components include:

Phase 1: The Strategic Vision

- Phase 2: Analysis – Benchmarking & Best Practices; Productivity Analysis; and Process Analysis and Management
- Phase 3: Design & Implementation – System Modelling (Service Excellence & Performance Measures); and Enterprise Intelligence & Performance Scorecarding
- Phase 4: Achievement – Productivity & Quality; Profitability; and Sustainability.

ACHIEVEMENTS

Period: 2011–2012

- Seven (7) education workshops on the Performance-Based Incentive Plan were conducted for the Barbados Hotel & Tourism Association.

Period: 2012–2013

- A Standard Operating Procedures Manual was completed for Super Centre Ltd.
- A presentation on the Performance-Based Incentive Plan was made to the Human Resource Committee of the Barbados Hotel & Tourism Association.

6. TO DESIGN, ADVISE ON AND CONDUCT SUITABLE EDUCATIONAL PROGRAMMES.

The key activities under this objective were:

- General Seminars;
- In-House Seminars; and
- The Youth Productivity Awareness Programme.

The Council continually revamps its training programme to create maximum impact, as it seeks to create awareness, increase knowledge, develop skills and shape attitudes to effect improved productivity.

ACHIEVEMENTS

Period: 2011–2012

- (a) Two (2) general seminars were conducted on Managerial Skills and Techniques for Supervisors; one (1) was conducted on Motivation for the Productivity Week; and one (1) was conducted on Motivating Teams for the Week of Excellence.
- (b) Five (5) in-house seminars were conducted for the private sector companies listed below:
- Caribbean Disaster Emergency Management Agency
 - Cave Shepherd Card Services Centre
 - Atlantis Seafood Inc



- Purity Bakeries Ltd

- (c) Customer Service seminars were conducted under special projects funded by the TVET Council for the Barbados Small Business Association (ten (10) sessions), and the Barbados Hotel & Tourism Association (three (3) sessions).

- (d) Twenty (20) presentations on Productivity were conducted for the Unions, while fourteen (14) were conducted for the Government Training Administration Division.

- (e) Twenty-one (21) education sessions were conducted under the Youth Productivity Awareness Programme. The organisations included:
 - Community Independence Secretariat
 - Barbados Vocational Training Board
 - Barbados Youth Service
 - SAVE Foundation
 - School Prefects (Productivity Week)
 - LIME
 - The Alleyne School
 - Deighton Griffith Secondary School
 - Thicketts Wesleyan Church

- (f) Thirteen (13) training sessions were conducted for public sector agencies in the following areas:
 - Teambuilding
 - Improving Communication through Teamwork
 - Customer Service
 - Coaching & Counselling
 - Strategic Planning
 - Motivation

The organisations impacted were: Treasury Department; Town and Country Development Planning Office; National Task Force on Crime Prevention; Urban Development Commission; Civil Aviation Department and Barbados Drug Service.

One thousand and ninety-three (1,093) persons were impacted by the Council's training interventions.

Period: 2012–2013

- (a) Four (4) general seminars were conducted on Managerial Skills and Techniques for Supervisors and one (1) on Employee Excellence for Week of Excellence.

- (b) Five (5) in-house seminars were conducted for the following private sector organisations:
 - Glacial Ice
 - People's Cathedral Primary School
 - Northern Lumber Company Ltd

- (c) Under special projects funded by the TVET Council, ten (10) sessions were conducted for the Barbados Small Business Association on Supervisory Management and Service Strategy; and one (1) session was held for the Barbados Hotel and Tourism Association on

Customer Service.

- (d) Twenty (20) Productivity presentations were held for the Unions, while two (2) were held for the Government Training Administration Division.
- (e) Under the Youth Productivity Awareness Programme, eight (8) education sessions were held for the following organisations:
 - Barbados Community College
 - Barbados Vocational Training Board
 - The Ann Hill School
 - LIME
 - The Alleyne School
 - Pinelands Creative Workshop
- (f) Seven (7) training sessions were conducted for Community Independence Secretariat and Queens College.

During this period, eight hundred and ninety-six (896) persons were impacted by the Council's interventions.

DEPARTMENT ADOPTION TRAINING THRUST (DATT)

This special project was initiated in January 2012 to enhance and promote productivity in public and statutory organisations primarily. DATT is structured in three (3) phases: advocacy and education; technical assistance; and evaluation.

The advocacy and education component targets junior staff, middle and senior management with training in productivity best practices and supervisory management. The technical assistance phase focuses on performance incentives and productivity measurement systems. The evaluation phase which is to be conducted after an 18-month period, is geared at evaluating the degree of impact of the programme, and highlighting any areas for improvement.

ACHIEVEMENTS

Period: 2011–12

Nineteen (19) education sessions were conducted for Transport Board, National Sports Council, Barbados Drug Service and Nation Publishing Co Ltd.

Period: 2012–13

Twenty-four (24) education sessions were conducted for National Assistance Board, Queen Elizabeth Hospital, National Sports Council, Barbados Community College and Transport Board.



7. TO DISSEMINATE INFORMATION INTENDED TO STIMULATE PUBLIC AWARENESS AND ALSO PROMOTE UNDERSTANDING OF THE NEED TO IMPROVE THE QUALITY OF WORK PERFORMANCE NATIONALLY AND IN THE CONTEXT OF INTERNATIONAL TRENDS AND STANDARDS.

The Council used various fora, such as the print, broadcast and television media to promote the benefits and importance of productivity growth to the development and expansion of the economy. It sought to highlight the role of productivity as the vehicle to enhance competitiveness, organisational sustainability and quality of life (personal and work-related) for all citizens. In addition, the “Productivity in Focus” news magazine was used to further promote the Council’s services and competitive issues, while the “Productivity in Focus” booklet examined both the ‘hard’ and ‘soft’ aspects of performance-related pay and the fundamentals of productivity.

ACHIEVEMENTS

Period: 2011–2012

- Fifty-seven (57) Productivity in Focus articles were published in the print media.
- Seventy-four (74) Productivity media reports were published.
- Sixteen (16) TV/Video features were aired.
- One (1) newsmagazine was published.
- The website development/enhancement was progressed.
- One (1) Secondary Schools’ Essay Competition was executed.

Productivity Week, which was carried out under the ambit of the National Productivity Awareness Campaign, was held from 9–15 October 2011 with the theme “Getting Everyone To Understand Productivity” (GET UP!). It commenced with a Church Service at The People’s Cathedral, and other activities included an Open Day and a community-outreach initiative called Kiddies’ Fun Day for the residents of Bannister Land.

Period: 2012–2013

- Twenty-nine (29) Productivity in Focus articles were published in the print media.
- Twenty-two (22) Productivity media reports were published.
- Eight (8) TV/Video features were aired.
- The website development/enhancement was progressed.

The Council participated in annual events with strategic partners:

- *Barbados Workers’ Union*: May Day Planning Committee
- *Ministry of Social Care*: National Senior Games Planning Committee and Booth at Senior Games in Utah
- *Social Partners*: Week of Excellence

Special Projects

- *GET-UP!* – Getting Everyone to Understand Productivity was initiated and promoted with a series of business catchment presentations between October – December 2013.
- *Productivity and Innovation Tax Credit* – A Press Conference was held to launch the initiative and an information booklet and promotional jingle were developed.

8. TO ASSIST IN CREATING A CLIMATE WHICH WOULD MAXIMISE THE USE OF PRODUCTIVITY GAINS IN COLLECTIVE BARGAINING EXERCISES.

In respect of this objective, the unions have played a very important role in the productivity improvement programme since they have encouraged companies to utilise the Council's services in the development of productivity-based pay agreements for employees, within the collective bargaining process.

THE CENTRE FOR POLICY STUDIES

The Centre for Policy Studies is mandated to provide research on the development, impact and assessment of policy measures related to management-labour collaboration, productivity and competitiveness. It is envisaged that the Centre can provide employers, workers and governmental organisations with additional information with which they can minimise industrial conflict, foster participatory enterprise development, improve conditions for decent work and achieve higher levels of productivity.

ACHIEVEMENTS

Period: 2012–2013

- A draft study on Provisional Assessment of Performance Improvement Schemes in the Public Sector was initiated.
- A study on E-Commerce as a Tool to Improve Productivity in the Small Business Sector was completed.

REGIONAL TECHNICAL ASSISTANCE

The Council continued to provide technical assistance to regional government agencies and private sector organisations in the areas of training, Performance-Based Incentive Schemes, Performance Appraisal Systems, Productivity Management related educational training and other productivity improvement initiatives.



ACHIEVEMENTS

Period: 2012–2013

The Council provided various forms of technical assistance to the public and private sectors in the following territories:

- St Kitts
- St Lucia

NATIONAL PRODUCTIVITY AWARENESS CAMPAIGN

The National Productivity Awareness Campaign (NPAC) aims to sensitise and promote to all Barbadians, the importance of productivity in sustaining business competitiveness, generating foreign exchange and maintaining the national standard of living.

It is a multi-year project which focuses on behavioural change, system application and productivity improvement.

ACHIEVEMENTS

Period: 2011–2012

- Twenty-two (22) sessions were held as part of the New Entrants Productivity Awareness Programme (NEPAP) and as a result, five hundred and twenty (520) school leavers and new entrants to the workplace were impacted.
- Three (3) sessions were held under the “Getting Everyone To Understand Productivity” (GET-UP) programme.

Period: 2012–2013

- Three hundred and twenty-six (326) school leavers and new entrants to the workplace were impacted when eighteen (18) education sessions were conducted under the New Entrants Productivity Awareness Programme.
- Two (2) sessions were held under the “Getting Everyone To Understand Productivity” (GET-UP) programme.

STAFF TRAINING AND DEVELOPMENT

Staff participated in a number of training and development activities during the period 2011–2012:

OFFICER	ACTIVITY
Executive Director	<ul style="list-style-type: none"> Leading with Emotional Intelligence (Canadian Management Centre) Caribbean Studies Association Conference Caribbean Public Service Association Conference Disney's Approach to Leadership Excellence (Disney Institute)
Chief Programme Manager	<ul style="list-style-type: none"> Kaplan and Norton Balanced Scorecard Certification Boot Camp (The Palladium Institute) Breakthrough Leadership Seminar WorldatWork Annual Conference and Exposition
Senior Economist	Government Performance Week @ The Performance Institute
Senior Productivity Officer	Developing Meaningful Performance Measures for Business and Government (Balanced Scorecard Institute)
Productivity Officer	ISO 9001:2008 Requirements (BSI America)
Training Officer	<ul style="list-style-type: none"> Improving Your Managerial Effectiveness (AMA) ASTD Annual Conference
Economist	<ul style="list-style-type: none"> Measuring Productivity (Bureau of Labor Statistics) Successfully Managing People (AMA)
Chairman	<ul style="list-style-type: none"> Developing Meaningful Performance Measures for Business and Government (Balanced Scorecard Institute)
Accounting Officer	Management Skills for New Supervisors (AMA)
Senior Clerk	<ul style="list-style-type: none"> Diploma in Management Studies [Administrative Management] (BIMAP) Library Assistant Course (BCC)
Executive Secretary	<ul style="list-style-type: none"> Masters' Entry Diploma (University of Wales) Seminar: The Role of the Executive Secretary (BAOP)
Stenographer/Typist	Seminar: The Role of the Executive Secretary (BAOP)
Receptionist/Typist	Seminar: The Role of the Executive Secretary (BAOP)



During the period 2012–2013, staff participated in a number of training and development activities:

OFFICER	ACTIVITY
Executive Director	<ul style="list-style-type: none"> • 1st Caribbean Competitiveness Forum (UWI, St Augustine) • Government Performance Week at The Performance Institute • Caribbean Studies Association Conference 2012 • Jamaica Employers' Federation Conference • American Society for Training and Development Annual Conference
Chief Programme Manager	<ul style="list-style-type: none"> • Cluster Development and Technical Capacity Building Project (UWI, St Augustine) • Global Value Chain Workshop (UWI, St Augustine) • 1st Caribbean Competitiveness Forum (UWI, St Augustine) • Cluster Competitiveness Workshop (CCfC, UWI, St Augustine) • NISE Service Leadership Conference
Senior Economist	<ul style="list-style-type: none"> • Human Resources Development and Cooperation for Superintendent Officials from Latin American, Caribbean and South Pacific Regions (Embassy of the People's Republic of China) • Business Analysis Essentials course and Certified Business Analysis Professional Boot Camp (Advantage Caribbean Institute Ltd)
Senior Training Officer	The Voice of Leadership (AMA)
Productivity Officer	ISO 9001:2008 Requirements (BSI America)
Training Officer	<ul style="list-style-type: none"> • Increasing Your Managerial Effectiveness (AMA) • Preparing for Programme Approval (Barbados Accreditation Council) • Enhancing Customer Service Delivery for MSME's (CTCS Network & Fund Access) • NISE Service Leadership Conference • HRMAB Conference
Economist	<ul style="list-style-type: none"> • Successfully Managing People (AMA) • Global Value Chain Workshop (UWI, St Augustine) • Enhancing Customer Service Delivery for MSME's (CTCS Network & Fund Access) • Cluster Competitiveness Workshop (CCfC, UWI, St Augustine) • Business Process Management Boot Camp 101 & 201 (Delphi Group)
Deputy Chairman	<ul style="list-style-type: none"> • NISE Service Leadership Benchmarking Study Tour • Seminar on Economic Administration for Latin America, Caribbean and South Pacific Countries (Embassy of the People's Republic of China)
Accounting Officer	<ul style="list-style-type: none"> • MS Excel (Advantage Caribbean Institute Ltd) • Management Skills for New Managers (AMA) • Government Performance Week at The Performance Institute • Performance Budgeting Workshop for the Public Sector (TPC) • Improving Performance with Variable Pay (World@Work)
Senior Clerk	Diploma in Management Studies [Administrative Management] (BIMAP)
Executive Secretary	NISE Service Leadership Conference

The Productivity Council

Highlights of **2011-2012**



**Building Trust
Seminar**



**CDEMA Customer
Service**



**Cave Shepherd
Time Management Training**



**Productivity
Week**



**Supervisory Management
General Seminar**



Highlights of 2012-2013

***Customer Service
General Seminar***



***Developing Successful
Leaders TPC-NUPW***



POISE Seminar



Supervisory Management Training





Financial Statements 2011 - 2012



The
Productivity
Council

Annual Report

**National Productivity Council
Financial Statements
For The Year Ended
March 31, 2012**

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



National Productivity Council

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Brian F. Griffith & Co. CHARTERED ACCOUNTANTS

To the Shareholders of the National Productivity Council

We have audited the accompanying financial statements of the National Productivity Council, which comprise the balance sheet as of March 31, 2012, the statement of income and expenditure and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

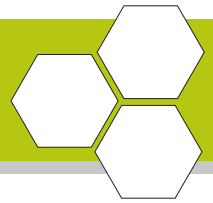
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium-size Entities. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation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

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements present fairly, in all material respects, the financial position of the National Productivity Council as of March 31, 2012, 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.

Brian F Griffith & Co
Chartered Accountants

2 October 2013
Bridgetown, Barbados

National Productivity Council Balance sheet As at March 31, 2012

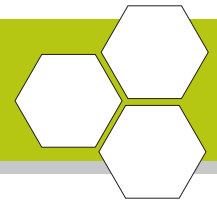
	Notes	2012 \$	2011 \$
Assets			
Cash		472,695	519,310
Accounts receivable	3	200,253	177,254
Fixed deposit		175,765	170,894
Prepaid expenses		13,640	5,754
Inventory	4	91,222	85,845
		<u>953,575</u>	<u>959,057</u>
Plant and equipment (net)	5	<u>31,210</u>	<u>44,349</u>
Total assets		<u>984,785</u>	<u>1,003,406</u>
Liabilities and general fund			
Current liabilities			
Accounts payable and accrued liabilities		<u>71,655</u>	<u>37,349</u>
General fund			
Balance, beginning of year		966,057	1,089,451
Deficit for the year		(52,927)	(123,394)
Balance, end of year		<u>913,130</u>	<u>966,057</u>
Total liabilities and shareholders' equity		<u>984,785</u>	<u>1,003,406</u>

The accompanying notes form part of these financial statements.

Approved by the Board:

DIRECTOR.....

DIRECTOR.....



National Productivity Council
Statement of cash flows
For the year ended March 31, 2012

	2012	2011
	\$	\$
Cash flows from operating activities		
Net loss for the period	(52,927)	(123,394)
Depreciation	20,477	21,435
Loss on disposal of assets	0	900
Operating income before working capital changes	(32,450)	(101,059)
Accounts receivable	(22,999)	6,432
Prepaid expenses	(7,886)	613
Inventory-library material	(5,377)	(96)
Accounts payable	34,306	(7,150)
Net cash from operating activities	(34,406)	(201)
Cash flows from investing activities		
Purchase of plant and equipment	(7,338)	(19,091)
Net cash flows from investing activities	(7,338)	(19,091)
Net decrease in cash for the year	(41,744)	(120,351)
Cash and cash equivalents, beginning of year	690,204	810,555
Cash and cash equivalents, end of period	648,460	690,204
Cash and cash equivalents consist of:		
Cash on hand and at bank	472,695	519,310
Fixed deposit	175,765	170,894
	648,460	690,204

The accompanying notes form part of these financial statements.

National Productivity Council Notes to financial statements March 31 2012

1. General

The National Productivity Council was established under the National Productivity Council Act 1996-19. The main functions of the Council are:

- i. To create and develop methodologies for productivity measurement, management and improvement in the public service and the private sector.
- ii. To provide technical advice and assistance for devising productivity related payment schedules.

2. Principal accounting policies

These financial statements have been prepared in accordance with approved International Financial Reporting Standards for Small and Medium-size Entities. Significant accounting policies are as follows:

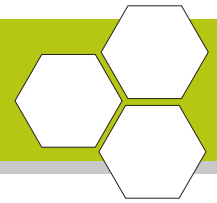
a) Basis of accounting

These financial statements are prepared under the historical cost convention and are expressed in Barbados dollars.

b) Depreciation

Depreciation is calculated to write off the cost of plant and equipment on a straight-line basis over their expected useful lives. The principal annual rates used for this purpose are:

Furniture and fixtures	- 12.5%
Plant and equipment	- 20%
Motor vehicles	- 20%
Computer hardware	- 33.33%
Computer software	- 100%



National Productivity Council

Notes to financial statements

March 31 2012

3. Accounts receivable

	\$
These comprise – staff loans	129,126
- trade receivables	71,127
	<u>200,253</u>

4. Inventory – Library materials

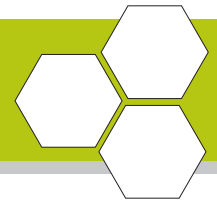
The National Productivity Council is still in the process of acquiring materials for its library. When the desired level of inventory is reached, any subsequent expenditure will be treated on the replacement basis method and written off in that financial year.

5. Fixed assets

	Furn. & Fixtures \$	Plant & Equip. \$	Motor Vehicles \$	Comp. Hard. \$	Comp. Soft. \$	Total 2012 \$
Cost						
At January 1, 2012	68,225	116,723	42,494	56,997	10,065	294,504
Additions	895	1,355	0	2,607	2,481	7,338
Disposals	0	0	0	0	0	0
At December 31, 2012	<u>69,120</u>	<u>118,078</u>	<u>42,494</u>	<u>59,604</u>	<u>12,546</u>	<u>301,842</u>
Depreciation						
At January 1, 2012	51,688	110,060	25,497	52,845	10,065	250,155
Disposals	0	0	0	0	0	0
Charge	3,568	2,933	8,499	2,996	2,481	20,477
At December 31, 2012	<u>55,256</u>	<u>112,993</u>	<u>33,996</u>	<u>55,841</u>	<u>12,546</u>	<u>270,632</u>
Net Book Value	<u>13,864</u>	<u>5,085</u>	<u>8,498</u>	<u>3,763</u>	<u>0</u>	<u>31,210</u>

National Productivity Council
Statement of income and expenditure
For the year ended March 31, 2012

		2012	2011
		\$	\$
Income			
Grants		1,719,985	1,548,413
Special account	Page 10	142,387	190,117
Other income		5,161	5,661
		<u>1,867,533</u>	<u>1,744,191</u>
Expenditure	Page 9	<u>(1,920,460)</u>	<u>(1,867,585)</u>
Excess of expenditure over income		<u>(52,927)</u>	<u>(123,394)</u>



National Productivity Council
Statement of expenditure
For the year ended March 31, 2012

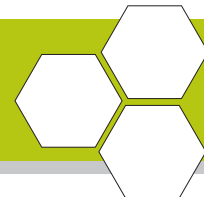
Expenditure	2012	2011
	\$	\$
Administrative service	12,658	16,073
Annual report	1,755	9,070
Audit and accounting	13,332	7,609
Caribbean association of productivity professionals	2,268	0
Centre for Policy Studies	4,456	118,540
Cleaning - carpets	3,401	0
Depreciation	20,477	21,435
Directors' fees	32,903	31,775
Food and Agriculture Organization (FAO)	25,875	5,155
Hospitality expenses	9,467	11,210
Insurance	5,754	6,006
Interest and bank charges	1,614	985
Loss on disposal of assets	0	900
Membership subscriptions	8,339	5,395
Miscellaneous	225	518
NPC Health programme	130	0
Postage	948	1,270
Productivity Awareness Campaign	24,136	7,527
Programme expenses	320,913	288,984
Rental of property	3,404	0
Repairs and maintenance	5,359	24,024
Salaries, wages and national insurance	1,130,338	1,101,254
Sponsorship	37,030	27,587
Staff welfare	21,741	21,404
Supplies and materials	33,422	35,924
Balance carried forward	1,719,945	1,742,645

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Page 11

**National Productivity Council
Statement of expenditure...cont'd
For the year ended March 31, 2012**

Expenditure	2012	2011
	\$	\$
Balance brought forward	1,719,945	1,742,645
Technical assistance – overseas programme	72,574	20,696
Travel and entertainment	5,759	10,989
Uniforms	900	0
Utilities	104,371	82,177
Vehicle expenses	5,922	3,502
Week of Excellence	10,989	7,576
	<u>1,920,460</u>	<u>1,867,585</u>



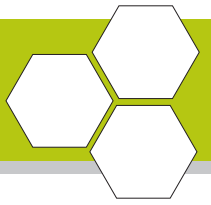
National Productivity Council
Additional information
For the year ended March 31, 2012

Net income-special account


	Notes	2012 \$	2011 \$
Income			
Seminars/training		33,036	47,825
Other income		81,351	77,292
Food and Agriculture Organization (FAO)		18,000	45,000
EPQMS		10,000	20,000
		<u>142,387</u>	<u>190,117</u>
Less: expenditure			
Administrative services		12,617	0
Miscellaneous		225	518
EPQMS		8,736	0
Hospitality expenses		1,100	2,171
Programme expenses – seminars		2,705	10,872
Public relations		20,421	10,174
Technical assistance-overseas programme		72,574	20,696
Interest and bank charges		157	173
Staff welfare		21,741	19,994
Supplies and materials		963	2,273
Bonus		43,333	22,268
Food and Agriculture Organization (FAO)		25,875	5,155
		<u>210,447</u>	<u>94,294</u>
Total expenditure			
		<u>210,447</u>	<u>94,294</u>
Excess of expenditure over income		<u>(68,060)</u>	<u>95,823</u>

National Productivity Council
Additional information-cont'd
For the year ended March 31, 2012

	2012	2011
	\$	\$
Depreciation		
Furniture & fixtures	3,568	3,726
Computer hardware and software	5,477	6,547
Plant & equipment	2,933	2,663
Motor vehicle	8,499	8,499
	<u>20,477</u>	<u>21,435</u>
Programme expenses		
Newsletter	0	11,299
Seminars & conferences	48,832	50,686
Short term consultants	29,190	0
Public relations	81,995	74,922
Public sector productivity	3,151	3,134
Research	35,059	61,633
Seminars	19,290	29,048
Staff training	94,660	44,462
EPQMS	8,736	13,800
	<u>320,913</u>	<u>288,984</u>







Financial Statements 2012 - 2013



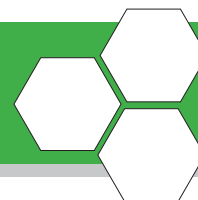
The
Productivity
Council

Annual Report



**National Productivity Council
Financial Statements
For The Year Ended
March 31, 2013**

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



National Productivity Council

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Brian F. Griffith & Co. CHARTERED ACCOUNTANTS

Independent Auditors' Report

To the Shareholders of the National Productivity Council

We have audited the accompanying financial statements of the National Productivity Council, which comprise the balance sheet as of March 31, 2012, the statement of income and expenditure and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements present fairly, in all material respects, the financial position of the National Productivity Council as of March 31, 2012, 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.

Brian F Griffith & Co
Chartered Accountants

26 February 2014
Bridgetown, Barbados

National Productivity Council Balance sheet As at March 31, 2013

	Notes	2013 \$	2012 \$
Assets			
Cash		432,451	472,695
Accounts receivable	3	136,674	200,253
Fixed deposit		180,777	175,765
Prepaid expenses		0	13,640
Inventory	4	91,542	91,222
		<u>841,444</u>	<u>953,575</u>
Plant and equipment (net)	5	<u>62,121</u>	<u>31,210</u>
Total assets		<u>903,565</u>	<u>984,785</u>
Liabilities and general fund			
Current liabilities			
Accounts payable and accrued liabilities		<u>77,550</u>	<u>71,655</u>
General fund			
Balance, beginning of year		913,130	966,057
Deficit for the year		(87,115)	(52,927)
Balance, end of year		<u>826,015</u>	<u>913,130</u>
Total liabilities and shareholders' equity		<u>903,565</u>	<u>984,785</u>

The accompanying notes form part of these financial statements.

Approved by the Board:

DIRECTOR  DIRECTOR 

National Productivity Council
Statement of income and expenditure
For the year ended March 31, 2013

	2013	2012
	\$	\$
Income		
Grants	1,645,353	1,719,985
Special account	175,699	142,387
Other income	5,150	5,161
	<u>1,826,202</u>	<u>1,867,533</u>
Expenditure	<u>(1,913,317)</u>	<u>(1,920,460)</u>
Excess of expenditure over income	<u>(87,115)</u>	<u>(52,927)</u>

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National Productivity Council
Statement of cash flows
For the year ended March 31, 2013

	2013	2012
	\$	\$
Cash flows from operating activities		
Net loss for the period	(87,115)	(52,927)
Depreciation	29,630	20,477
Loss on disposal of assets	637	0
Operating income before working capital changes	(56,848)	(32,450)
Accounts receivable	63,578	(22,999)
Prepaid expenses	13,639	(7,886)
Inventory-library material	(320)	(5,377)
Accounts payable	5,895	34,306
Net cash from operating activities	25,944	(34,406)
Cash flows from investing activities		
Purchase of plant and equipment	(61,176)	(7,338)
Net cash flows from investing activities	(61,176)	(7,338)
Net decrease in cash for the year	(35,232)	(41,744)
Cash and cash equivalents, beginning of year	648,460	690,204
Cash and cash equivalents, end of period	613,228	648,460
Cash and cash equivalents consist of:		
Cash on hand and at bank	432,451	472,695
Fixed deposit	180,777	175,765
	613,228	648,460

The accompanying notes form part of these financial statements.

National Productivity Council

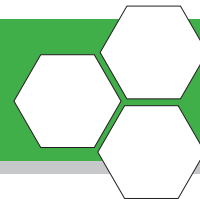
Statement of expenditure

For the year ended March 31, 2013

Expenditure	2013	2012
	\$	\$
Administrative service	27,055	12,658
Annual report	16,696	1,755
Audit and accounting	14,740	13,332
Caribbean association of productivity professionals	1,497	2,268
Centre for Policy Studies	15,700	4,456
Cleaning - carpets	1,126	3,401
Depreciation	29,630	20,477
Directors' fees	28,380	32,903
Food and Agriculture Organization (FAO)	0	25,875
Hospitality expenses	10,597	9,467
Insurance	5,521	5,754
Interest and bank charges	1,177	1,614
Loss on disposal of assets	637	0
Macro productivity indicators	340	
Membership subscriptions	4,740	8,339
Miscellaneous	46,359	225
NPC Health programme	0	130
Postage	2,737	948
Productivity Awareness Campaign	17,305	24,136
Programme expenses	349,665	320,913
Rental of property	1,611	3,404
Repairs and maintenance	11,800	5,359
Salaries, wages and national insurance	1,105,174	1,130,338
Sponsorship	21,859	37,030
Staff welfare	25,614	21,741
Staff training -overseas	3,628	0
Supplies and materials	47,952	33,422
Balance carried forward	1,791,540	1,719,945

National Productivity Council
Statement of expenditure...cont'd
For the year ended March 31, 2013

	2013	2012
Expenditure	\$	\$
Balance brought forward	1,791,540	1,719,945
Technical assistance – overseas programme	60,255	72,574
Travel and entertainment	4,940	5,759
Uniforms	0	900
Utilities	35,064	104,371
Vehicle expenses	3,893	5,922
Week of Excellence	17,625	10,989
	1,913,317	1,920,460



National Productivity Council

Notes to financial statements

March 31 2013

1. General

The National Productivity Council was established under the National Productivity Council Act 1996-19. The main functions of the Council are:

- i. To create and develop methodologies for productivity measurement, management and improvement in the public service and the private sector.
- ii. To provide technical advice and assistance for devising productivity related payment schedules.

2. Principal accounting policies

These financial statements have been prepared in accordance with approved International Financial Reporting Standards for Small and Medium-size Entities. Significant accounting policies are as follows:

a) Basis of accounting

These financial statements are prepared under the historical cost convention and are expressed in Barbados dollars.

b) Depreciation

Depreciation is calculated to write off the cost of plant and equipment on a straight-line basis over their expected useful lives. The principal annual rates used for this purpose are:

Furniture and fixtures	-	12.5%
Plant and equipment	-	20%
Motor vehicles	-	20%
Computer hardware	-	33.33%
Computer software	-	100%

National Productivity Council Notes to financial statements March 31 2013

3. Accounts receivable

	\$
These comprise – staff loans	98,993
- trade receivables	37,675
- Republic Bank (B'dos) Ltd	6
	<u>136,674</u>

4. Inventory – Library materials

The National Productivity Council is still in the process of acquiring materials for its library. When the desired level of inventory is reached, any subsequent expenditure will be treated on the replacement basis method and written off in that financial year.

5. Fixed assets

	Furn. & Fixtures \$	Plant & Equip. \$	Motor Vehicles \$	Comp. Hard. \$	Comp. Soft. \$	Total 2013 \$
Cost						
At April 1, 2012	69,120	118,078	42,494	59,604	12,546	301,842
Additions	30,476	6,077	0	24,623	0	61,176
Disposals	(48,301)	(108,456)	0	(43,803)	0	(200,560)
At March 31, 2013	<u>51,295</u>	<u>15,699</u>	<u>42,494</u>	<u>40,424</u>	<u>12,546</u>	<u>162,458</u>
Depreciation						
At April 1, 2012	55,256	112,993	33,996	55,841	12,546	270,632
Disposals	(47,666)	(108,456)	0	(43,803)	0	(199,925)
Charge	6,412	3,618	8,498	11,102	0	29,630
At March 31, 2013	<u>14,002</u>	<u>8,155</u>	<u>42,494</u>	<u>23,140</u>	<u>12,546</u>	<u>100,337</u>
Net Book Value	<u>37,293</u>	<u>7,544</u>	<u>0</u>	<u>17,284</u>	<u>0</u>	<u>62,121</u>

National Productivity Council
Notes to financial statements
For the year ended March 31, 2013

	Notes	2013 \$	2012 \$
Depreciation	6		
Furniture & fixtures		6,412	3,568
Computer hardware and software		11,102	5,477
Plant & equipment		3,618	2,933
Motor vehicle		8,498	8,499
		<u>29,630</u>	<u>20,477</u>
Programme expenses	7		
Newsletter		5,357	0
Seminars & conferences		31,666	48,832
Short term consultants		9,640	29,190
Public relations		80,709	81,995
Public sector productivity		916	3,151
Research		70,542	35,059
Seminars		17,768	19,290
Staff training		90,922	94,660
EPQMS		42,145	8,736
		<u>349,665</u>	<u>320,913</u>

NOTES