

RURAL DEVELOPMENT COMMISSION



ANNUAL REPORT

FOR

YEAR ENDED

MARCH 31, 2008

Rural Development Commission Annual Report for Year Ended March 31, 2008

1. ESTABLISHMENT

The Rural Development Commission was established by the Rural Development Commission Act 1995-12. The Act was proclaimed on February 28, 1996 and came into effect on March 1, 1996.

2. MEMBERS OF THE COMMISSION

The following members of the Commission were appointed by the Minister for a period of three years from July 1, 2006.

Mr. Tyrone Power	-	Chairman
Mr. Delisle Bradshaw	-	Deputy Chairman
Mr. Calvin Harris	-	Member
Mr. Anthony Lynch	-	Member
Ms. Patricia Parris	-	Member
Mr. Trevor Springer	-	Member
Mr. John Still	-	Member
The Chief Technical Officer, Ministry of Public Works & Transport or his nominee	-	Member
The Permanent Secretary, Ministry of Agriculture and Rural Development or his nominee	-	Member

2.1 Sub Committees

Management Committee

Mr. Delisle Bradshaw	-	Chairman
Mr. Calvin Harris	-	Member
Mr. Anthony Lynch	-	Member
Mr. Trevor Springer	-	Member

Tenders Committee

Mr. Tyrone Power	-	Chairman
Mr. Delisle Bradshaw	-	Member
Mr. Calvin Harris	-	Member
Mr. John Still	-	Member
Mr. Frank Thornhill	-	Member

Enterprise Development Committee

Sen. Patricia Parris	-	Chairman
Mr. Delisle Bradshaw	-	Member
Mr. Barton Clarke	-	Member
Mr. Tyrone Power	-	Member
Mr. Trevor Springer	-	Member

The following members of the Commission were appointed by the Minister for a period of three years from February 1, 2008.

Mr. Michael Power	-	Chairman
Mr. Michael Alleyne	-	Deputy Chairman
Mr. Adrian Carter	-	Member
Mr. John Still	-	Member
Mr. Sylvester Williams	-	Member
Mrs. Sheila Worrell	-	Member
Chairman, Scotland District Authority	-	Member
The Chief Technical Officer, Ministry of Public Works & Transport or his nominee	-	Member
The Permanent Secretary, Ministry of Agriculture and Rural Development or his nominee	-	Member

2.2 Sub Committees

At its meeting of April 3, 2008, the following sub-committees were appointed:-

Management Committee

Mr. Michael Alleyne	-	Chairman
Mr. Adrian Carter	-	Member
Mr. John Still	-	Member
Mr. Sylvester Williams	-	Member
Mrs. Sheila Worrell	-	Member

Tenders Committee

Mr. Michael Power	-	Chairman
Mr. John Still	-	Member
Mr. Adrian Carter	-	Member
Mr. Frank Thornhill	-	Member
Mr. Sylvester Williams	-	Member

Enterprise/Loans Committee

Mr. Michael Power	-	Chairman
Mr. Michael Alleyne	-	Member
Mr. Adrian Carter	-	Member
Mr. Sylvester Williams	-	Member
Mrs. Sheila Worrell	-	Member

3. PROCEDURE

In order to carry out the functions under the Act, the officers of the Commission continue to conduct surveys in the rural areas including parts of St. Michael and Christ Church to collect data on:-

- i. the areas in need of street lights
- ii. the households without water-borne toilet facilities
- iii. persons who might need assistance to start or expand their businesses
- iv. tenantry roads to be constructed or improved

4. FUNCTIONS OF THE RURAL DEVELOPMENT COMMISSION

The functions of the Rural Development Commission are confined to the designated rural areas of Barbados and are as follows:-

- (a) to facilitate road improvements and the lighting of streets in the rural districts of the island;
- (b) to provide housing and ancillary services including the installation of sanitary facilities in the rural areas;
- (c) to provide assistance to small farmers in areas of :-
 - i. agricultural training and investments
 - ii. equipment and machinery
 - iii. production and marketing of agricultural products;
- (d) to allocate land under the control of government to persons desirous of farming
- (e) to give assistance in the establishment and development of cottage industries in the rural areas;
- (f) to do such things as are necessary to effectively carry out the purpose of this Act.

5. STAFF MATTERS

5.1 Appointments - Temporary

The following temporary appointments were made during the period under review:-

NAME	POST	EFFECTIVE DATE
Ms. Michele Walcott	Clerical Officer	January 11, 2002 to date
Ms. Kim Griffith	Clerical Officer	May 10, 2002 to date
Ms. Thelma Nurse	Clerical Officer	April 14, 2003 to date
Ms. Linda Kellman	Clerical Officer	June 2, 2003 to date
Ms. Ione Beckles	Clerical Officer	May 3, 2004 to date
Ms. Sasha Browne	Clerical Officer	September 1, 2004 to date
Mr. Anderson McClean	Technician 1	March 9, 2006 to date
Ms. Cathy Belgrave	Maid	April 18, 2006 to date
Mr. Neville Alleyne	Watchman	April 15 - May 12, 2007 June 8 - 12, 2007 September 3-15, 2007
Mr. Michael Husbands	Messenger/Driver	July 16 - August 16, 2007 October 30 - November 1, 2007
Ms. Charmaine Pinder	Clerical Officer	December 13 - January 31, 2008
Mr. Andre Estwick	Technical Officer 11	December 10, 2007 - February 1, 2008
Ms. Marcelle Small	Messenger/Driver	February 25, 2008 to date
Ms. Tracelyn Bend	Clerk/Typist	March 4, 2008 to date
Mr. Leo Graham	Field Officer	April 3, 2008 to date

5.2 Work Experience Programme

The following persons were hired under the Work Experience Programme:-

NAME	EFFECTIVE DATE
Tanisha Knight	July 16 - August 31, 2007
Ms. Nayo Bowen	December 13, 2007 - January 4, 2008

5.3 Training/Seminar

SEMINAR/TRAINING	DATE	LOCATION	OFFICER/S
Damage Assessment Training	May 29 - June 1, 2007	Census & Survey Office, Fort George, Building, Hinks Street	Keith Alleyne Anderson McClean Glenda Watson Gabriel Boyce Charles Skeete Lloyd Benn Betty Gibbons Clifford Cox David Benskin Martin Gill
Greenhouse Operations Hands-on Short Course	June 4 -9, 2007	Fort Lauderdale, Florida	Osmond Harewood
Enhancing Trade Competitiveness through Standardization and conformity Assessment	June 11 - 18, 2007	Trinidad & Tobago	Peter Scott, Director and Tyrone Power, Chairman

6. PROFESSIONAL SERVICES

The Commission retained the services of Mr. Richard Lynch as external auditor and Mr. Philip Moseley, Attorney-at-Law as legal advisor.

7. CAPITAL WORKS PROGRAMME

During the period under review, eleven (11) roads with cumulative length of 1469.20 metres were completed. The roads are to serve 112 persons. The roads are as follows:

Roads	Constituencies
Upper Silver Hill	Christ Church (WC)
Bourne's Land, Nr. Sayers Court	Christ Church (South)
Cane Garden	St. Philip (South)
Central Mile & A Quarter	St. Peter
Good Land Tenantry	Christ Church (South)
Skeetes Road	St. Michael
Hoytes Road	St. James Central
Upper Carlton	St. James (N)
Harewood/Hillaby	St. Andrew
Redman Village	St. Thomas
Marchfield	St. Philip (W)

8 RURAL ENTERPRISE SHOWCASE

The aim of the showcases is to promote rural entrepreneurs by providing them with the opportunity to display their products and services.

During the period under review, two (2) showcases were organized by the Commission as follows:

Date	Location
March 29, 2008	Checker Hall, St. Lucy
November 3, 2008	St. Albans, St. James

9. POVERTY ALLEVIATION

Under Poverty Alleviation, the Commission provided the following services:-

Christ Church (E)

PROJECT	NUMBER	COST \$
Auxiliary Works	11	14,078.64
New House	2	113,500.00
House Repairs	7	247,006.00
Bath Facilities	1	9,500.00
Well	7	23,336.24
Utilities	3	590.00
Electrical	8	27,000.00
Water	2	700.00
Rent	1	60.00
L.P.O. House Repairs	2	14,208.10
TOTAL	44	449,978.98

Christ Church (EC)

PROJECT	NUMBER	COST \$
Auxiliary Works	2	14,320.00
House Repairs	2	68,000.00
Well	2	6,240.00
Electrical	1	3,900.00
L.P.O. House Repairs	3	40,530.26
TOTAL	10	132,990.26

Christ Church (S)

PROJECT	NUMBER	COST \$
New House	4	237,500.00
House Repairs	2	82,350.00
Well	4	13,573.31
Electrical	3	11,700.00
Water	2	798.65
TOTAL	15	345,921.96

Christ Church (W)

PROJECT	NUMBER	COST \$
New House	2	112,000.00
L.P.O House Repairs	1	12,726.71
Bath Facilities	1	19,000.00
Well	1	2,595.00
Auxiliary Works	1	175.00
Electrical	1	2,900.00
TOTAL	7	149,396.71

Christ Church (WC)

PROJECT	NUMBER	COST \$
New House	3	161,000.00
House Repairs	6	176,700.00
L.P.O House Repairs	2	44,008.89
Well	11	33,033.31

Auxiliary Works	2	8,000.00
Electrical	3	10,700.00
Water	1	426.00
TOTAL	28	433,868.20

St. Andrew

PROJECT	NUMBER	COST \$
New House	2	108,800.00
House Repairs	3	95,573.84
Auxiliary Works	2	2,792.50
Well	14	70,547.98
Tank	1	4,500.00
Electrical	6	19,700.00
Water	2	761.42
L.P.O. House Repairs	1	25,889.01
TOTAL	31	328,564.75

St. George (N)

PROJECT	NUMBER	COST \$
New House	4	199,193.00
House Repairs	5	148,806.49
Bath Facilities	1	15,000.00
Well	13	44,730.51
Tank	1	4,500.00
Electrical	7	26,800.00
Water	1	355.07
Ramp	1	6,000.00

L.P.O. House Repairs	3	11,376.62
Auxiliary Works	4	6,856.93
TOTAL	40	463,618.62

St. George (S)

PROJECT	NUMBER	COST \$
New House	5	252,400.00
House Repairs	6	138,591.16
Bath Facilities	2	27,800.00
Well	14	44,683.27
Tank	1	6,300.00
Electrical	3	8,100.00
Water	5	2,039.09
Auxiliary Works	4	\$5,823.50
L.P.O. House Repairs	4	23,461.89
TOTAL	44	509,198.91

St. James (C)

PROJECT	NUMBER	COST \$
New House	1	55,000.00
House Repairs	3	113,900.00
Auxiliary Works	3	2,517.50
Well	1	500.00
Electrical	2	7,800.00
Water	1	350.00
L.P.O. House Repairs	2	41,184.51
TOTAL	13	221,252.01

St. James (N)

PROJECT	NUMBER	COST \$
New House	1	55,000.00
House Repairs	5	164,133.00
Bath Facilities	2	30,300.00
Well	8	24,333.88
Tank	2	10,800.00
Electrical	7	26,100.00
Auxiliary Works	1	2,800.00
L.P.O. House Repairs	2	15,069.66
TOTAL	28	328,536.54

St. John

PROJECT	NUMBER	COST \$
New House	7	398,205.00
House Repairs	2	41,800.00
Auxiliary Works	3	4,500.00
Well	13	45,356.53
Tank	4	20,126.00
Electrical	4	15,300.00
Water	5	1,955.07
L.P.O. House Repairs	6	72,620.98
TOTAL	44	599,863.58

St. Joseph

PROJECT	NUMBER	COST \$
New House	2	109,600.00
House Repairs	7	151,930.00
Auxiliary Works	3	21,517.25
Well	8	35,323.98
Electrical	4	15,600.00
Water	2	539.00
L.P.O. House Repairs	5	43,799.07
TOTAL	31	378,309.30

St. Lucy

PROJECT	NUMBER	COST \$
New House	1	46,500.00
House Repairs	6	173,387.00
Auxiliary Works	6	5,741.04
Well	7	22,686.77
Electrical	4	15,600.00
Water	3	1,192.15
L.P.O. House Repairs	7	60,673.73
TOTAL	34	325,780.69

St. Michael (E)

PROJECT	NUMBER	COST \$
House Repairs	1	27,000.00
Electrical	1	3,900.00
L.P.O.	1	31,525.63
TOTAL	3	62,425.63

St. Michael (NE)

PROJECT	NUMBER	COST \$
New House	1	48,520.00
House Repairs	4	114,700.00
Bath Facilities	1	15,500.00
Well	7	28,079.93
Tank	2	9,100.00
Electrical	3	11,700.00
Painting	1	7,000.00
Auxiliary Works	2	1,949.38
TOTAL	21	236,549.31

St. Michael (SE)

PROJECT	NUMBER	COST \$
House Repairs	1	18,400.00
Well	3	12,451.00
Tank	1	4,500.00
Electrical	1	3,900.00
L.P.O. House Repairs	2	67,835.68
TOTAL	8	107,086.68

St. Thomas

PROJECT	NUMBER	COST \$
New House	5	253,100.00
House Repairs	3	65,100.00
Well	10	36,221.79
Electrical	3	11,400.00
Water	1	350.00
Auxiliary Works	3	2,478.00
L.P.O. House Repairs	4	59,433.17
TOTAL	29	428,082.96

St. Peter

PROJECT	NUMBER	COST \$
New House	3	180,975.00
House Repairs	6	215,482.00
Well	10	27,196.62
Tank	2	7,500.00
Electrical	5	19,200.00
Water	1	173.21
Auxiliary Works	2	2,047.60
L.P.O. House Repairs	6	37,168.56
TOTAL	35	489,742.99

St. Philip (N)

PROJECT	NUMBER	COST \$
New House	3	148,000.00
House Repairs	4	121,000.00
Bath Facilities	2	24,700.00
Well	18	55,566.64
Tank	1	4,500.00
Electrical	9	29,500.00
Water	4	1,583.00
Auxiliary Works	5	5,213.75
L.P.O. House Repairs	2	33,652.55
TOTAL	48	423,715.94

St. Philip (S)

PROJECT	NUMBER	COST \$
New House	7	393,440.00
House Repairs	1	36,450.00
Auxiliary Works	4	15,335.40
Well	15	48,230.15
Electrical	6	21,700.00
Water	1	350.00
L.P.O. House Repairs	11	101,973.04
TOTAL	45	617,478.59

St. Philip (W)

PROJECT	NUMBER	COST
New House	6	335,390.00
House Repairs	8	244,800.00
Well	22	69,223.33
Tank	10	45,620.00
Electrical	8	29,300.00
Water	2	700.00
Auxiliary Works	1	1,600.00
L.P.O. House Repairs	2	4,264.08
TOTAL	59	730,897.41

10. RURAL ENTERPRISE LOANS

The objectives of rural enterprise loans are to reduce unemployment in the rural areas of Barbados through the development of a sustainable micro business sector, to reduce the level of imports and to generate foreign exchange when possible.

10.1 Qualifications for Loan

The appraisal process requires an evaluation of the personal qualities, qualification and credit worthiness of the prospective borrower.

The following are the specific elements to be evaluated in respect of the borrowers:

- Experience
- Formal Training/Knowledge
- Integrity/Ethics/Attitude
- Management Skills
- Credit Report/History
- Management information/Reports

10.2 Loan Particulars

- Loan ceiling of \$50,000.00 for vegetable/food crop and livestock enterprises
- Interest rate 4% on reducing balance.
- Loan ceiling of \$25,000.00 for non-agricultural enterprises.

During the period under review, there were 214 applications and loans were provided as follows:-

CATEGORIES	NO. OF LOANS	AMOUNT \$
Livestock Production	24	284,110.82
Vegetable Production	9	74,596.28
Retailing	30	208,836.43
Fishing	7	85,300.00
Cosmetology	3	14,000.00
Landscaping	2	11,400.00
Recycling Services	1	10,000.00
Leather Craft	1	4,500.00
Power Washing Services	1	5,000.00
Auto Repairs	2	20,000.00
Restaurant & Bar	2	17,195.22
Stock Taking Services	1	8,489.50
Baking	4	61,803.47
Plantain Chips Production	1	10,000.00
Publishing	2	15,000.00
Welding	1	10,000.00
Nursing Home	1	10,000.00
Valet Services	2	15,000.00
Air Condition & Refrigeration	1	10,000.00
Art	1	4,000.00

Cleaning Services	2	35,000.00
Fashion Design	1	10,000.00
Computer Services	1	10,000.00
Dressmaking	1	20,000.00
Mixed Farming	2	41,000.00
Well Digging	2	15,000.00
TOTAL	105	1,010,231.72

CONSTITUENCY	NO. OF LOANS	AMOUNT \$
St. Peter	6	104,000.00
St. James (N)	7	52,800.00
St. James (C)	2	15,000.00
St. Andrew	4	30,400.00
St. Joseph	3	22,071.71
St. George (N)	7	54,500.00
St. George (S)	4	32,000.00
St. Lucy	7	97,203.32
St. Philip (S)	13	82,039.77
St. Philip (N)	1	10,000.00
St. Philip (W)	2	11,400.00
St. John	16	214,777.72
St. Thomas	9	115,000.00
Christ Church (S)	3	20,489.50
Christ Church (WC)	7	37,733.96
Christ Church (E)	7	61,707.25
St. Michael (NE)	2	20,000.00

St. Michael (E)	2	14,108.49
St. Michael (SE)	3	15,000.00
TOTALS	105	1,010,231.72

11. TRAINING OF SMALL ENTREPRENEURS

Training was conducted through the Small Business Association. The aim of the training is to make prospective business persons aware of the business environment. Details are as follows:

Courses	No. Registered	No. Completed
Handicraft	34	26
Catering	93	85
Barbering	38	33
Dressmaking	81	55
Care of the Elderly	39	33
Basic Accounts	112	84
Business Law	70	58
Business Start-up	155	118
Construction Management	27	22
Customer Service Technique	17	17
Managing your Small Business	151	119
Marketing	92	85
Marketing Management	12	10
Preparing your Business Plan	102	70
Records Management	120	82
Basic	72	49
Cake and Pastry Making	54	50
Debt Management	67	45
Quick Books for Business	57	41
Intermediate	12	12

A total of 1405 persons registered and 1094 completed the courses at a cost of \$153,464.

12. PROVISION OF STREET LIGHTS

For the period April 1, 2007 to March 31, 2008 five hundred and forty-one (541) street lights were installed at a total cost of one hundred and forty-six thousand, one hundred and sixty-nine dollars and eighty-nine cents (\$146,169.89).

Constituencies	Street Lights
St. Andrew	46
St. Peter	9
St. James (N)	15
St. James (C)	21
St. George (N)	25
St. George (S)	51
St. John	35
St. Joseph	45
St. Lucy	57
St. Michael (SE)	4
St. Michael (E)	2
St. Michael (NE)	6
St. Philip (N)	69
St. Philip (S)	18
St. Philip (W)	34
St. Thomas	49
Christ Church (E)	27
Christ Church (WC)	4
Christ Church (EC)	4
Christ Church (W)	1
Christ Church (S)	8
TOTAL	541

13. STAFF COMPLEMENT OF THE RURAL DEVELOPMENT COMMISSION

▶ Mr. Peter Scott	-	Director
▶ Mr. Jeffrey Cox	-	Director (ag)
▶ Mr. Sam Onyeche	-	Administrative Officer I
▶ Ms. Glenda Watson	-	Projects Officer (ag)
▶ Ms. Angela Sandiford	-	Senior Accountant
▶ Mr. Lloyd Benn	-	Senior Field Officer
▶ Mr. Hallam Blackman	-	Senior Field Officer
▶ Mr. Osmond Harewood	-	Senior Field Officer
▶ Mr. David Benskin	-	Field Officer
▶ Mrs. Lydia Bishop	-	Field Officer
▶ Mr. McDonald Dimmott	-	Field Officer
▶ Ms. Betty Gibbons	-	Field Officer
▶ Mr. Earl Glasgow	-	Field Officer
▶ Mr. Junior Mayers	-	Field Officer
▶ Mr. Dermot Parris	-	Field Officer
▶ Mr. Charles Skeete	-	Field Officer
▶ Ms. Ariel Thompson	-	Field Officer
▶ Mr. Rufus Watson	-	Field Officer
▶ Mr. Alston Flemming	-	Loans Administrator
▶ Mr. Martin Gill	-	Technical Officer 1 (ag)
▶ Mr. Louiston Waterman	-	Technical Supervisor (ag)
▶ Mr. Keith Alleyne	-	Technical Officer II (ag)
▶ Mr. Gabriel Boyce	-	Technical Officer 11
▶ Mr. Clifford Cox	-	Technical Officer II
▶ Mr. David Sandiford	-	Welfare Officer
▶ Ms. Harriet Cox	-	Assistant Accountant
▶ Mrs. Sonja Devonish	-	Secretary
▶ Mrs. Allison Rock-Benskin	-	Clerical Officer
▶ Mrs. Marlene Russell	-	Clerk/Typist
▶ Ms. Aldene Lynch	-	Messenger
▶ Mr. Gilbert Rock	-	Messenger/Driver
▶ Ms. Deborah Tull	-	Maid
▶ Mr. Selwyn Drayton	-	Watchman

RURAL DEVELOPMENT COMMISSION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008

**RURAL DEVELOPMENT COMMISSION
FOR THE YEAR ENDED MARCH 31, 2008**

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**PETER DOWNES
CHARTERED ACCOUNTANT
BELMONT ROAD
P.O. BOX 687
BRIDGETOWN
BARBADOS, WI**

**AUDITOR'S REPORT
TO THE RURAL DEVELOPMENT COMMISSION**

I have audited the accompanying financial statements of Rural Development Commission which comprise the statement of financial position as at March 31, 2008 and the related statements of comprehensive (loss)/income, changes in general fund and cash flows for the year then ended and a summary of significant accounting policies and other explanatory

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and or such internal controls as management deems is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I have conducted my audit in accordance with International Standards of Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, these financial statements present fairly in all material respects the financial position of Rural Development Commission as at March 31, 2008, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-Sized Entities.



**Peter Downes, FCA
Chartered Accountant
November 15th 2017**

**RURAL DEVELOPMENT COMMISSION
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2008**
(amounts expressed in Barbados dollars)

ASSETS	NOTES	2008 \$	2007 \$
CURRENT ASSETS			
Cash and bank	3	13,389,395	16,138,568
Grants Receivable	4	1,289,886	2,414,345
Accounts receivable	5	1,210,239	560,320
Loans Receivable	6	<u>2,076,431</u>	<u>1,633,164</u>
TOTAL CURRENT ASSETS		17,965,951	20,746,397
PROPERTY, PLANT AND EQUIPMENT			
	7	222,674	262,247
HOUSING PROJECTS	8	<u>14,412,224</u>	<u>11,976,390</u>
		<u>32,600,849</u>	<u>32,985,034</u>
LIABILITIES AND GENERAL FUND			
CURRENT LIABILITIES			
Accounts payable and accrued expenses	9	1,768,197	1,408,275
Current portion of loan payable	10	74,040	89,590
Termination costs and damages payable	13	<u>1,678,488</u>	<u>-</u>
TOTAL CURRENT LIABILITIES		<u>3,520,725</u>	<u>1,497,865</u>
NON-CURRENT LIABILITIES			
Loan payable	10	<u>134,887</u>	<u>208,555</u>
TOTAL NON-CURRENT LIABILITIES		<u>134,887</u>	<u>208,554</u>
GENERAL FUND			
General Fund		<u>28,945,237</u>	<u>31,278,614</u>
		<u>28,945,237</u>	<u>31,278,614</u>
		<u>32,600,849</u>	<u>32,985,034</u>

Approved on November 15th, 2017 by the Board of Directors

CHAIRMAN Morgan Greaves

DIRECTOR 

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

**RURAL DEVELOPMENT COMMISSION
STATEMENT OF CHANGES IN GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2008
(amounts expressed in Barbados dollars)**

	General Fund
Balance March 31, 2006	30,403,645
Net Income	<u>874,969</u>
Balance March 31, 2007	31,278,614
Net Loss	<u>(2,333,377)</u>
Balance March 31, 2008	<u>28,945,237</u>

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

RURAL DEVELOPMENT COMMISSION
STATEMENT OF COMPREHENSIVE (LOSS)/ INCOME
FOR THE YEAR ENDED MARCH 31, 2008
(amounts expressed in Barbados dollars)

	2008	2007
	\$	\$
REVENUE		
Grant income	19,250,497	14,781,759
Interest on loan	124,223	114,751
Interest on deposits	182,831	234,380
	<u>19,557,551</u>	<u>15,130,890</u>
EXPENDITURE		
Administrative	4,045,092	3,402,623
Provision for loan impairment	128,576	644,733
Challenor school grant	-	1,241,825
Rural Development / Structures	10,437,199	5,014,581
Poverty Alleviation	4,938,303	3,047,412
Concrete Roads 11	650,158	904,747
Loss on disposal of fixed assets	13,112	-
Termination costs and damages 13	1,678,488	-
	<u>21,890,928</u>	<u>14,255,921</u>
Net (loss)/income for the year being comprehensive (loss)/income	<u>(2,333,377)</u>	<u>874,969</u>

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

RURAL DEVELOPMENT COMMISSION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2008
(amounts expressed in Barbados dollars)

	2008 \$	2007 \$
Cash flows from operating activities:		
(Loss)/income for the year	(2,333,377)	874,969
Items not requiring the use of funds		
Depreciation	50,953	52,730
Depreciation of poverty alleviation housing	791,169	662,753
Provision for loan impairment	128,576	644,733
Challenor School grant	-	1,241,825
Loss on disposal of fixed assets	13,112	-
Interest expense	7,298	10,681
Interest income	(307,054)	(349,131)
	<u>(1,649,322)</u>	<u>3,138,560</u>
Changes in non-cash working capital balances		
Loans receivable	(443,267)	1,653,477
Accounts receivable	(649,919)	(90,244)
Accounts payable and accruals	359,922	917,108
Termination costs and damages payable	1,678,488	-
Change in provision for doubtful loans	(128,576)	(644,733)
Challenor School grant	-	(1,241,825)
Grants Receivable	1,124,458	(153,414)
Cash flow from operations	<u>291,784</u>	<u>3,578,929</u>
Interest received	307,054	349,131
Proceeds from disposal of fixed assets	629	-
Interest paid	(7,298)	(10,681)
	<u>592,169</u>	<u>3,917,379</u>
Cash flows from investing activities:		
Purchase of fixed assets	(25,121)	(138,285)
Construction of poverty alleviation housing	(3,227,003)	(2,769,075)
Cash flow used in investing activities	<u>(3,252,124)</u>	<u>(2,907,360)</u>
Cash flows from financing activities:		
Repayment of loan payable	(89,218)	(51,898)
Net cash (used in) financing activities	<u>(89,218)</u>	<u>(51,898)</u>
(DECREASE) INCREASE IN NET CASH	<u>(2,749,173)</u>	<u>958,121</u>
NET CASH - beginning of year	<u>16,138,568</u>	<u>15,180,447</u>
NET CASH - end of year	<u>13,389,395</u>	<u>16,138,568</u>
Represented by:		
Current accounts	10,269,696	11,056,273
Fixed deposits	3,119,699	5,082,295
	<u>13,389,395</u>	<u>16,138,568</u>

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

**RURAL DEVELOPMENT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008
(expressed in Barbados dollars)**

1. INCORPORATION AND PRINCIPAL ACTIVITY

The Commission was incorporated on August 21st 1995 under the Rural Development Commission Act 1995-12. Its principal activity is to improve the quality of life of persons living in rural communities in Barbados.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities applicable in Barbados, which comprise standards and interpretations approved by the International Accounting Standards Board. The financial statements have been prepared on an historical costs basis in Barbados dollars and no account has been taken of the effect of inflation.

(b) Plant and Equipment

Plant and Equipment are recorded at cost. Depreciation is provided on the straight line basis at rates designed to write off the cost of the asset concerned over the period of the estimated useful life. The principal rates used for this purpose are:

Plant and Office Equipment - 10%
Furniture & Fittings - 10%
Motor Vehicles - 20%

(c) Revenue

Revenue is recognised based on the following principals.

(i) Grant Income: This is income from the Government of Barbados, granted from the annual appropriation of expenses to run government programmes. Revenue is recognised on an accrual basis to the extent that the agency is able to legally draw on the appropriation before it has expired at the end of the financial year which is co-terminus with that of the Barbados Government.

(ii) Interest income is recognised on loans receivable on the effective interest method. Interest is recognised on all loans that are classified as active and collectible. When a loan is reclassified in arrears, interest is no longer accrued. Any interest deemed uncollectible is also not recognised. Interest income on deposits is recognized on the accrual basis.

(d) Accounts receivable

Staff receivables are made on the basis of normal credit terms, and the receivables bear no interest. At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable.

(e) Accounts payable and accrued expenses

Trade payables are obligations on the basis of normal credit terms. Trade payables dominated in foreign currency are translated into Barbados dollars using the exchange rate at the reporting date.

**RURAL DEVELOPMENT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008**
(amounts expressed in Barbados dollars)

2. SIGNIFICANT ACCOUNTING POLICIES CONT'D

(f) Taxation

The Commission is a statutory organisation of the Barbados Government and as such is not subject to income or corporation taxes.

(g) Interest expense

All borrowing costs are recognized in the profit and loss in the period in which they are incurred.

3. CASH AND CASH EQUIVALENTS	2008	2007
	\$	\$
Cash	20,349	50,959
Capital account	6,905,883	3,915,290
Recurrent account	451,083	1,215,683
Enterprise and development fund accounts	2,635,522	5,491,566
Car loan account	256,859	382,775
	<u>10,269,696</u>	<u>11,056,273</u>
Fixed deposits	3,119,699	5,082,295
	<u>13,389,395</u>	<u>16,138,568</u>

The Commission maintains various bank accounts which are used to fund various aspects of its operations. Funds held in the enterprise and development fund accounts are used to fund loans under the Rural Enterprise Fund and the Livestock Development. All principal and interest repayments are deposited to these funds. Funds received from the Barbados Government to fund capital expenditure and operating expenses are deposited to the Capital account and the recurrent account respectively.

All fixed deposits are due in less than one year. The deposits pay interest at between 3.0% and 5.65%

4. GRANTS RECEIVABLE	2008	2007
	\$	\$
Ministry of Agriculture	<u>1,289,886</u>	<u>2,414,345</u>

5. ACCOUNTS RECEIVABLE	2008	2007
	\$	\$
Staff receivables	480,151	379,653
Other receivables	114,105	114,063
Fixed deposits interest receivable	53,097	59,975
Prepaid Expenses	-	6,629
Prepayments to BWA	562,886	-
	<u>1,210,239</u>	<u>560,320</u>

The prepayments to the BWA (Barbados Water Authority) are amounts paid to them to install infrastructure on road and other structures being developed by the Commission. At the end of 2008, the amount represents the amounts paid in the current year and in fiscal 2007 (\$78,746) which had not been completed by the end of the current fiscal year.

**RURAL DEVELOPMENT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008
(amounts expressed in Barbados dollars)**

6. LOANS RECEIVABLE

	Challenor School	Rural Enterprise Fund	Livestock Development Fund	Bathroom Facilities	Total
	\$	\$	\$	\$	\$
Principal as at March 31, 2008	1,217,541	2,512,109	608,338	913	4,338,901
Interest receivable as at March 31, 2008	24,284	64,509	9,010	-	97,803
Impairment provision at March 31, 2008	(1,241,825)	(960,847)	(157,550)	(51)	(2,360,273)
Net book value at March 31, 2008	-	1,615,771	459,798	862	2,076,431
Principal as at March 31, 2007	1,217,541	2,067,761	521,875	913	3,808,090
Interest receivable as at March 31, 2007	24,284	28,120	6,704	-	59,108
Converted to Grant at March 31 2007	(1,241,825)	-	-	-	(1,241,825)
Impairment provision at March 31, 2007	-	(794,954)	(197,204)	(51)	(992,209)
Net book value at March 31, 2007	-	1,300,927	331,375	862	1,633,164

Loans

The Commission extends loans to residents in rural areas under the Rural Enterprise Fund (REF) to assist in the development of Small and Medium Sized businesses. The maximum amount disbursed under this program is \$40,000 with a maximum repayment period of six (6) years. Interest is payable on these loans at a fixed rate of 4%.

The Commission extends loans to residents in rural areas under the Livestock Development Fund to assist in the development of livestock farming and orchard operations. The maximum amount disbursed under this program is \$50,000 with a maximum repayment period of six (6) years. Interest is payable on these loans at a fixed rate of 4%.

Loan conversion

The loan to the Challenor School was issued in 2001 under the REF. The loan was funded by way of a grant to the Commission for on lending from the Social Transformation Fund. The funds were used to build a craft facility at the School and it was expected that this facility would have generated sufficient income to repay the loan. The clients of the school have not achieved this objective and the Ministry of Finance has approved the conversion of this loan to a full grant to the school.

Provision for impairment

Under the current loan impairment policy, loans are assigned ratings of between 1 to 7 with a rating of 1 being considered a superior credit risk and 7 an unacceptable risk. No provision is made for loans which have been assigned a rating of 1 or 2 while a provision ranging from 5% to 100% of the outstanding balance are assigned to loans with risk ratings between 3 and 7.

**RURAL DEVELOPMENT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008
(amounts expressed in Barbados dollars)**

7. PROPERTY, PLANT AND EQUIPMENT

	Plant & Office Equipment	Furniture & Fixtures	Motor Vehicles	Total
	\$	\$	\$	\$
COST				
Balance - 31-Mar-07	391,066	167,758	98,158	656,982
Additions	24,593	528	-	25,121
Disposals	(99,968)	(20,859)		(120,827)
Balance - 31-Mar-08	315,691	147,427	98,158	561,276
ACC. DEPRECIATION				
Balance - 31-Mar-07	227,420	91,621	75,694	394,735
Charge for the year	27,753	11,968	11,232	50,953
Disposals	(86,503)	(20,583)		(107,086)
Balance - 31-Mar-08	168,670	83,006	86,926	338,602
Net Book Value-31-Mar-07	163,646	76,137	22,464	262,247
Net Book Value-31-Mar-08	147,021	64,421	11,232	222,674

8. HOUSING PROJECTS

	Poverty Alleviation	Welfare Housing	Total
	\$	\$	\$
COST OR VALUATION			
Balance - 31-Mar-07	9,936,965	3,979,105	13,916,070
Additions	3,227,003	-	3,227,003
Balance - 31-Mar-08	13,163,968	3,979,105	17,143,073
DEPRECIATION & AMORTIZATION			
Balance - 31-Mar-07	1,143,860	795,820	1,939,680
Charge for the year	526,559	264,610	791,169
Balance - 31-Mar-08	1,670,419	1,060,430	2,730,849
Net Book Value-31-Mar-07	8,793,105	3,183,285	11,976,390
Net Book Value-31-Mar-08	11,493,549	2,918,675	14,412,224

Poverty alleviation housing

Under section 4 and section 13 of the Rural Development Commission Act 1995, the Commission is responsible for repairing or replacing houses of persons eligible for assistance under the requirements of the Act.

Under the program, the applicant is granted rent free occupancy for the remainder of their natural life or for a period of not less than 10 years. During this period, the Commission is responsible for all costs of ownership of the home, including maintenance and insurance. If the occupant becomes in fundamental breach of any of the term of the agreement or the original occupant dies, the estate or the occupant as the case may be must repay the capital sum expended on the building plus interest at a rate of nine percent per annum.

**RURAL DEVELOPMENT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008
(amounts expressed in Barbados dollars)**

8. HOUSING PROJECTS - CONT.

Welfare housing

In fiscal 2001, the Cabinet of Barbados decided that welfare housing which was provided by the National Assistance Board should be transferred to the Commission and the Urban Development Commission to rationalize the provision of welfare housing in the island. The houses are the property of the Government of Barbados and are vested in the Commission. The Commission has the ownership and risks associated with these buildings. The assets were transferred to the Commission at fair values determined by the Commission's Technical Department.

9. ACCOUNTS PAYABLE

	2008	2007
	\$	\$
Trade payables and accrued liabilities	104,389	120,678
Statutory liabilities	41,200	22,796
Accrued expenses, road & housing	1,537,977	1,204,098
Loan recovery expenses payable	84,631	60,703
	<u>1,768,197</u>	<u>1,408,275</u>

10. LOAN PAYABLE

	2008	2007
	\$	\$
Loan payable	208,927	298,145
Current portion	(74,040)	(89,590)
	<u>134,887</u>	<u>208,555</u>

The loan to the Commission was approved on November 1, 2002 and disbursed in Jan 2003 by the Agricultural Development Fund which is administered by the Enterprise Growth Fund Limited. The loan is for a period of 7 years and is amortized in blended payments of interest and principal of \$19,864.36 per quarter. Interest on the loan is 3% per annum. The loan is secured by the assignment of interest and principal on the performing loans of the Rural Enterprise Fund. The loan was fully repaid on schedule on November 15, 2010.

11. CONCRETE ROADS

The Commission is mandated under its terms of reference to construct roads and associated facilities in rural areas. Once construction is completed, the Ministry of Transport and Works is responsible for any maintenance and repairs to these roads.

12. FINANCIAL INSTRUMENTS

Financial instruments consist of cash, grants receivable, loans receivable, accounts receivable, accounts payable and loan payable. The Commission lends to individuals on an unsecured basis and hence is potentially exposed when the borrower defaults on their requirement to repay their debts to the Commission.

Except for the interest rate risk disclosed in note 7, there is no other exposure to interest rate risk.

**RURAL DEVELOPMENT COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2008
(amounts expressed in Barbados dollars)**

12. FINANCIAL INSTRUMENTS - CONT.

Credit risk

Credit risk arises from the possibility that counter-parties may default in their obligations to the Commission. The maximum credit risk exposure of financial assets recognised in the balance sheet is represented by the carrying amounts of the financial assets. The Commission has a concentration of credit risk as it relates to its major clients.

Fair value

Fair value amounts represents the approximate value at which financial instruments could be exchanged in current transactions between willing parties. The fair values of financial instruments are considered to approximate their book values.

Capital risk management

The Commission manages its capital to safeguard its ability to continue as a going concern, to provide returns to its stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain the optimal capital structure, the Commission adjusts the timing to payment of trade payables, increasing or decreasing its debt obligations or undertaking capital expenditure projects.

13. TERMINATION COSTS AND DAMAGES

On April 29, 2008, an action was commenced against the Commission for wrongful dismissal by its former Acting Director, who was dismissed on February 29th, 2008. On November 10, 2014, the High Court awarded the applicant the amounts of \$1,417,810 plus interest at 6% from April 2010 for loss of income, \$100,000 in damages plus 6% from February 29, 2008 for public embarrassment, payment of the applicant's gratuity and pension calculated from April 2010 and cost for two attorneys for representing the applicant in the matter. On December 8, 2014, the Commission filed a notice of appeal against the judgement.

	<u>2008</u>	<u>2007</u>
	\$	\$
Termination costs	1,417,810	-
Damages	100,000	-
Legal fees	160,678	-
	<u>1,678,488</u>	<u>-</u>

Interest accruing for the period April 1st, 2008 to September 30th, 2017 is \$695,405. This amount has not been recorded in these financial statements.

	<u>Effective date</u>	<u>No. of Days</u>	<u>Interest Rate</u>	<u>Estimated Accrual</u>
Termination cost	01-Apr-2010	2,739	6%	638,364
Damages	01-Apr-2008	3,470	6%	57,041
				<u>695,405</u>

14. COMPARATIVE FIGURES

Certain comparative figures for the prior years have been reclassified to conform with the current year's presentation.

RURAL DEVELOPMENT COMMISSION
SCHEDULE OF ADMINISTRATIVE EXPENDITURE
FOR THE YEAR ENDED MARCH 31, 2008
(amounts expressed in Barbados dollars)

	2008 \$	2007 \$
Advertising	85,178	4,083
Bad debt recovered	-	(23,956)
Bad debt expense	47,356	-
Bank charges	3,406	1,386
Loan interest	7,298	10,681
Board fees	22,972	22,646
Ceremonics	18,651	20,175
Contingencies and other expenses	42,882	46,812
Debt collection	30,794	9,004
Depreciation	50,953	52,730
Entertainment	6,304	6,304
Hospitality	13,883	7,672
Insurance	8,972	8,514
Legal and professional fees	382,039	251,773
Library	807	810
National insurance	148,809	123,374
Postage, stationery and office supplies	55,596	57,248
Protective clothing	3,905	-
Rent	197,110	196,095
Repairs and maintenance	56,584	79,369
Rural Integrated Projects	492,882	617,586
Salaries and wages	1,974,813	1,644,866
Telephone/fax	30,951	29,455
Training seminars	17,790	3,315
Travel	270,928	188,998
Utilities	74,229	43,685
	<u>4,045,092</u>	<u>3,402,623</u>

**RURAL DEVELOPMENT COMMISSION
 SCHEDULE OF POVERTY ALLEVIATION EXPENDITURE
 FOR THE YEAR ENDED MARCH 31, 2008
 (amounts expressed in Barbados dollars)**

	2008	2007
	\$	\$
Bathroom Facilities	201,185	40,700
Depreciation of poverty alleviation housing	791,169	662,753
Insurance	97,872	59,984
House Repairs	3,160,005	1,936,565
Installation of Electricity/Water	74,485	18,621
Miscellaneous Project	35,294	55,676
Rental Land - Poverty	720	1,620
Wells	577,573	271,493
	<u>4,938,303</u>	<u>3,047,412</u>

