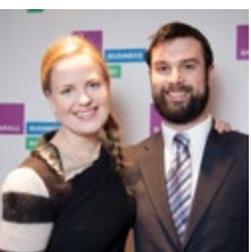


SMALL BUSINESS

BC

ANNUAL REPORT
2012-2013

**YOUR
PASSION.
OUR
RESOURCES.**



MESSAGE FROM THE CHAIR



At Small Business BC, our very existence is predicated by the belief that small to midsize business owners need relevant information, appropriate tools, and resources to achieve successful and sustainable businesses. To that end, 2012-13 included the expansion of available products and services offered by Small Business BC in support of these entrepreneurs.

- As education continues to be a key activity for Small Business BC, thousands of people now have the opportunity to learn about business planning, succession planning and everything in between by live interactive webinar.
- Available products and services have increased as a result of our growth in partnership programs to include both government and private enterprise. This allowed us to offer training programs to both existing small to medium sized entrepreneurs and new immigrant entrepreneurs.
- Customized education was developed to support the increased interest in social enterprise.
- Delivery of our educational programs expanded to reach over 45 BC communities, increasing geographical delivery of our services.
- SBBC successfully created and implemented a virtual trade show to support trade in British Columbia.
- As always, the annual awards contest and celebration was the most successful yet and continues to be our iconic event.
- During this year, we also undertook two research projects to better understand our clients' needs.

I also think it is important to highlight the great work of our deeply committed staff. Small Business BC has served over 600,000 clients and participated in 142 events in the 2012-13 year.

2012-13 proved to be very active at Small Business BC, and the success of our cause would not have been possible without the remarkable contributions of many people and partners. In such recognition, on behalf of the Small Business BC Board of Directors, I would like to thank both our federal and provincial governments for their continued support and contributions, as well as our 60 plus partners in the public and private sector who share and support our mission.

Sincere gratitude also goes to our Chief Executive Officer George Hunter, his leadership, team and staff for a job very well done. Finally, I personally want extend my sincere gratitude to our very dedicated fellow members of the board, Cybele Negris, Cheryl Carter, Trish Sterloff, Judy Brooks, Sandra Miles and Naina Sloan for their continued hard work, support, and participation in this so important cause: "Assisting entrepreneurs to achieve successful and sustainable businesses".

A handwritten signature in blue ink that reads "Pino Bacinello". The signature is fluid and cursive.

Pino Bacinello

MESSAGE FROM THE CEO

Over the past year Small Business BC has continued to expand on the range and quality of products and services offered, while also improving accessibility to ensure that entrepreneurs in every area of British Columbia can receive the support necessary to succeed in business.

Here are some of the ways our team is working to better help small business owners:

Over the past year SBBC achieved a remarkable 606,264 client interactions: 556,154 via our website, 25,634 in person and 24,476 via other electronic means. Small Business BC's service to entrepreneurs represented 52% of the total client interactions achieved by the four Canada Business Service Centres in the western provinces.

Our range of products and services has expanded to total 639, now including 493 free products and services, 32 advisory service offerings, 90 unique seminars, and 16 registry services.

Our webinar program allows us to deliver our high quality, interactive, educational content into the homes and offices of small business owners and entrepreneurs across BC. Over the past year, and with the support of funding from Western Economic Diversification Canada, SBBC produced and managed the Tradestart program which aimed to train 750 small BC businesses interested in beginning or growing export related activities. The program far exceeded its targets, training a total of 1952 small business owners through seminars, outreach presentations and one-on-one counseling. SBBC also piloted virtual tradeshow technology that allowed 29 service providers in the area of trade to meet online with 254 small business participants, again attracting participation from across BC and Canada.

It's common knowledge that entrepreneurs face the difficult challenge of lack of time and lack of money. To help ease that burden, SBBC has continued to expand its offering of the Ask an Expert program to create affordable opportunities for small business owners to access professionals such as lawyers, accountants and marketing experts.

To increase awareness of SBBC and to seek new opportunities for collaboration with other organizations, SBBC expanded its outreach activities in the Lower Mainland, Vancouver Island and regional BC.

Great improvements have also been made to increase SBBC's online visibility. With an active presence in social media, attention to search engine optimization, and dynamic web content, visits to the SBBC website have increased.

Focus on developing opportunities for sponsorship has proven successful over the past year. Through our sponsorship program over 60 partnering organizations provided \$278,767 in cash and \$256,288 of in-kind sponsorship.

Throughout the past year SBBC has grown and developed to better help BC's small business owners succeed. I'd like to offer my sincere thanks to SBBC's committed board members, volunteers, and dedicated staff and contractors. I would also like to acknowledge the financial support of Western Economic Diversification Canada and the BC Ministry of Jobs, Tourism and Skills Training, as well as the many community groups and provincial organizations that partner with us to make BC's small businesses as successful as they can be.

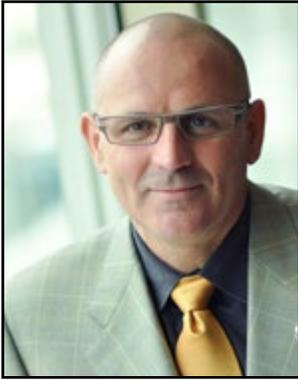


George Hunter



SMALL BUSINESS BC

BOARD OF DIRECTORS



PINO BACINELLO
Chair
Vancouver, BC

President & Founder of Sunbelt Business Brokers Pacific, Pacific Mergers & Acquisitions



CYBELE NEGRIZ
Vice-Chair
Vancouver, BC

Co-founder and President of webnames.ca



JUDY BROOKS
Secretary
Vancouver, BC

Partner, Bravo Lima Oscar



SANDRA MILES
Director
Vancouver, BC

Co-Founder, President and CEO, Miles Employment Group Ltd.



CHERYL CARTER
Director
Vancouver, BC

Vice President, Business in Vancouver Media Group



TRISH STERLOFF
Director
Victoria, BC

Executive Director, Small Business, Ministry of Jobs, Tourism and Skills Training



NAINA SLOAN
Director General, Operations
Vancouver, BC

Western Economic Diversification

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SMALL BUSINESS BC'S NEW LOOK.

As with every good business, a time comes when a little change can have a big impact.

After many years of being represented by a classic black and yellow logo, at Small Business BC we chose 2012-13 as the year to update and rejuvenate our brand. Nine months of research went into our clients, our services, our purpose, and overall, our identity. Through this research it became abundantly clear that Small Business BC provides the building blocks that help entrepreneurs grow successful businesses. With our products and services, education and resources we provide a piece that fits with every business.

We believe that no matter what stage of business or what skill level, there's a need to learn and grow, and our role is to fill those gaps. When an entrepreneur finds themselves asking "How do I...?" Small Business BC is the one to call.



WHAT DOES THE NEW LOOK MEAN?

The new vibrant colours in our logo are a reflection of the bold and brilliant business owners we serve. Blue represents stability; a solid foundation to build your business upon. Purple is the colour of creativity and inspiration, a key element of entrepreneurship. Green symbolizes growth and Small Business BC's commitment to serving all of BC.

As always, Small Business BC exists to help business owners build from the ground up, but to also provide new services, up-to-the-minute resources, and new technologies to make access to our services even easier across BC.

We might look a little different, but you can trust that our great resources, education and services are still the same!



SMALL BUSINESS BC'S 2012-2013 HIGHLIGHTS

In an effort to better serve BC's small business community, Small Business BC strives for excellence in its business services, educational seminars, events and special initiatives. Ending March 31, 2013, Small Business BC achieved great growth and improvements in developing ways to better serve business owners in British Columbia:

- SBBC excels at client satisfaction by providing excellent customer service combined with a wide range of products and services to meet the changing needs of small business owners. Surveys indicate an increasing overall client satisfaction level of 92%, as compared to 91% in 2011-12, and 88% in 2010-11.

- A total of 606,264 clients were served by SBBC in 2012-2013, including 25,634 in-person visits, 22,253 phone inquiries and 1,836 clients served through e-mail. This is a 32% increase over 2011-12 (459,813 clients served). SBBC also saw a 16% increase in returning clients (163,635 in 2012-13 and 140,996 in 2011-12).

- To increase access to quality education, SBBC started offering education via webinar. In total 128 webinars were held, serving 2,610 small business owners across the province. Attendance is expected to grow exponentially in 2013-14. The overall number of SBBC seminar attendees increased by 55% (8,807 in 2012-13 to 5674 in 2011-12), accessing 67 unique seminars.

- Small Business BC received 243 unpaid media mentions in 2012-13. Highlights include mentions in the Globe and Mail, Vancouver Sun, Victoria Times Colonist, Business in Vancouver, BC Business Magazine and more.

- The SBBC website is an increasingly popular source for information and resources to help small business owners. The focus on providing quality content and improving search engine optimization in 2012-13 resulted in a 39% increase in total website visits (556,154 in 2012-13 to 400,351 in 2011-12).

- Small Business BC remained highly active on Facebook, Twitter and LinkedIn, increasing their online community by 114% (12,623 likes and follows in 2012-13 from 5,902 in 2011-12).

- Small Business BC implemented an outreach strategy in the Lower Mainland, Vancouver Island and regional BC, attending and presenting 166 promotional events to 13,372 small business owners across the province.

- Sponsorship revenue increased significantly to a total of \$256,288 in-kind and \$278,767 cash over the past fiscal year. SBBC continues to focus its increase on sponsorship opportunities to deliver up-to-date information, products and services.

- SBBC hosted the 10th Annual Successful You Awards Ceremony with the highest attendance to date. 172 small businesses were nominated for awards, with a 97% increase in nominees from regional BC (29 regional nominees 2011-12 vs. 57 regional nominees in 2012-13). Participating businesses received 10,562 votes from their communities in support of their nomination.



2013-2013

STATEMENT OF FINANCIAL POSITION

CANADA/BRITISH COLUMBIA BUSINESS SERVICES SOCIETY

Statements of Financial Position

	Operating Funds	Internally Restricted	March 31, 2013	March 31, 2012	April 1, 2011
Assets					
Current					
Cash and term deposits	\$ 647,348	\$ 0	\$ 647,348	\$ 383,106	\$ 475,338
Restricted cash (note 6)	0	233,500	233,500	195,182	150,782
Grants receivable	113,894	0	113,894	70,702	24,832
Accounts receivable	52,019	0	52,019	36,829	75,994
HST/GST receivable	9,477	0	9,477	3,465	7,542
Inventory	3,880	0	3,880	4,605	2,494
Prepaid expenses	5,874	0	5,874	21,086	23,452
	832,492	233,500	1,065,992	714,975	760,434
Term Deposits	0	0	0	184,145	0
Property and Equipment (note 7)	106,576	0	106,576	139,769	75,469
	\$ 939,068	\$ 233,500	\$ 1,172,568	\$ 1,038,889	\$ 835,903
Liabilities					
Current					
Accounts payable and accrued liabilities (note 8)	\$ 152,044	\$ 0	\$ 152,044	\$ 93,759	\$ 103,259
Deferred contributions (note 6(a))	0	83,500	83,500	95,182	100,782
	152,044	83,500	235,544	188,941	204,041
Net Assets					
Investment in Capital					
Assets	106,576	0	106,576	139,769	75,469
Operating Funds	680,448	0	680,448	610,179	506,393
Restricted Funds (note 6(b))	0	150,000	150,000	100,000	50,000
	787,024	150,000	937,024	849,948	631,862
	\$ 939,068	\$ 233,500	\$ 1,172,568	\$ 1,038,889	\$ 835,903

Commitment (note 9)

Approved on behalf of the Board:

"Pino Bacinello" (signed)

..... Director

Pino Bacinello

"Cybele Negris" (signed)

..... Director

Cybele Negris

2013-2013

STATEMENT OF OPERATIONS

CANADA/BRITISH COLUMBIA BUSINESS SERVICES SOCIETY
Statements of Operations
Year Ended March 31

	Operating Funds	Project Funds	2013	2012
Receipts				
Western Economic Diversification (note 2)	\$ 1,166,360	\$ 0	\$ 1,166,360	\$ 1,166,360
Province of British Columbia (note 2)	686,000	0	686,000	686,000
Small business (schedule 2)	541,976	0	541,976	464,263
Projects (schedule 1)	0	209,973	209,973	69,929
Rent recovery	91,061	0	91,061	85,618
Interest	13,601	0	13,601	6,514
Name approvals	0	0	0	6,940
Total Receipts	2,498,998	209,973	2,708,971	2,485,624
Expenditures				
Salaries and benefits	1,404,365	0	1,404,365	1,246,448
Vancouver lease/facility	434,262	0	434,262	430,338
Operations	283,366	0	283,366	299,811
Projects (schedule 1)	0	253,162	253,162	76,406
Small Business Victoria	81,473	0	81,473	70,768
Cost of sales	78,844	0	78,844	85,682
Advertising and promotion	28,769	0	28,769	19,445
Board meetings	21,710	0	21,710	8,756
Amortization	35,944	0	35,944	29,884
Total Expenditures	2,368,733	253,162	2,621,895	2,267,538
Excess (Deficiency) of Receipts over Expenditures for Year	\$ 130,265	\$ (43,189)	\$ 87,076	\$ 218,086



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