

BARBADOS TENNIS ASSOCIATION INC.
Financial Statements
December 31, 2011

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December 31, 2011

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Martin D. Frost, ACA
Featherbed Lane, St. John, Barbados

**AUDITOR'S REPORT
TO THE MEMBERS OF BARBADOS TENNIS ASSOCIATION INC.**

I have audited the accompanying financial statements of Barbados Tennis Association Inc., which comprise the balance sheet as of December 31, 2011, and the general fund statement of income and expenditure, statement of changes in funds and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Council's responsibility for the financial statements

Council is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standard for Small and Medium-sized 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I 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 Council, 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 opinion.

Opinion

In common with many non-profit organisations, the company reports income, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, my verification of income was limited to comparison of recorded receipts with bank deposits.

In my opinion, except for the effect of such adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself concerning the completeness of the income referred to in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of Barbados Tennis Association Inc. as of December 31, 2011, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities.



MARTIN FROST
CHARTERED ACCOUNTANT

BARBADOS TENNIS ASSOCIATION INC.

Balance Sheet

As of December 31, 2011

(amounts expressed in Barbados dollars)

	Notes	2011 \$	2010 \$
Assets			
Cash at bank		70,129	62,280
Term deposit	3	10,000	10,000
Trade receivables	4	23,259	10,677
Prepayments	5	11,161	10,932
Accrued interest on term deposits		54	57
		<u>114,603</u>	<u>93,946</u>
Fixed assets			
Building	6	254,822	254,822
Accumulated depreciation		(66,038)	(60,942)
		<u>188,784</u>	<u>193,880</u>
Total assets		<u>303,387</u>	<u>287,826</u>
Liabilities			
Current liabilities			
Trade payables and accrued liabilities	7	5,252	8,806
Total liabilities		<u>5,252</u>	<u>8,806</u>
Net assets		<u>298,135</u>	<u>279,020</u>
Represented by:			
General fund		194,272	188,303
Junior Development fund	8	23,667	23,310
Wheelchair Tennis fund	9	-	5,095
Elite & Emerging Athletes fund	10	30,196	32,312
Court Repair fund	11	50,000	30,000
		<u>298,135</u>	<u>279,020</u>

The notes on pages 6 to 8 form part of these financial statements.

Approved by the Council on **AUGUST 15th 2012**

PRESIDENT..... *K. Jovle*

TREASURER..... *Helen Roper*

BARBADOS TENNIS ASSOCIATION INC.**Statement of Changes in Funds****For the year ended December 31, 2011**

(amounts expressed in Barbados dollars)

	General Fund	Junior Development Fund	Wheelchair Tennis Fund	Elite & Emerging Athletes Fund	Court Repair Fund	Total
	\$	\$	\$	\$	\$	\$
Balance - December 31, 2009	190,879	22,939	5,095	6,000	-	224,913
Surplus for the year	27,424	-	-	-	-	27,424
Interest income	-	371	-	-	-	371
Grants received	-	-	-	139,442	-	139,442
Grants paid	-	-	-	(113,130)	-	(113,130)
Transfer to Court Repair fund	(30,000)	-	-	-	30,000	-
Balance - December 31, 2010	188,303	23,310	5,095	32,312	30,000	279,020
Surplus for the year	20,874	-	-	-	-	20,874
Interest income	-	357	-	-	-	357
Grants received	-	-	-	110,276	-	110,276
Grants paid	-	-	-	(112,392)	-	(112,392)
Transfer from Wheelchair fund	5,095	-	(5,095)	-	-	-
Transfer to Court Repair fund	(20,000)	-	-	-	20,000	-
Balance - December 31, 2011	194,272	23,667	-	30,196	50,000	298,135

The notes on pages 6 to 8 form part of these financial statements.

BARBADOS TENNIS ASSOCIATION INC.**General Fund****Statement of Income and Expenditure****For the year ended December 31, 2011**

(amounts expressed in Barbados dollars)

	2011	2010
	\$	\$
Income		
Tournaments	65,309	74,318
Grants		
National Sports Council	57,000	65,000
Barbados Olympic Association	57,199	48,236
International Tennis Federation	23,473	5,141
Profit from fund raising activities and donations		
Donations and other income	19,300	25,000
Hawaiian Night/Mardi Gras Night	23,890	22,660
Tennis-a-thon	3,782	-
Advertising banners	2,333	3,000
Tennis centre court rentals	14,670	11,812
Membership subscriptions	12,870	14,450
Summer Camps (net)	5,977	-
JTI/STI/High Performance programmes (net)	7,694	3,292
Interest on security deposit	99	44
	<u>293,596</u>	<u>272,953</u>
Expenditure		
Tournaments	107,082	98,407
Tennis centre		
Wages and NIS	36,700	44,055
Repairs and maintenance	45,664	30,706
Utilities	33,832	27,209
Administrative	28,550	23,856
Membership dues	9,770	10,170
Insurance	6,028	6,028
Depreciation	5,096	5,098
	<u>272,722</u>	<u>245,529</u>
Surplus for the year	<u>20,874</u>	<u>27,424</u>

The notes on pages 6 to 8 form part of these financial statements.

BARBADOS TENNIS ASSOCIATION INC.**Statement of Cash Flows****For the year ended December 31, 2011**

(amounts expressed in Barbados dollars)

	2011	2010
	\$	\$
Cash flows from operating activities		
Surplus for the year	20,874	27,424
Depreciation	5,096	5,098
Operating income before working capital changes	25,970	32,522
Change in working capital	(16,362)	(7,774)
Cash generated from operating activities	9,608	24,748
Interest income - Junior Development Fund	357	371
<Decrease>/increase in cash held in Elite & Emerging Athletes Fund	(2,116)	26,312
Net cash from operating activities	7,849	51,431
Cash at bank and term deposit - beginning of year	72,280	20,849
Cash at bank and term deposit - end of year	80,129	72,280

The notes on pages 6 to 8 form part of these financial statements.

BARBADOS TENNIS ASSOCIATION INC.

Notes to Financial Statements

December 31, 2011

(amounts expressed in Barbados dollars)

1. Incorporation and principal activity

The company is incorporated in Barbados as a non-profit company. The principal activity of the Association is the development and promotion of tennis in Barbados.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented.

Basis of preparation

The financial statements are prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities under the historical cost convention.

Estimates

Preparation of financial statements in conformity with International Financial Reporting Standard for Small and Medium-sized Entities requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Revenue recognition

Income is recognised on an accrual basis except for membership subscriptions which are recorded on a cash basis.

Fixed assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation is computed on the straight line method at rates considered adequate to write off the cost less residual value, over their useful lives at the following annual rates:

Building	-	2.0%
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3. Term deposit

This is deposited with Globe Finance Inc. as follows:

	Maturity date	Net interest rate	2011 \$	2010 \$
Deposit #1	5-May-12	3.50%	10,000	10,000
			<u>10,000</u>	<u>10,000</u>

Deposit #1 is allocated as an asset of the Junior Development Fund (note 8).

BARBADOS TENNIS ASSOCIATION INC.**Notes to Financial Statements****December 31, 2011**

(amounts expressed in Barbados dollars)

4. Trade receivables

These comprise as follows:

	2011	2010
	\$	\$
International Tennis Federation - Facilities Grant	15,930	-
BBC Sponsorship	2,333	-
Virgin Atlantic - ticket refund	2,266	-
International Tennis Federation - Junior Tennis Initiative subsidy	1,987	1,987
Tournament receipts & court rentals	645	1,205
Sanction Fee	50	-
Vending Plus	48	60
Trident Insurance - hurricane claim	-	3,714
Ministry of Finance - duty on paint	-	2,990
Cuba U13s Airfare - K Marshall	-	600
Barbados Red Cross - repairs	-	121
	<u>23,259</u>	<u>10,677</u>

5. Prepayments

These comprise as follows:

	2011	2010
	\$	\$
International Tennis Federation membership fees	9,800	9,670
Barbados Light and Power Co. Ltd - security deposit	1,336	1,237
Ministry of Housing - lease of land	25	25
	<u>11,161</u>	<u>10,932</u>

6. Fixed assets

The building is erected at the National Tennis Centre, Wildey, St. Michael, on a property leased from the Government of Barbados. The lease term of 25 years commenced on April 1, 1992 and the rent of \$100 per annum is subject to review on expiration of the first term and every 10 years thereafter.

BARBADOS TENNIS ASSOCIATION INC.

Notes to Financial Statements

December 31, 2011

(amounts expressed in Barbados dollars)

7. Trade payables and accrued liabilities

These comprise as follows:

	2011	2010
	\$	\$
Barbados Light and Power Co. Ltd	2,562	1,862
J Baird/W King - Junior Tennis Initiative subsidy	1,984	2,000
Director of National Insurance	384	705
Cable & Wireless (Barbados) Ltd	229	228
Barbados Water Authority	93	66
R Forde - expenses	-	2,825
Gardening	-	500
B Babb - publicity	-	400
F Odle - roller	-	220
	<u>5,252</u>	<u>8,806</u>

8. Junior Development Fund

In accordance with the wishes of the late Mr. Peter Patterson, a separate fund was established for development of junior tennis. This fund will be expensed on projects to be determined by Council.

Term deposit #1 has been allocated as an asset of this fund (note 3).

9. Wheelchair Tennis Fund

During 2011, the wheelchairs were donated to the Paralympic Association of Barbados. The balance remaining has been transferred to the General Fund.

10. Elite & Emerging Athletes Fund

A separate fund has been established to record grants received from donors and paid to elite & emerging athletes on a pass through basis.

11. Court Repair Fund

During 2010, a separate fund was established by Council to set aside a portion of net income raised at annual fund raising events to offset future repairs to the courts at the National Tennis Centre.