

BARBADOS TENNIS ASSOCIATION INC.
Financial Statements
December 31, 2013

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Index to the Financial Statements
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CONTENTS	Page
Auditor's Report	1
Balance Sheet	2
Statement of Changes in Funds	3
General Fund - Statement of Income and Expenditure	4
Statement of Cash Flows	5
Notes to Financial Statements	6-8

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, 2013, 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, 2013, 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

October 13, 2014

BARBADOS TENNIS ASSOCIATION INC.**Balance Sheet****As of December 31, 2013**

(amounts expressed in Barbados dollars)

	Notes	2013 \$	2012 \$
Assets			
Cash at bank		69,970	93,172
Term deposits	3	40,000	40,000
Trade receivables	4	22,126	4,494
Prepayments	5	14,964	14,047
Accrued interest on term deposits		837	837
		<u>147,897</u>	<u>152,550</u>
Fixed assets			
Building (net of depreciation)		178,594	183,687
Tents (net of depreciation)		1,784	3,572
	6	<u>180,378</u>	<u>187,259</u>
Total assets		<u>328,275</u>	<u>339,809</u>
Liabilities			
Current liabilities			
Trade payables and accrued liabilities	7	7,962	8,287
Deferred Income	8	8,491	11,232
		<u>16,453</u>	<u>19,519</u>
Total liabilities		<u>16,453</u>	<u>19,519</u>
Net assets		<u>311,822</u>	<u>320,290</u>
Represented by:			
General fund		183,622	195,668
Junior Development fund	9	8,493	13,889
Elite & Emerging Athletes fund	10	57,728	49,954
Court Repair fund	11	61,979	60,779
		<u>311,822</u>	<u>320,290</u>

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

Approved by the Council on October 13, 2014PRESIDENT.....TREASURER.....

BARBADOS TENNIS ASSOCIATION INC.**Statement of Changes in Funds****For the year ended December 31, 2013**

(amounts expressed in Barbados dollars)

	General Fund	Junior Development Fund	Elite & Emerging Athletes Fund	Court Repair Fund	Total
	\$	\$	\$	\$	\$
Balance - December 31, 2011	194,272	23,667	30,196	50,000	298,135
Surplus for the year	11,396	-	-	-	11,396
Interest income	-	382	234	779	1,395
Grants received	-	-	91,888	-	91,888
Grants paid	-	(10,160)	(72,364)	-	(82,524)
Transfer from Wheelchair fund	-	-	-	-	-
Transfer to Court Repair fund	(10,000)	-	-	10,000	-
Balance - December 31, 2012	195,668	13,889	49,954	60,779	320,290
Deficit for the year	(12,046)	-	-	-	(12,046)
Interest income	-	400	577	1,200	2,177
Grants received	-	-	65,415	-	65,415
Grants paid	-	(5,796)	(58,218)	-	(64,014)
Transfer to Court Repair fund	-	-	-	-	-
Balance - December 31, 2013	183,622	8,493	57,728	61,979	311,822

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, 2013**

(amounts expressed in Barbados dollars)

	2013	2012
	\$	\$
Income		
Tournaments	168,999	176,316
Grants		
National Sports Council	7,000	37,000
Barbados Olympic Association	89,705	55,229
International Tennis Federation	3,947	3,350
Profit from fund raising activities and donations		
Donations and other income	1,200	-
Caribbean Night	17,772	9,353
Advertising banners	3,500	3,500
Tennis centre court rentals	9,252	13,806
Membership subscriptions	10,865	12,020
Summer Camps (net)	3,779	5,060
JTI/STI/High Performance & School programmes (net)	1,405	1,760
Interest on security deposit	100	94
	<u>317,524</u>	<u>317,489</u>
Expenditure		
Tournaments	179,384	168,420
Tennis centre		
Wages and NIS	35,376	24,030
Repairs and maintenance	35,483	37,693
Utilities	27,680	32,104
Administrative	21,527	21,036
Membership dues	10,191	9,899
Coaching Course	7,019	-
Insurance	6,028	6,028
Depreciation	6,882	6,882
	<u>329,570</u>	<u>306,092</u>
<Deficit>/Surplus for the year	<u>(12,046)</u>	<u>11,396</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, 2013**

(amounts expressed in Barbados dollars)

	2013	2012
	\$	\$
Cash flows from operating activities		
<Deficit>/Surplus for the year	(12,046)	11,396
Depreciation	6,882	6,882
Operating income before working capital changes	(5,164)	18,278
Change in working capital	(21,615)	29,363
Cash generated from operating activities	(26,779)	47,641
Purchase of tents	-	(5,358)
Interest income on Non-General Funds	2,177	1,395
Decrease in cash held in Junior Development Fund	(5,796)	(10,160)
Increase in cash held in Elite & Emerging Athletes Fund	7,197	19,524
Net cash (used in)/from operating activities	(23,201)	53,042
Cash at bank and term deposits - beginning of year	133,172	80,130
Cash at bank and term deposits - end of year	109,970	133,172

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

BARBADOS TENNIS ASSOCIATION INC.

Notes to Financial Statements

December 31, 2013

(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%
Tents	-	33.3%

3. Term deposits

These are deposited with Globe Finance Inc. and comprise as follows:

	Maturity date	Interest rate	2013 \$	2012 \$
Deposit #1	7-May-14	4.00%	10,000	10,000
Deposit #2	8-May-14	4.00%	30,000	30,000
			<u>40,000</u>	<u>40,000</u>

Deposit #1 is allocated as an asset of the Junior Development Fund (note 9).
Deposit #2 is allocated as an asset of the Court Repair Fund (note 11).

BARBADOS TENNIS ASSOCIATION INC.**Notes to Financial Statements****December 31, 2013**

(amounts expressed in Barbados dollars)

4. Trade receivables

These comprise as follows:

	2013	2012
	\$	\$
International Tennis Federation - Junior Tennis Initiative subsidy	1,972	-
Tournament receipts & court rentals	1,535	968
BBC Sponsorship	2,333	2,333
Vending Plus	50	63
U.S. Embassy Bridgetown - Schools grant	1,061	1,080
Xmas Camp - fees	1,125	-
Barbados Olympic Association - ITF coaching course grant	14,000	-
Sanction Fee	50	50
	<u>22,126</u>	<u>4,494</u>

5. Prepayments

These comprise as follows:

	2013	2012
	\$	\$
International Tennis Federation membership fees	10,321	10,092
Barbados Light and Power Co. Ltd - security deposit	1,530	1,430
Davis Cup expenses	3,088	2,500
Ministry of Housing - lease of land	25	25
	<u>14,964</u>	<u>14,047</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, 2013

(amounts expressed in Barbados dollars)

7. Trade payables and accrued liabilities

These comprise as follows:

	2013	2012
	\$	\$
R Forde - expenses	1,074	5,358
J Baird - Junior Tennis Initiative subsidy	1,972	-
Barbados Light and Power Co. Ltd	694	1,958
Director of National Insurance	726	384
Cable & Wireless (Barbados) Ltd	229	229
Barbados Olympic Association - US Schools programme buses	3,240	-
C Cadogan - pc repairs	-	204
Barbados Water Authority	27	154
	<u>7,962</u>	<u>8,287</u>

8. Deferred Income

Part of funds received in 2013 from the U.S. Embassy Bridgetown in support of the Association's primary school tennis programme have been deferred until 2014.

9. 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).

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.

Term deposit #2 has been allocated as an asset of this fund (note 3).