

BARBADOS TENNIS ASSOCIATION INC.
Financial Statements
December 31, 2014

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December 31, 2014

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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, 2014, 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, 2014, 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 12, 2015

BARBADOS TENNIS ASSOCIATION INC.

Balance Sheet

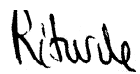
As of December 31, 2014


(amounts expressed in Barbados dollars)

	Notes	2014 \$	2013 \$
Assets			
Cash at bank		57,490	69,970
Term deposits	3	40,000	40,000
Trade receivables	4	7,736	22,126
Prepayments	5	12,156	14,964
Accrued interest on term deposits		628	837
		<u>118,010</u>	<u>147,897</u>
Fixed assets			
Building (net of depreciation)		173,496	178,594
Tents (net of depreciation)		-	1,784
	6	<u>173,496</u>	<u>180,378</u>
Total assets		<u>291,506</u>	<u>328,275</u>
Liabilities			
Current liabilities			
Trade payables and accrued liabilities	7	8,078	7,962
Deferred Income	8	9,948	8,491
		<u>18,026</u>	<u>16,453</u>
Total liabilities		<u>18,026</u>	<u>16,453</u>
Net assets		<u>273,480</u>	<u>311,822</u>
Represented by:			
General fund		168,990	183,622
Junior Development fund	9	8,828	8,493
Elite & Emerging Athletes fund	10	21,178	57,728
Court Repair fund	11	74,484	61,979
		<u>273,480</u>	<u>311,822</u>

The notes on pages 6 to 9 form part of these financial statements.

Approved by the Council on October 12, 2015


PRESIDENT.....


TREASURER.....

BARBADOS TENNIS ASSOCIATION INC.**Statement of Changes in Funds****For the year ended December 31, 2014**

(amounts expressed in Barbados dollars)

	General Fund	Junior Development Fund	Elite & Emerging Athletes Fund	Court Repair Fund	Total
	\$	\$	\$	\$	\$
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
Deficit for the year	(3,132)	-	-	-	(3,132)
Interest income	-	335	510	1,005	1,850
Grants received	-	-	124,384	-	124,384
Grants paid	-	-	(161,444)	-	(161,444)
Transfer to Court Repair fund	(11,500)	-	-	11,500	-
Balance - December 31, 2014	168,990	8,828	21,178	74,484	273,480

The notes on pages 6 to 9 form part of these financial statements.

BARBADOS TENNIS ASSOCIATION INC.**General Fund****Statement of Income and Expenditure****For the year ended December 31, 2014**

(amounts expressed in Barbados dollars)

	Notes	2014 \$	2013 \$
Income			
Tournaments	12	369,000	168,999
Grants			
National Sports Council		9,000	7,000
Barbados Olympic Association		51,132	89,705
International Tennis Federation		7,357	3,947
Profit from fund raising activities and donations			
Donations and other income		6,000	1,200
Caribbean Night		31,311	17,772
Other fundraiser		11,697	-
Advertising banners		2,333	3,500
Tennis centre court rentals		5,909	9,252
Membership subscriptions		10,065	10,865
Summer Camps (net)		6,326	3,779
Coaching Course		398	-
JTI/STI/High Performance & School programmes (net)		713	1,405
Interest on security deposit		100	100
		<u>511,341</u>	<u>317,524</u>
Expenditure			
Tournaments	12	364,980	179,384
Tennis centre			
Wages and NIS		42,220	35,376
Repairs and maintenance		31,062	35,483
Utilities		31,437	27,680
Administrative		21,441	21,527
Membership dues		10,423	10,191
Coaching Course		-	7,019
Insurance		6,028	6,028
Depreciation		6,882	6,882
		<u>514,473</u>	<u>329,570</u>
Deficit for the year		<u>(3,132)</u>	<u>(12,046)</u>

The notes on pages 6 to 9 form part of these financial statements.

BARBADOS TENNIS ASSOCIATION INC.**Statement of Cash Flows****For the year ended December 31, 2014**

(amounts expressed in Barbados dollars)

	2014	2013
	\$	\$
Cash flows from operating activities		
Deficit for the year	(3,132)	(12,046)
Depreciation	6,882	6,882
Operating income/(loss) before working capital changes	3,750	(5,164)
Change in working capital	18,980	(21,615)
Cash generated from operating activities	22,730	(26,779)
Interest income on Non-General Funds	1,850	2,177
Decrease in cash held in Junior Development Fund	-	(5,796)
(Decrease)/Increase in cash held in Elite & Emerging Athletes Fund	(37,060)	7,197
Net cash used in operating activities	(12,480)	(23,201)
Cash at bank and term deposits - beginning of year	109,970	133,171
Cash at bank and term deposits - end of year	97,490	109,970

The notes on pages 6 to 9 form part of these financial statements.

BARBADOS TENNIS ASSOCIATION INC.

Notes to Financial Statements

December 31, 2014

(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	2014 \$	2013 \$
Deposit #1	7-May-15	3.00%	10,000	10,000
Deposit #2	8-May-15	3.00%	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, 2014**

(amounts expressed in Barbados dollars)

4. Trade receivables

These comprise as follows:

	2014	2013
	\$	\$
International Tennis Federation - Junior Tennis Initiative subsidy	-	1,972
Tournament receipts & court rentals	625	1,535
BBC Sponsorship	1,167	2,333
NASSCO tournament sponsorship	1,800	-
Vending Plus	35	50
U.S. Embassy Bridgetown - Schools grant	3,184	1,061
Xmas Camp - fees	-	1,125
Barbados Olympic Association - ITF coaching course grant	-	14,000
Miscellaneous	925	50
	<u>7,736</u>	<u>22,126</u>

5. Prepayments

These comprise as follows:

	2014	2013
	\$	\$
International Tennis Federation membership fees	10,501	10,321
Barbados Light and Power Co. Ltd - security deposit	1,630	1,530
Davis Cup expenses	-	3,088
Ministry of Housing - lease of land	25	25
	<u>12,156</u>	<u>14,964</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, 2014

(amounts expressed in Barbados dollars)

7. Trade payables and accrued liabilities

These comprise as follows:

	2014	2013
	\$	\$
R Forde - expenses	5,157	1,074
J Baird - Junior Tennis Initiative subsidy	-	1,972
Barbados Light and Power Co. Ltd	1,935	694
Director of National Insurance	726	726
Cable & Wireless (Barbados) Ltd	231	229
Barbados Olympic Association - US Schools programme buses	-	3,240
Barbados Water Authority	29	27
	<u>8,078</u>	<u>7,962</u>

8. Deferred Income

Funds received in 2014 in respect of sponsorship of a 2015 tournament have been deferred.

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).

BARBADOS TENNIS ASSOCIATION INC.**Notes to Financial Statements****December 31, 2014**

(amounts expressed in Barbados dollars)

12. Tournament Income and Expenses

2014	Davis Cup \$	Other Team Competitions \$	ITF Jnr Champs \$	Other Tournaments \$	Total 2014 \$
Income					
ITF PILA/prize money	201,699	-	-	-	201,699
Sponsorship	5,000	2,000	4,973	23,740	35,713
Grants	19,494	12,000	38,000	-	69,494
Ticket Sales (net)	38,304	-	-	-	38,304
Entry fees	-	-	11,400	11,610	23,010
Other	715	-	65	-	780
	<u>265,212</u>	<u>14,000</u>	<u>54,438</u>	<u>35,350</u>	<u>369,000</u>
Expenses					
Official's fees, airfares & accommodation	126,943	-	34,539	2,400	163,882
Grounds	33,685	-	4,942	2,057	40,684
Players/Captains	45,936	3,123	-	-	49,059
Team airfares	-	25,457	-	-	25,457
Administrative	10,637	-	3,443	-	14,080
Other	52,550	10,027	504	8,737	71,818
	<u>269,751</u>	<u>38,607</u>	<u>43,428</u>	<u>13,194</u>	<u>364,980</u>
Net Surplus/(Deficit) for the year	<u>(4,539)</u>	<u>(24,607)</u>	<u>11,010</u>	<u>22,156</u>	<u>4,020</u>

2013	Davis Cup \$	Other Team Competitions \$	ITF Jnr Champs \$	Other Tournaments \$	Total 2013 \$
Income					
ITF PILA/prize money	79,115	-	-	-	79,115
Sponsorship	-	1,700	10,028	23,759	35,487
Grants	-	-	-	-	0
Ticket Sales (net)	9,905	-	-	-	9,905
Entry fees	-	-	14,298	15,960	30,258
Other	10,909	2,946	379	-	14,234
	<u>99,929</u>	<u>4,646</u>	<u>24,705</u>	<u>39,719</u>	<u>168,999</u>
Expenses					
Official's fees, airfares & accommodation	27,310	-	25,293	1,600	54,203
Grounds	7,910	-	1,540	-	9,450
Players/Captains	13,288	2,560	-	-	15,848
Team airfares	13,740	26,927	-	2,129	42,796
Administrative	3,260	-	1,487	-	4,747
Other	29,236	2,748	3,917	16,439	52,340
	<u>94,744</u>	<u>32,235</u>	<u>32,237</u>	<u>20,168</u>	<u>179,384</u>
Net Surplus/(Deficit) for the year	<u>5,185</u>	<u>(27,589)</u>	<u>(7,532)</u>	<u>19,551</u>	<u>(10,385)</u>