

**BARBADOS TENNIS ASSOCIATION INC.**  
**Financial Statements**  
**December 31, 2021**

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**Index to the Financial Statements**  
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<b>CONTENTS</b>	<b>Page</b>
Auditor's Report	1-3
Balance Sheet	4
Statement of Changes in Funds	5
General Fund - Statement of Income and Expenditure	6
Statement of Cash Flows	7
Notes to Financial Statements	8-12



## **INDEPENDENT AUDITORS' REPORT**

**To the Officers of  
Barbados Tennis Association Inc.**

### ***Opinion***

I have audited the accompanying financial statements of Barbados Tennis Association Inc., which comprise the balance sheet as at December 31, 2021, the statement of changes in funds, the general fund statement of income and expenditure and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Barbados Tennis Association Inc. as of December 31, 2021 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities.

### ***Basis for Opinion***

I conducted the audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Financial Statements section of my report. I am independent of the Association in accordance with the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and I have fulfilled my other responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### ***Responsibilities of Council and Those Charged with Governance for the Financial Statements***

Council 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 for such internal control as council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, council is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless council either intends to liquidate the Association or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

### ***Auditors' Responsibility for the Audit of Financial Statements***

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.


As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by council.
- Conclude on the appropriateness of council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the evidence obtained up to the date of my audit report. However, future events or conditions may cause the Association to cease to continue as a going concern.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and the significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

***Other Matters***

This report is made solely to the Association's officers, as a body, in accordance with Section 147 of the Companies Act of Barbados. My audit work has been undertaken so that I might state to the officers those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Association and the officers, for my audit work, for this report, or for the opinion I have formed.



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Roger A. Sparrock B.Sc.(Hons.), CPA, CGA, FCA  
November 15, 2022

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**BARBADOS TENNIS ASSOCIATION INC.****Balance Sheet****As at December 31, 2021**

(amounts expressed in Barbados dollars)

	Notes	2021 \$	2020 \$
<b>Assets</b>			
Cash at bank		98,171	107,494
Term deposits	3	40,000	40,000
Trade receivables	4	12,866	46,564
Prepayments	5	15,091	14,904
Accrued interest on term deposits		383	383
		<u>166,511</u>	<u>209,345</u>
<b>Fixed assets</b>			
Building (net of depreciation)	6	<u>137,826</u>	<u>142,921</u>
		<u>137,826</u>	<u>142,921</u>
<b>Total assets</b>			
		<u>304,337</u>	<u>352,266</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade payables and accrued liabilities	7	14,178	34,049
Deferred Income	8	31,262	27,592
		<u>45,440</u>	<u>61,641</u>
<b>Total liabilities</b>			
		<u>45,440</u>	<u>61,641</u>
<b>Net assets</b>			
		<u>258,897</u>	<u>290,625</u>
<b>Represented by:</b>			
General fund		147,008	161,745
Elite & Emerging Athletes fund	9	1,470	30,711
Court Repair fund	10	41,987	41,385
Development fund	11	68,432	56,784
		<u>258,897</u>	<u>290,625</u>

Approved by the Council on November 15, 2022

PRESIDENT.....*Ribeiro*.....SECRETARY.....*Maurice*.....

The notes on pages 8 to 12 form part of these financial statements.

**BARBADOS TENNIS ASSOCIATION INC.**  
**Statement of Changes in Funds**  
**For the year ended December 31, 2021**  
(amounts expressed in Barbados dollars)

	General Fund \$	Elite & Emerging Athletes Fund \$	Court Repair Fund \$	Development Fund \$	Total \$
Balance - December 31, 2019	160,931	(760)	40,737	57,584	258,492
Surplus for the year	814	-	-	-	814
Interest income	-	-	648	-	648
Funds received	-	101,425	-	-	101,425
Funds paid/reallocated	-	(69,954)	-	(800)	(70,754)
Transfer to Development Fund	-	-	-	-	-
Balance - December 31, 2020	161,745	30,711	41,385	56,784	290,625
Deficit for the year	(3,089)	-	-	-	(3,089)
Interest income	-	-	602	-	602
Funds received	-	208,100	-	-	208,100
Funds paid	-	(237,341)	-	-	(237,341)
Transfer to Development Fund (Note 11)	(85,000)	-	-	85,000	-
Development Fund - utilised (Note 11)	73,352	-	-	(73,352)	-
Balance - December 31, 2021	147,008	1,470	41,987	68,432	258,897

The notes on pages 8 to 12 form part of these financial statements.

**BARBADOS TENNIS ASSOCIATION INC.****General Fund****Statement of Income and Expenditure  
For the year ended December 31, 2021**

(amounts expressed in Barbados dollars)

	Notes	2021 \$	2020 \$
<b>Income</b>			
Tournaments	13	297,506	111,828
Grants		-	
National Sports Council		2,500	12,500
Barbados Olympic Association		58,238	57,400
International Tennis Federation		13,875	6,958
Profit from fund raising activities and donations			
Misc fundraising		1,540	-
Donations and other income		1,000	22,287
Tennis centre court rentals		29,647	24,779
Membership subscriptions		13,250	11,635
Summer Camps (net)		-	(475)
Adult Tennis Initiative (net)		2,281	-
Interest on security deposit		73	70
		<u>419,910</u>	<u>246,982</u>
<b>Expenditure</b>			
Tournaments	13	219,652	105,704
Tennis centre			
Staff wages and NIS		37,363	32,630
Repairs and maintenance		16,734	22,076
Court lighting		14,828	25,000
Bleachers		21,430	-
Container		16,273	-
Utilities		28,239	21,227
Administrative		34,600	16,955
Membership dues		11,948	11,167
Audit fees		4,113	-
JTI/STI/High Performance & School programmes (net)		(1,871)	621
Insurance		14,594	5,691
Depreciation		5,096	5,097
		<u>422,999</u>	<u>246,168</u>
<b>(Deficit)/surplus for the year</b>		<u>(3,089)</u>	<u>814</u>

The notes on pages 8 to 12 form part of these financial statements.



**BARBADOS TENNIS ASSOCIATION INC.****Statement of Cash Flows****For the year ended December 31, 2021**

(amounts expressed in Barbados dollars)

	2021	2020
	\$	\$
<b>Cash flows from operating activities</b>		
(Deficit)/surplus for the year	(3,089)	814
Depreciation	<u>5,096</u>	<u>5,097</u>
Operating profit before working capital changes	2,007	5,911
Change in working capital	<u>17,309</u>	<u>11,518</u>
Cash from operating activities	19,316	17,429
Interest income on Non-General Funds	602	648
(Decrease)/increase in cash held in Elite & Emerging Athletes Fund	(29,241)	31,471
Decrease in cash held in Development Fund	<u>-</u>	<u>(800)</u>
Net cash arising from operating activities	(9,323)	48,748
Cash at bank and term deposits - beginning of year	<u>147,494</u>	<u>98,746</u>
Cash at bank and term deposits - end of year	<u>138,171</u>	<u>147,494</u>

The notes on pages 8 to 12 form part of these financial statements.

# BARBADOS TENNIS ASSOCIATION INC.

## Notes to Financial Statements

December 31, 2021

(amounts expressed in Barbados dollars)

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### 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 Standards for Small and Medium-sized Entities under the historical cost convention.

#### Estimates

Preparation of financial statements in conformity with International Financial Reporting Standards 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 deposits

These are deposited with SigniaGlobe Financial Group Inc. and comprise as follows:

	Maturity date	Interest rate	2021 \$	2020 \$
Deposit #3	11-May-22	1.50%	40,000	40,000
			<u>40,000</u>	<u>40,000</u>

Deposit #3 is allocated as an asset of the Court Repair Fund (note 10).

**BARBADOS TENNIS ASSOCIATION INC.****Notes to Financial Statements****December 31, 2021**

(amounts expressed in Barbados dollars)

**4. Trade receivables**

These comprise as follows:

	2021	2020
	\$	\$
Tournament receipts & court rentals	3,065	4,988
Tournament sponsorship	-	1,800
Barbados Olympic Association - misc grants	3,276	38,011
International Tennis Federation - misc grants	6,340	-
JTI/ATI fees	185	1,242
Miscellaneous	-	523
	<u>12,866</u>	<u>46,564</u>

**5. Prepayments**

These comprise as follows:

	2021	2020
	\$	\$
International Tennis Federation - membership fees	11,563	11,948
Barbados Light and Power Co. Ltd - security deposit	2,153	2,081
Pirate's Inn - room deposit	525	525
Credit card and Internet renewal fees	350	350
Ministry of Housing - lease of land	500	-
	<u>15,091</u>	<u>14,904</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 original lease expired on March 31, 2017 and was renewed for a further 25 years at a rent of \$2,000 per annum subject to review after the first 10 years and every 10 years thereafter.

With the assistance of a generous benefactor, construction to extend the National Tennis Centre facilities commenced in August 2020. The project was completed in late 2021.

**BARBADOS TENNIS ASSOCIATION INC.****Notes to Financial Statements****December 31, 2021**

(amounts expressed in Barbados dollars)

**7. Trade payables and accrued liabilities**

These comprise as follows:

	2021	2020
	\$	\$
Club House and other NTC repairs	-	1,155
Court lighting	-	25,000
Tournament expenses	500	1,020
Director of National Insurance	1,411	811
JTI coaching fees	7,519	3,181
NTC directing fees	2,000	-
FLOW	-	126
Barbados Water Authority	51	845
CIBC/FCIB credit card	350	-
Ministry of Housing - lease of land	-	1,500
Miscellaneous	2,347	411
	<u>14,178</u>	<u>34,049</u>

**8. Deferred Income**

Funds received during 2020 and 2021 in respect of programmes curtailed by the COVID-19 outbreak have been deferred.

These comprise as follows:

	2021	2020
	\$	\$
National Sports Council subvention	-	2,500
Schools House junior programme	18,262	18,262
SOL Caribbean junior programmes	12,750	6,830
Inter-club fees	250	-
	<u>31,262</u>	<u>27,592</u>

**9. Elite & Emerging Athletes Fund**

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

**10. Court Repair Fund**

A separate fund was established by Council in 2010 to set aside a portion of net income raised at annual fund raising events. The fund continues to be held to offset future repairs to the courts at the National Tennis Centre.

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

**BARBADOS TENNIS ASSOCIATION INC.****Notes to Financial Statements****December 31, 2021**

(amounts expressed in Barbados dollars)

**11. Development Fund**

This fund was established by Council in 2019 to set aside a portion of ITF funds received for participating in the Davis Cup event. Further funds were also set aside from the participation fees arising from the 2021 Davis Cup tie.

Funds have been allocated to offset costs of hosting future ties and other development initiatives as follows:

	2020 Fund B/f \$	2021 Transferred In \$	2021 Utilized \$	2021 Fund C/f \$
Funding towards squad training.	5,850	4,250	-	10,100
Improving our administration	-	17,000	(17,000)	-
COVID emergency	-	17,000	(10,000)	7,000
Athlete grants for contributions towards a Foundation	7,000	17,000	(6,183)	17,817
Staging courses and promoting officiating	7,000	4,250	(1,735)	9,515
Staging Futures and/or transitional tour events	7,000	-	-	7,000
Facility improvement	1,934	8,500	(10,434)	-
Davis Cup contingency funding for local Ties	28,000	17,000	(28,000)	17,000
	<u>56,784</u>	<u>85,000</u>	<u>(73,352)</u>	<u>68,432</u>

	2019 Fund B/f \$	2020 Transferred In \$	2020 Utilized \$	2020 Fund C/f \$
Funding towards squad training.	6,650	-	(800)	5,850
Improving our administration	-	-	-	-
COVID emergency	-	-	-	-
Athlete grants for contributions towards a Foundation	7,000	-	-	7,000
Staging courses and promoting officiating	7,000	-	-	7,000
Staging Futures and/or transitional tour events	7,000	-	-	7,000
Facility improvement	1,934	-	-	1,934
Davis Cup contingency funding for local Ties	28,000	-	-	28,000
	<u>57,584</u>	<u>-</u>	<u>(800)</u>	<u>56,784</u>

**12. COVID-19**

Since the outbreak of COVID-19 in the first quarter of 2020, international and local economies have experienced, and may continue to experience significant volatility.

Despite brief shut downs in 2020 and 2021, local tennis activities have continued in line with COVID-19 directives, and Council does not believe that there will be material effects on existing and future projects as a result.

Council will however continue to monitor further developments relating to the pandemic and any likely impacts.

**BARBADOS TENNIS ASSOCIATION INC.****Notes to Financial Statements****December 31, 2021**

(amounts expressed in Barbados dollars)

**13. Tournament Income and Expenses**

<b>2021</b>	<b>Davis Cup \$</b>	<b>Other Team Competitions \$</b>	<b>ITF Jnr Champs \$</b>	<b>Other Tournaments \$</b>	<b>Total 2020 \$</b>
<b>Income</b>					
ITF Participation Fees	204,892	39,861	-	-	244,753
Sponsorship	-	-	-	-	-
Grants	25,000	25,888	-	-	50,888
Ticket Sales (net)	-	-	-	-	-
Entry fees	-	-	-	365	365
Other	-	1,500	-	-	1,500
	<u>229,892</u>	<u>67,249</u>	<u>-</u>	<u>365</u>	<u>297,506</u>
<b>Expenses</b>					
Official's fees, airfares & accommodation	47,318	-	-	900	48,218
Grounds	23,691	-	-	-	23,691
Players/Captains	47,500	2,750	-	6,000	56,250
Team airfares & accommodation	26,256	23,122	-	3,500	52,878
Administrative	8,191	-	-	-	8,191
Other	15,097	11,979	-	3,348	30,424
	<u>168,053</u>	<u>37,851</u>	<u>-</u>	<u>13,748</u>	<u>219,652</u>
Net Surplus/(Deficit) for the year	<u>61,839</u>	<u>29,398</u>	<u>-</u>	<u>(13,383)</u>	<u>77,854</u>
<b>2020</b>					
	<b>Davis Cup \$</b>	<b>Other Team Competitions \$</b>	<b>ITF Jnr Champs \$</b>	<b>Other Tournaments \$</b>	<b>Total 2020 \$</b>
<b>Income</b>					
ITF Participation Fees	57,383	-	-	-	57,383
Sponsorship	-	-	-	17,100	17,100
Grants	-	22,611	-	-	22,611
Ticket Sales (net)	-	-	-	-	-
Entry fees	-	-	-	13,859	13,859
Other	-	-	-	875	875
	<u>57,383</u>	<u>22,611</u>	<u>-</u>	<u>31,834</u>	<u>111,828</u>
<b>Expenses</b>					
Official's fees, airfares & accommodation	-	-	-	4,350	4,350
Grounds	-	-	-	-	-
Players/Captains	28,000	3,000	-	2,600	33,600
Team airfares & accommodation	13,867	29,197	-	-	43,064
Administrative	-	-	-	-	-
Other	14,335	2,198	-	8,157	24,690
	<u>56,202</u>	<u>34,395</u>	<u>-</u>	<u>15,107</u>	<u>105,704</u>
Net Surplus/(Deficit) for the year	<u>1,181</u>	<u>(11,784)</u>	<u>-</u>	<u>16,727</u>	<u>6,124</u>