

**BARBADOS TENNIS ASSOCIATION INC.**  
**Financial Statements**  
**December 31, 2010**

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**Index to the Financial Statements**  
**December 31, 2010**

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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, 2010, 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.

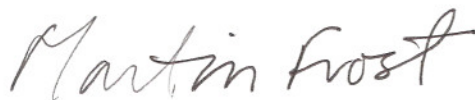
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or 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, 2010, 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  
22 JULY 2011

**BARBADOS TENNIS ASSOCIATION INC.****Balance Sheet****As of December 31, 2010**

(amounts expressed in Barbados dollars)

	Notes	2010 \$	2009 \$
<b>Assets</b>			
Cash at bank		62,280	10,849
Term deposits	3	10,000	10,000
Trade receivables	4	10,677	110,255
Prepayments	5	10,932	11,697
Accrued interest on term deposits		57	57
		<u>93,946</u>	<u>142,858</u>
<b>Fixed assets</b>			
Building	6	254,822	254,822
Accumulated depreciation		(60,942)	(55,844)
		<u>193,880</u>	<u>198,978</u>
<b>Total assets</b>		<u>287,826</u>	<u>341,836</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade payables and accrued liabilities	7	<u>8,806</u>	<u>116,923</u>
<b>Total liabilities</b>		<u>8,806</u>	<u>116,923</u>
<b>Net assets</b>		<u>279,020</u>	<u>224,913</u>
<b>Represented by:</b>			
General fund		188,303	190,879
Junior Development fund	8	23,310	22,939
Wheelchair Tennis fund	9	5,095	5,095
Elite & Emerging Athletes fund	10	32,312	6,000
Court Repair fund	11	30,000	-
		<u>279,020</u>	<u>224,913</u>

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

Approved by the Council on

PRESIDENT.....TREASURER.....

**BARBADOS TENNIS ASSOCIATION INC.****Statement of Changes in Funds****For the year ended December 31, 2010**

(amounts expressed in Barbados dollars)

	General Fund \$	Junior Development Fund \$	Wheelchair Tennis Fund \$	Elite & Emerging Athletes Fund \$	Court Repair Fund \$	Total \$
Balance - December 31, 2008	213,155	22,651	5,316	-	-	241,122
Deficit for the year	(22,497)	-	-	-	-	(22,497)
Interest income	-	394	-	-	-	394
Grants received	-	-	-	98,133	-	98,133
Grants paid	-	-	-	(92,133)	-	(92,133)
Allocation of insurance expense	221	-	(221)	-	-	-
Allocation of coaching expenses		(106)	-	-	-	(106)
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

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, 2010**

(amounts expressed in Barbados dollars)

	2010 \$	2009 \$
<b>Income</b>		
Tournaments	74,318	77,465
Grants		
National Sports Council	65,000	28,000
Barbados Olympic Association	48,236	45,557
International Tennis Federation	9,125	8,732
Arts & Sports Promotion Fund	-	104,800
Profit from fund raising activities and donations		
Donations and other income	25,000	15,050
Mardi Gras/Irish night	22,660	18,322
Advertising banners	3,000	3,000
Tennis centre court rentals	15,104	10,575
Membership subscriptions	14,450	17,970
Interest on security deposit	44	67
	<u>276,937</u>	<u>329,538</u>
<b>Expenditure</b>		
Tournaments	98,407	85,949
Tennis centre		
Wages and NIS	44,055	44,405
Repairs and maintenance	30,706	31,062
Utilities	27,209	13,945
Junior Tennis Initiative	3,984	3,971
Court resurfacing	-	104,800
Court floodlighting	-	23,272
Administrative	23,856	23,769
Membership dues	10,170	9,708
Insurance	6,028	6,058
Depreciation	5,098	5,096
	<u>249,513</u>	<u>352,035</u>
<b>Surplus/&lt;Deficit&gt; for the year</b>	<u>27,424</u>	<u>(22,497)</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, 2010**

(amounts expressed in Barbados dollars)

	2010 \$	2009 \$
<b>Cash flows from operating activities</b>		
Surplus/<Deficit> for the year	27,424	(22,497)
Depreciation	5,098	5,096
Operating income/(loss) before working capital changes	32,522	(17,401)
Change in working capital	(7,774)	(66,917)
Cash generated from (used in) operating activities	24,748	(84,318)
Interest income - Junior Development Fund	371	394
Increase in cash held in Elite & Emerging Athletes Fund	26,312	6,000
Expenses - Junior Development Fund	-	(106)
Net cash from (used in) operating activities	51,431	(78,030)
Cash at bank and term deposits - beginning of year	20,849	98,879
Cash at bank and term deposits - end of year	72,280	20,849

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

# BARBADOS TENNIS ASSOCIATION INC.

## Notes to Financial Statements

December 31, 2010

(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 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 deposits

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

	Maturity date	Net interest rate	2010 \$	2009 \$
Deposit #1	5-May-11	3.72%	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, 2010**

(amounts expressed in Barbados dollars)

**4. Trade receivables**

These comprise as follows:

	2010 \$	2009 \$
Trident Insurance - hurricane claim	3,714	-
Ministry of Finance - duty on paint	2,990	-
International Tennis Federation - Junior Tennis Initiative subsidy	1,987	-
Tournament receipts & court rentals	1,205	1,160
Cuba U13s Airfare - K Marshall	600	-
Barbados Red Cross - repairs	121	-
Vending Plus	60	60
Arts & Sports Promotion fund - court resurfacing grant	-	104,800
Barbados Olympic Association - meeting expenses	-	3,987
Trinidad & Tobago Tennis Assoc - airfare refund	-	248
	<u>10,677</u>	<u>110,255</u>

**5. Prepayments**

These comprise as follows:

	2010 \$	2009 \$
International Tennis Federation membership fees	9,670	9,670
Barbados Light and Power Co. Ltd - security deposit	1,237	1,193
Ministry of Housing - lease of land	25	25
J Baird - holiday pay	-	809
	<u>10,932</u>	<u>11,697</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, 2010**

(amounts expressed in Barbados dollars)

**7. Trade payables and accrued liabilities**

These comprise as follows:

	2010 \$	2009 \$
R Forde - expenses	2,825	7,482
J Baird/W King - Junior Tennis Initiative subsidy	2,000	1,519
Barbados Light and Power Co. Ltd	1,862	1,113
Director of National Insurance	705	705
Gardening	500	-
B Babb - publicity	400	-
Cable & Wireless (Barbados) Ltd	228	224
F Odle - roller	220	-
Barbados Water Authority	66	306
Agile Construction - court resurfacing	-	104,800
E Brown - expenses	-	508
Ink Link - print cartridges	-	217
M Thomson - expenses	-	49
	<u>8,806</u>	<u>116,923</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 2005, a separate fund was established for wheelchair tennis. This fund will be expensed on the resumption of the programme after travel arrangements for the players have been finalised.

**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 fund raising events to offset future repairs to the courts at the National Tennis Centre.