

**The Lester Vaughan School**

**Financial Statements**  
**Year ended March 31, 2009**  
**(expressed in Barbados Dollars)**

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**The Lester Vaughan School  
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Year ended March 31, 2009**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Management  
The Lester Vaughan School

We have audited the accompanying financial statements of **The Lester Vaughan School**, which comprise the balance sheet as of March 31, 2009, the statements of income and expenditure and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing, and maintaining internal control systems 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.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we 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 depend on the auditor's judgement, 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 the accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of **The Lester Vaughan School** as of March 31, 2009, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Skeete, Best & Co  
Chartered Accountants


Barbados, W.I.  
February 9, 2010

**The Lester Vaughan School**  
Balance Sheet  
As of March 31, 2009  
(expressed in Barbados Dollars)

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	2009	2008
	\$	\$
<b>Assets</b>		
<b>Current assets</b>		
Cash at bank (Note 4)	<u>198,125</u>	<u>271,997</u>
<b>Fund Balances</b>		
Consolidated funds (Note 6)	<u>198,125</u>	<u>271,997</u>

Approved by the Board of Management on February 9, 2010

Chairman: 

Secretary/Treasurer: 

The accompanying notes form an integral part of these financial statements.

**The Lester Vaughan School**

## Statement of Income and Expenditure - General Fund

Year ended March 31, 2009

(expressed in Barbados Dollars)

	Provision shown in		
	Approved 2009 estimates	2009	2008
	\$	\$	\$
<b>Income</b>			
Statutory grant	6,016,202	6,054,362	5,868,459
Insurance claim - computers	-	3,059	-
Interest	-	393	1,390
Other income	-	118	1,987
VAT refunds	-	16,903	-
	<u>6,016,202</u>	<u>6,074,835</u>	<u>5,871,836</u>
<b>Expenditure</b>			
Salaries - statutory personal emoluments	3,540,492	3,638,420	3,656,604
Salaries and wages - other personal emoluments	1,240,620	1,429,523	1,463,616
National Insurance	346,684	356,318	341,749
Travel	13,200	17,772	14,805
Utilities	110,000	136,391	108,066
Rental of property	23,000	18,140	16,008
Library	6,500	5,181	6,586
Supplies and materials	138,355	201,103	48,140
Maintenance of property	454,000	135,761	92,958
Operating expenses	104,856	108,923	87,130
Property, plant and equipment	27,995	23,823	18,335
Professional services	10,500	5,375	5,250
VAT expense	-	55,562	40,741
Computers' insurance	-	-	16,702
Donations	-	-	4,000
Bank charges	-	987	982
Withholding tax on interest	-	39	174
	<u>6,016,202</u>	<u>6,133,318</u>	<u>5,921,846</u>
Deficit for the year	-	(58,483)	(50,010)

The accompanying notes form an integral part of these financial statements.

**The Lester Vaughan School**  
**Statement of Income and Expenditure - Petty Fees Fund**  
**Year ended March 31, 2009**  
**(expressed in Barbados Dollars)**

	<b>2009</b>	<b>2008</b>
	<b>\$</b>	<b>\$</b>
<b>Income</b>		
Books	3,772	7,253
Crests, badges, and pins	3,537	4,965
Donations	1,790	1,000
Examination fees	11,658	12,203
Games clothes and uniforms	13,545	12,900
Interest	4,335	3,810
Miscellaneous (Note 7)	2,233	825
Other income	40	1,636
Petty fees	39,049	38,240
Prize money	-	600
Rental of graduation gowns	1,500	1,375
School fees	20,102	12,750
Transportation	1,165	1,418
Umpire fees	-	840
VAT refunds	9,990	-
	<b>112,716</b>	<b>99,815</b>

The accompanying notes form an integral part of these financial statements.

**The Lester Vaughan School**  
**Statement of Income and Expenditure - Petty Fees Fund**  
**Year ended March 31, 2009**  
**(expressed in Barbados Dollars)**

	2009	2008
	\$	\$
<b>Expenditure</b>		
Arts and crafts	69	600
Books	11,540	17,757
Catering services	-	1,550
Donations and contributions	4,125	5,500
Educational tours	-	1,102
Examination fees	11,505	12,213
Framing services	799	-
Games clothes and uniforms	40,499	5,950
Laundry supplies and services	400	700
Materials and supplies	560	2,312
Miscellaneous (Note 7)	296	302
Prize money	-	300
Refunds	543	548
Rentals	795	-
Security grills	21,204	-
Sports equipment	4,425	1,138
Training and seminars	350	-
Transportation	16,013	15,786
Trophies	1,786	12
Wages	900	1,150
Withholding tax on interest	542	476
	<u>116,351</u>	<u>67,396</u>
<b>(Deficit) surplus for the year</b>	<u><b>(3,635)</b></u>	<u><b>32,419</b></u>

The accompanying notes form an integral part of these financial statements.



**The Lester Vaughan School**

## Statement of Income and Expenditure - Textbook Loan Scheme Fund

Year ended March 31, 2009

(expressed in Barbados Dollars)

	2009	2008
	\$	\$
<b>Income</b>		
Fees - damaged/lost books	2,479	2,285
Interest	2,979	3,288
Other income	90	82
Textbook rental fees	68,700	70,162
	<u>74,248</u>	<u>75,817</u>
<b>Expenditure</b>		
Bank charges	182	57
Office supplies	838	211
Textbook purchases	46,340	72,278
Textbook refunds	887	716
Textbook repairs	3,396	-
Wages	9,929	8,980
Withholding tax on interest	372	411
	<u>61,944</u>	<u>82,653</u>
Surplus (deficit) for the year	<u>12,304</u>	<u>(6,836)</u>

The accompanying notes form an integral part of these financial statements.

# The Lester Vaughan School

## Statement of Income and Expenditure - Rental of Property Fund

Year ended March 31, 2009

(expressed in Barbados Dollars)

	2009	2008
	\$	\$
<b>Income</b>		
Concession fees	16,000	18,000
Interest	3,546	1,771
Other income	200	-
VAT refunds	49,536	-
Vendors' fees	14,700	31,279
	<u>83,982</u>	<u>51,050</u>
<b>Expenditure</b>		
Bank charges	237	-
Cleaning/preparation of facilities	8,530	3,950
Electrical supplies and services	3,450	-
Materials	-	2,236
Plant and equipment	87,802	-
Plumbing supplies and services	794	2,171
Refunds of caution fees	1,100	600
Removal of old furniture	-	400
Rental of equipment	-	311
Repairs and maintenance	1,659	20,518
Security services	4,025	9,056
Withholding tax on interest	443	221
	<u>108,040</u>	<u>39,463</u>
(Deficit) surplus for the year	<u>(24,058)</u>	<u>11,587</u>

The accompanying notes form an integral part of these financial statements.

**The Lester Vaughan School**  
**Statement of Cash Flows**  
**Year ended March 31, 2009**  
**(expressed in Barbados Dollars)**

	2009	2008
	\$	\$
<b>Cash flows from operating activities</b>		
General Fund - deficit	(58,483)	(50,010)
Petty Fees Fund - (deficit) surplus	(3,635)	32,419
Textbook Loan Scheme Fund - surplus (deficit)	12,304	(6,836)
Rental of Property Fund - (deficit) surplus	(24,058)	11,587
	<hr/>	<hr/>
Net decrease in cash	(73,872)	(12,840)
Cash - beginning of year	271,997	284,837
	<hr/>	<hr/>
Cash - end of year	198,125	271,997
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The accompanying notes form an integral part of these financial statements.

# **The Lester Vaughan School**

Notes to Financial Statements

Year ended March 31, 2009

(expressed in Barbados dollars)

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## **1. Establishment of Board of Management**

The Board of Management was established under the Education Act 1981-25, and undertook the responsibilities of administering the School from 1997.

## **2. Significant accounting policies**

### **Basis of preparation**

Except as disclosed below, these financial statements are stated in Barbados dollars and have been prepared in accordance with International Financial Reporting Standards promulgated by the International Accounting Standards Board. They have been prepared under the historical cost convention.

### **Government grants**

The School receives an annual grant from the Government of Barbados to finance both capital and recurrent expenditure. The full amount of the grant is taken to income in the year in which it is received.

### **Income and expenditure**

The statements of income and expenditure have been prepared on the cash basis of accounting. Therefore, they do not reflect liability for any charges or expenses incurred prior to the year end but settled subsequently to that date. The statements also do not reflect the receivables for income due but not received at the year end date. This practice is not in accordance with International Financial Reporting Standards.

### **Property, plant and equipment**

Land and buildings have not been vested in the School and are therefore not reflected in these financial statements. The School is, however, responsible for the maintenance and upkeep of the property. These costs, together with the costs of improvements to the property are reflected in the statement of income and expenditure.

## **3. Commitments**

At the year end, the School had no approved expenditure commitment.

**The Lester Vaughan School**  
**Notes to Financial Statements**  
**Year ended March 31, 2009**  
(expressed in Barbados dollars)

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**4. Cash**

	<b>2009</b>	<b>2008</b>
	\$	\$
General fund	(12,542)	45,941
Petty fees fund	89,101	92,736
Text Book loan scheme fund	57,107	44,803
Rental of property fund	64,459	88,517
	<u>198,125</u>	<u>271,997</u>

**5. Staff costs**

	<b>2009</b>	<b>2008</b>
	\$	\$
Statutory Personal Emoluments	3,638,420	3,656,604
Other Personal Emoluments	1,429,523	1,463,616
National Insurance	356,318	341,749
	<u>5,424,261</u>	<u>5,461,969</u>
Average number of employees at end of year	<u>96</u>	<u>96</u>

# The Lester Vaughan School

Notes to Financial Statements

Year ended March 31, 2009

(expressed in Barbados Dollars)

## 6. Consolidated Funds

	General Fund \$	Petty Fees Fund \$	Textbook Loan Scheme Fund \$	Rental of Property Fund \$	Consolidated Funds \$
Balance at March 31, 2007	95,951	60,317	51,639	76,930	284,837
Surplus (deficit) for the year	(50,010)	32,419	(6,836)	11,587	(12,840)
Balance at March 31, 2008	45,941	92,736	44,803	88,517	271,997
Surplus (deficit) for the year	(58,483)	(3,635)	12,304	(24,058)	(73,872)
Balance at March 31, 2009	(12,542)	89,101	57,107	64,459	198,125

**The Lester Vaughan School**  
**Management Information – Statement of Budgeted and Actual Expenditure**  
**Year ended March 31, 2009**  
 (expressed in Barbados dollars)

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**7. Petty fees funds – miscellaneous income and expenditure**

	2009	2008
	\$	\$
<b>Miscellaneous income</b>		
Compensation for broken windows	48	39
Cricket subscriptions	-	500
Envelopes	139	151
Honorarium to school choir	300	-
Over deposits	80	-
Overdrawn wages repayment	1,666	-
Photocopies	-	18
Sundry income	-	117
	<u>2,233</u>	<u>825</u>
<b>Miscellaneous expenditure</b>		
Bank charges – cheque books	96	122
Medical services	-	180
Tournament fees	200	-
	<u>296</u>	<u>302</u>

**8. Financial instruments**

**Fair value**

The School's financial assets are disclosed in the balance sheet at their approximate value.

**Interest Risk**

The School is not exposed to any significant interest rate risk.

**Credit Risk**

The School is not exposed to any significant concentration of credit risk.

Management Information - Statement of Budgeted and Actual Expenditure  
 year ended March 31, 2009  
 (expressed in Barbados Dollars)

Expenditure Category	Ministry Reference	2009				2008			
		Approved Estimates \$	Actual Expenditure \$	Surplus \$	Deficit \$	Approved Estimates \$	Actual Expenditure \$	Surplus \$	Deficit \$
Salaries and wages									
Statutory personal emoluments	101	3,540,492	3,638,420	-	97,928	3,569,913	3,656,604	-	86,691
Other personal emoluments	102	1,240,620	1,429,523	-	188,903	1,244,985	1,463,616	-	218,631
National insurance	103	346,684	356,318	-	9,634	337,057	341,749	-	4,692
Travel	206	13,200	17,772	-	4,572	12,000	14,805	-	2,805
Utilities	207	110,000	136,391	-	26,391	110,000	108,066	1,934	-
Rental of property	208	23,000	18,140	4,860	-	19,000	16,008	2,992	-
Library	209	6,500	5,181	1,319	-	6,500	6,586	-	86
Supplies and materials	210	138,355	201,103	(62,748)	-	50,000	48,140	1,860	-
Maintenance of property	211	454,000	135,761	318,239	-	95,085	92,958	2,127	-
Operating expenses	212	104,856	108,923	-	4,067	71,293	87,130	-	15,837
Structures	623	-	-	-	-	-	-	-	-
Property, plant and equipment	625	27,995	23,823	4,172	-	35,207	18,335	16,872	-
Professional services	626	10,500	5,375	5,125	-	8,500	5,250	3,250	-
VAT expense	NA	-	55,562	-	55,562	-	40,741	-	40,741
Computers' insurance	NA	-	-	-	-	-	16,702	-	16,702
Donations	NA	-	-	-	-	-	4,000	-	4,000
Bank charges	NA	-	987	-	987	-	982	-	982
Withholding tax on interest income	NA	-	39	-	39	-	174	-	174
<b>Totals</b>	NA	<b>6,016,202</b>	<b>6,133,318</b>	<b>270,967</b>	<b>388,083</b>	<b>5,559,540</b>	<b>5,921,846</b>	<b>29,035</b>	<b>391,341</b>