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*Winsmore S. Humphrey, R.A., F.C.C.A., F.C.*

## INDEPENDENT AUDITORS' REPORT

To the Board of Management of  
The Lester Vaughan School

We have audited the accompanying financial statements of The Lester Vaughan School, which comprise the statement of financial position as at March 31, 2010 and the related statements of income and expenditure of the General Fund, Petty Fees Fund, Textbook Loan Scheme Fund, Rental of Property Fund and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

### *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 about 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 auditors' 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 auditors consider 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 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 at March 31, 2010 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

### *Other Matter*

The financial statements as at March 31, 2009 were audited by other auditors who expressed an unqualified opinion on these statements on February 09, 2010.

  
Chartered Accountants  
Bridgetown, Barbados  
November 23, 2011

# **The Lester Vaughan School**

## **Statement of Cash Flows**

**For the year ended March 31, 2010**

(expressed in Barbados dollars)

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	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
General Fund – surplus (deficit)	46,245	(58,483)
Petty Fees Fund – surplus (deficit)	6,026	(3,635)
Textbook Loan Scheme Fund – surplus	2,789	12,304
Rental of Property Fund – deficit	(33,867)	(24,058)
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<b>Net increase (decrease) in cash</b>	<b>21,193</b>	<b>(73,872)</b>
<b>Cash - beginning of year</b>	<b>198,125</b>	<b>271,997</b>
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<b>Cash - end of year</b>	<b>219,318</b>	<b>198,125</b>
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The accompanying notes form an integral part of these financial statements.

# The Lester Vaughan School

## Statement of Income and Expenditure – General Fund

For the year ended March 31, 2010

(expressed in Barbados dollars)

	2010	2009
	\$	\$
<b>Income</b>		
Statutory grant	6,077,365	6,054,362
Insurance claim – computers	-	3,059
Interests	265	393
Other income	6,643	118
VAT refunds	67,945	16,903
	<u>6,152,218</u>	<u>6,074,835</u>
<b>Expenditure</b>		
Salaries – statutory personal emoluments	3,759,847	3,638,420
Salaries and wages – other personal emoluments	1,487,565	1,429,523
National insurance	376,497	356,318
Travel	15,201	17,772
Utilities	133,646	136,391
Rental of property	17,642	18,140
Library	8,138	5,181
Supplies and materials	72,247	201,103
Maintenance of property	91,847	135,761
Operating expenses	97,004	108,923
Property, plant and equipment	-	23,823
Professional services	7,000	5,375
VAT expense	38,217	55,562
Bank charges	1,086	987
Withholding tax on interest	36	39
	<u>6,105,973</u>	<u>6,133,318</u>
<b>Surplus (deficit) for the year</b>	<u>46,245</u>	<u>(58,483)</u>

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

# The Lester Vaughan School

## Statement of Income and Expenditure – Petty Fees Fund

For the year ended March 31, 2010

(expressed in Barbados dollars)

	2010	2009
	\$	\$
<b>Income</b>		
Books	3,160	3,772
Compensation for broken windows	314	48
Crests, badges and pins	2,250	3,537
Cricket subscriptions	3,050	-
Donations	-	1,790
Envelopes	28	139
Examination fees	10,185	11,658
Games clothes and uniforms	12,055	13,545
Honorarium of school choir	-	300
Interest	2,786	4,335
Loan repayment	6,000	-
Other income	-	40
Over deposits	-	80
Overdrawn wages repayment	-	1,666
Petty fees	48,176	39,049
Rental of graduation gowns	-	1,500
School fees	24,622	20,102
Sundry income	10	-
Transportation	1,375	1,165
Unpresented cheques	2,107	-
VAT refunds	-	9,990
	<hr/>	<hr/>
	<b>116,118</b>	<b>112,716</b>

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

# The Lester Vaughan School

## Statement of Income and Expenditure – Petty Fees Fund

For the year ended March 31, 2010

(expressed in Barbados dollars)

	2010	2009
	\$	\$
<b>Expenditure</b>		
Arts and crafts	-	69
Bank charges – cheque books	202	96
Books	17,088	11,540
Catering services	5,004	-
Crests, badges and pins	11,262	-
Donations and contributions	6,189	4,125
Examination fees	14,015	11,505
Framing services	-	799
Games clothes and uniforms	10,000	40,499
Laundry supplies and services	1,127	400
Loan advance	6,000	-
Materials and supplies	-	560
Medical services	354	-
Refunds	220	543
Rentals	2,380	795
Retirement expenses	2,900	-
Security grills	-	21,204
Sports equipment	10,766	4,425
Tournament fees	500	200
Training and seminars	400	350
Transportation	16,463	16,013
Trophies	1,472	1,786
VAT	1,871	-
Wages	1,700	900
Withholding tax on interest	179	542
	<u>110,092</u>	<u>116,351</u>
<b>Surplus (deficit) for the year</b>	<u>6,026</u>	<u>(3,635)</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 For the year ended March 31, 2010

(expressed in Barbados dollars)

	2010	2009
	\$	\$
<b>Income</b>		
Fees – damaged/lost books	1,475	2,479
Interest	2,065	2,979
Other income	389	90
Textbook rental fees	67,385	68,700
	<u>71,314</u>	<u>74,248</u>
<b>Expenditure</b>		
Bank charges	58	182
Office supplies	456	838
Textbook purchases	55,168	46,340
Textbook refunds	326	887
Textbook repairs	3,726	3,396
Wages	8,660	9,929
Withholding tax on interest	131	372
	<u>68,525</u>	<u>61,944</u>
<b>Surplus for the year</b>	<u>2,789</u>	<u>12,304</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 For the year ended March 31, 2010

(expressed in Barbados dollars)

	2010	2009
	\$	\$
<b>Income</b>		
Concession fees	14,000	16,000
Interest	1,542	3,546
Other Income	138	200
VAT refunds	-	49,536
Vendors' fees	8,433	14,700
	<u>24,113</u>	<u>83,982</u>
<b>Expenditure</b>		
Bank charges	58	237
Cleaning/preparation of facilities	4,300	8,530
Electrical supplies and services	546	3,450
Equipment and materials	41,213	87,802
Plumbing supplies and services	2,554	794
Refunds of caution fees	200	1,100
Rental of equipment	634	-
Repairs and maintenance	7,115	1,659
Security services	1,216	4,025
Withholding tax on interest	144	443
	<u>57,980</u>	<u>108,040</u>
<b>Deficit for the year</b>	<u>(33,867)</u>	<u>(24,058)</u>

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

**The Lester Vaughan School**  
**Statement of Financial Position**  
**As at March 31, 2010**

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(expressed in Barbados dollars)

	2010	2009
	\$	\$
<b>Assets</b>		
<b>Current assets</b>		
Cash at bank (note 4)	<u>219,318</u>	<u>198,125</u>
<b>Funds</b>		
Consolidated funds (note 6)	<u>219,318</u>	<u>198,125</u>

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

Approved for issue by the Board of Management and signed on their behalf by

  
\_\_\_\_\_  
Chairman

  
\_\_\_\_\_  
Secretary/Treasurer



# **The Lester Vaughan School**

## **Notes to the Financial Statements**

For the year ended March 31, 2010

(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**

The principle accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

#### **a) 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.

#### **b) 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 Reporting Standards.

#### **c) 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.

#### **d) 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 commitments.

# The Lester Vaughan School

## Notes to the Financial Statements

For the year ended March 31, 2010

(expressed in Barbados dollars)

### 4 Cash at bank

	2010	2009
	\$	\$
General Fund	33,703	(12,542)
Petty Fees Fund	95,127	89,101
Text Book Loan Scheme Fund	59,896	57,107
Rental of Property Fund	30,592	64,459
	<u>219,318</u>	<u>198,125</u>

The general fund balance is a combination of the chequing account balance \$23,730 and the saving account balance \$9,973.

### 5 Staff costs

	2010	2009
	\$	\$
Statutory Personal Emoluments	3,759,847	3,638,420
Other Personal Emoluments	1,487,565	1,429,523
National Insurance	376,497	356,318
	<u>5,623,909</u>	<u>5,424,261</u>
Average number of employees at the end of year	<u>97</u>	<u>96</u>

# The Lester Vaughan School

Notes to the Financial Statements

For the year ended March 31, 2010

(expressed in Barbados dollars)

## 6 Consolidated Funds

	General Fund	Petty Fees Fund	Loan Scheme Fund	Textbook Fund	Rental of Property Fund	Consolidated Funds
	\$	\$	\$	\$	\$	\$
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	
Surplus (deficit) for the year	46,245	6,026	2,789	(33,867)	21,193	
Balance at March 31, 2010	33,703	95,127	59,896	30,592	219,318	

# **The Lester Vaughan School**

Notes to the Financial Statements

For the year ended March 31, 2010

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(expressed in Barbados dollars)

## **7 Financial Instruments**

### **Fair Value**

The School's financial assets are disclosed in the statement of financial position 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.

**Travis Vaughan School**

**Management Information – Statement of Budgeted and Actual Expenditure**  
**For the year ended March 31, 2010**  
 (expressed in Barbados dollars)

Expenditure Category	Ministry Reference	2010				2009			
		Approved Estimates \$	Actual Expenditures \$	Surplus \$	Deficit \$	Approved Estimates \$	Actual Expenditures \$	Surplus \$	Deficit \$
Salaries and wages									
Statutory personal emoluments	101	3,877,963	3,759,847	118,116	51,795	3,540,492	3,638,420	-	97,928
Other personal emoluments	102	1,435,770	1,487,565	-	-	1,240,620	1,429,523	-	188,903
National insurance	103	370,201	376,497	-	6,296	346,684	356,318	-	9,634
Travel	206	13,200	15,201	-	2,001	13,200	17,772	-	4,572
Utilities	207	105,000	133,646	-	28,646	110,000	136,391	-	26,391
Rental of property	208	23,000	17,642	5,358	-	23,000	18,140	4,860	-
Library	209	8,750	8,138	612	-	6,500	5,181	1,319	-
Supplies and materials	210	115,000	72,247	42,753	-	138,355	201,103	-	62,748
Maintenance of property	211	104,000	91,847	12,153	-	454,000	135,761	318,239	-
Operating expenses	212	105,681	97,004	8,677	-	104,856	108,923	-	4,067
Property, plant and equipment	625	-	-	-	-	27,995	23,823	4,172	-
Professional services	626	8,500	7,000	1,500	-	10,500	5,375	5,125	-
VAT expenses	NA	-	38,217	-	38,217	-	55,562	-	55,562
Bank charges	NA	-	1,086	-	1,086	-	987	-	987
Withholding tax on interest	NA	-	36	-	36	-	39	-	39
<b>Totals</b>		<b>6,167,065</b>	<b>6,105,973</b>	<b>189,169</b>	<b>128,077</b>	<b>6,016,202</b>	<b>6,133,318</b>	<b>333,715</b>	<b>450,831</b>

