

The Lester Vaughan School

Financial Statements
Year ended March 31, 2008
(expressed in Barbados Dollars)

**The Lester Vaughan School
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Year ended March 31, 2008**

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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, 2008, 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 Vaughn School** as of March 31, 2008, 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

Statement of Income and Expenditure - General Fund

Year ended March 31, 2008

(expressed in Barbados Dollars)

	Provision shown in Approved 2008 estimates	2008	2007
	\$	\$	\$
Income			
Statutory grant	5,559,540	5,868,459	5,249,051
Interest	-	1,390	3,115
Other income	-	1,987	2,259
	<u>5,559,540</u>	<u>5,871,836</u>	<u>5,254,425</u>
Expenditure			
Salaries - statutory personal emoluments	3,569,913	3,656,604	3,154,766
Salaries and wages - other personal emoluments	1,244,985	1,463,616	1,278,717
National Insurance	337,057	341,749	325,986
Travel	12,000	14,805	20,841
Utilities	110,000	108,066	104,244
Rental of property	19,000	16,008	10,961
Library	6,500	6,586	4,225
Supplies and materials	50,000	48,140	62,091
Maintenance of property	95,085	92,958	134,615
Operating expenses	71,293	87,130	82,834
Plant, equipment, and furniture	35,207	18,335	36,698
Professional services	8,500	5,250	7,125
VAT expense	-	40,741	42,762
Computers' insurance	-	16,702	-
Donations	-	4,000	-
Hurricane shutters	-	-	57,775
Bank charges	-	982	1,220
Withholding tax on interest	-	174	389
	<u>5,559,540</u>	<u>5,921,846</u>	<u>5,325,249</u>
Deficit for the year	-	(50,010)	(70,824)

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, 2008

(expressed in Barbados Dollars)

	2008	2007
	\$	\$
Income		
Books	7,253	7,260
Crests, badges, and pins	4,965	6,529
Donations	1,000	-
Examination fees	12,203	14,090
Games clothes and uniforms	12,900	19,172
Interest	3,810	1,838
Miscellaneous (Note 7)	825	933
Other income	1,636	-
Petty fees	38,240	42,135
Prize money	600	-
Rental of graduation gowns	1,375	-
School fees	12,750	9,520
Transportation	1,418	2,113
Umpire fees	840	-
VAT refunds	-	17,930
	99,815	121,520
Expenditure		
Arts and craft	600	-
Books	17,757	16,620
Catering services	1,550	-
Continuing education programme - equipment	-	1,381
Crests, badges, and pins	-	10,036
Donations and contributions	5,500	5,500
Educational tours	1,102	-
Examination fees	12,213	15,738
Games clothes	5,950	16,450
Laundry supplies and services	700	400
Materials and supplies	2,312	-
Miscellaneous (Note 7)	302	1,575
Prize money	300	-
Refunds	548	833
Sports equipment	1,138	5,363
Training and seminars	-	630
Transportation	15,786	12,667
Trophies	12	1,333
Wages	1,150	920
Withholding tax on interest	476	230
	67,396	89,676
Surplus for the year	32,419	31,844

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, 2008

(expressed in Barbados Dollars)

	2008	2007
	\$	\$
Income		
Fees - damaged/lost books	2,285	4,296
Interest	3,288	2,747
Other income	82	-
Textbook rental fees	70,162	74,642
	<u>75,817</u>	<u>81,685</u>
Expenditure		
Bank charges	57	179
Office supplies	211	980
Textbook purchases	72,278	57,884
Textbook refunds	716	229
Wages	8,980	10,045
Withholding tax on interest income	411	344
	<u>82,653</u>	<u>69,661</u>
(Deficit) surplus for the year	<u>(6,836)</u>	<u>12,024</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, 2008

(expressed in Barbados Dollars)

	2008	2007
	\$	\$
Income		
Concession fees	18,000	16,000
Grant - National Sports Council	-	500
Interest	1,771	2,867
VAT refunds	-	60,583
Vendors' fees	31,279	24,678
	<u>51,050</u>	<u>104,628</u>
Expenditure		
Cleaning/preparation of facilities	3,950	4,550
Materials	2,236	1,499
Plumbing supplies and services	2,171	-
Refunds - caution fees	600	1,200
Removal of old furniture	400	600
Rental of equipment	311	-
Repairs and maintenance	20,518	83,174
Security services	9,056	-
Withholding tax on interest	221	358
	<u>39,463</u>	<u>91,381</u>
Surplus for the year	<u>11,587</u>	<u>13,247</u>

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

The Lester Vaughan School
Statement of Cash Flows
Year ended March 31, 2008
(expressed in Barbados Dollars)

	2008	2007
	\$	\$
Cash flows from operating activities		
General Fund - deficit	(50,010)	(70,824)
Petty Fees Fund - surplus	32,419	31,844
Textbook Loan Scheme Fund - (deficit) surplus	(6,836)	12,024
Rental of Property Fund - surplus	11,587	13,247
	<hr/>	<hr/>
Net decrease in cash	(12,840)	(13,709)
Cash - beginning of year	284,837	298,546
	<hr/>	<hr/>
Cash - end of year	271,997	284,837
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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, 2008

(expressed in Barbados dollars)

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, 2008
(expressed in Barbados dollars)

4. Cash

	2008	2007
	\$	\$
General Fund	45,941	95,951
Petty Fees Fund	92,736	60,317
Textbook Loan Scheme Fund	44,803	51,639
Rental of Property Fund	88,517	76,930
	<u>271,997</u>	<u>284,837</u>

5. Staff costs

	2008	2007
	\$	\$
Statutory Personal Emoluments	3,656,604	3,154,766
Other Personal Emoluments	1,463,616	1,278,717
National Insurance	341,749	325,986
	<u>5,461,969</u>	<u>4,759,469</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, 2008

(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, 2006	166,775	28,473	39,615	63,683	298,546
Surplus (deficit) for the year	(70,824)	31,844	12,024	13,247	(13,709)
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

The Lester Vaughan School

Management Information – Statement of Budgeted and Actual Expenditure

Year ended March 31, 2008

(expressed in Barbados dollars)

7. Petty fees funds – miscellaneous income and expenditure

	2008	2007
	\$	\$
Miscellaneous income		
Compensation for broken windows	39	529
Cricket subscriptions	500	-
Disposal of plant and equipment	-	100
Envelopes	151	176
Photocopies	18	-
Sundry income	117	128
	<u>825</u>	<u>933</u>
Miscellaneous expenditure		
Bank charges – cheque books	122	-
Medical services	180	650
Meetings – cleaning and refreshments	-	600
Property, plant and equipment	-	325
	<u>302</u>	<u>1,575</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.

The Lester Vaughan School

Management Information - Statement of Budgeted and Actual Expenditure

Year ended March 31, 2008

(expressed in Barbados Dollars)

Expenditure Category	Ministry Reference	2,008				2,007			
		Approved Estimates \$	Actual Expenditure \$	Surplus \$	Deficit \$	Approved Estimates \$	Actual Expenditure \$	Surplus \$	Deficit \$
Salaries and wages									
Statutory personal emoluments	101	3,569,913	3,656,604	-	86,691	3,159,351	3,154,766	4,585	-
Other personal emoluments	102	1,244,985	1,463,616	-	218,631	1,165,643	1,278,717	-	113,074
National Insurance	103	337,057	341,749	-	4,692	323,189	325,986	-	2,797
Travel	206	12,000	14,805	-	2,805	20,982	20,841	141	-
Utilities	207	110,000	108,066	1,934	-	128,958	104,244	24,714	-
Rental of property	208	19,000	16,008	2,992	-	11,000	10,961	39	-
Library	209	6,500	6,586	-	86	6,500	4,225	2,275	-
Supplies and materials	210	50,000	48,140	1,860	-	58,000	62,091	-	4,091
Maintenance of property	211	95,085	92,958	2,127	-	95,500	134,615	-	39,115
Operating expenses	212	71,293	87,130	-	15,837	95,015	82,834	12,181	-
Structures	623	-	-	-	-	-	57,775	-	57,775
Property, plant and equipment	625	35,207	18,335	16,872	-	68,626	36,698	31,928	-
Professional services	626	8,500	5,250	3,250	-	8,500	7,125	1,375	-
VAT expense	NA	-	40,741	-	40,741	-	42,762	-	42,762
Computers' insurance	NA	-	16,702	-	16,702	-	-	-	-
Donations	NA	-	4,000	-	4,000	-	-	-	-
Bank charges	NA	-	982	-	982	-	1,220	-	1,220
Withholding tax on interest income	NA	-	174	-	174	-	389	-	389
Totals	NA	5,559,540	5,921,846	29,035	391,341	5,141,264	5,325,249	77,238	261,223