

APPENDIX VII

Financial Statements of

DEIGHTON GRIFFITH SECONDARY SCHOOL

March 31, 2015



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INDEPENDENT AUDITORS' REPORT

To the Board of Management of Deighton Griffith Secondary School

We have audited the accompanying financial statements of Deighton Griffith Secondary School, which comprise the balance sheet as at March 31, 2015, the statements of revenue and expenses, the statement of changes in consolidated fund and statement of 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 and for such internal controls as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 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 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 Deighton Griffith Secondary School as of March 31, 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Chartered Accountants
Bridgetown, Barbados
November 26, 2015

DEIGHTON GRIFFITH SECONDARY SCHOOL

Balance Sheet

As of March 31, 2015
with comparative figures for 2014

(Expressed in Barbados Dollars)

Assets	Notes	2015	2014
Current Assets:			
Cash			
VAT receivable	4	\$ 508,919	544,062
Total current assets		<u>167,394</u>	<u>116,719</u>
		676,313	660,781
 Furniture and equipment			
Total Assets	5	<u>83,505</u>	<u>92,339</u>
		<u>\$ 759,818</u>	<u>753,120</u>
 Liabilities and Consolidated Fund			
Current Liabilities:			
Accounts payable			
Due to Government departments	7	\$ 34,823	12,800
Net deferred grant	6	23,640	13,960
Total current liabilities		<u>53,416</u>	<u>59,265</u>
		111,879	86,025
Consolidated Fund		<u>647,939</u>	<u>667,095</u>
Total Liabilities and Consolidated Fund		<u>\$ 759,818</u>	<u>753,120</u>

See accompanying notes to financial statements.

Approved by:

Rodley Trotman J.P. Chairman

Annette R Sealy Secretary/Treasurer

D'IGHTON GRIFFITH SECONDARY SCHOOL

Statement of Changes in Consolidated Fund

As of March 31, 2015
with comparative figures for 2014

(Expressed in Barbados Dollars)

	General Fund	Text Book Loan Scheme Fund	Petty Fees Fund	Consolidated Fund
Balance at March 31, 2013	\$ 576,582	51,230	21,332	649,144
Excess of revenue over expenses for the year	<u>30,274</u>	<u>12,965</u>	<u>(25,288)</u>	<u>17,951</u>
Balance at March 31, 2014	606,856	64,195	(3,956)	667,095
Excess of expenses over revenue for the year	<u>(7,748)</u>	<u>6,897</u>	<u>(18,305)</u>	<u>(19,156)</u>
Balance at March 31, 2015	\$ <u><u>599,108</u></u>	<u><u>71,092</u></u>	<u><u>(22,261)</u></u>	<u><u>647,939</u></u>

See accompanying notes to financial statements.

DEIGHTON GRIFFITH SECONDARY SCHOOL

Statement of Revenue and Expenses - General Account

Year ended March 31, 2015
with comparative figures for 2014

(Expressed in Barbados Dollars)

	Notes	Budget Approved In 2015 Estimates	2015	2014
Revenue:				
Government grant				
Other income - B.O.M	7	\$ 5,051,098	4,956,025	5,063,758
Tuition fees		-	1,241	3,480
Rental of canteen		-	17,317	22,113
Rental of premises		-	13,500	13,500
		-	9,700	13,525
		<u>5,051,098</u>	<u>4,997,783</u>	<u>5,116,376</u>
Expenses:				
Depreciation				
Library	5	-	16,090	20,862
Maintenance of property		2,500	863	2,412
National insurance and levies		117,735	115,497	122,900
Operating expenses		341,472	332,671	335,397
Personal emoluments	8	35,080	32,799	35,127
Other personal emoluments		3,173,601	3,216,406	3,167,612
Professional fees		1,191,725	1,079,972	1,195,892
Rental of property		9,000	8,000	8,000
Supplies and materials		25,300	25,284	25,310
Travel		38,325	36,238	56,720
Utilities		6,200	6,671	7,478
Board room renovation		110,160	101,623	98,912
Accounts receivable adjustment	9	-	33,417	-
		-	-	9,480
		<u>5,051,098</u>	<u>5,005,531</u>	<u>5,086,102</u>
Excess of (expenses over revenue) revenue over expenses	\$	<u>-</u>	<u>(7,748)</u>	<u>30,274</u>

See accompanying notes to financial statements.

DIGHTON GRIFFITH SECONDARY SCHOOL

Statement of Revenue and Expenses - Text Book Loan Scheme

Year ended March 31, 2015
with comparative figures for 2014

(Expressed in Barbados Dollars)

	<u>2015</u>	<u>2014</u>
Revenue:		
Text book rentals	\$ 60,230	63,154
Other income - Text books	578	1,740
	<u>60,808</u>	<u>64,894</u>
Expenses:		
Depreciation	50,411	47,973
Stipends	3,500	3,500
Other	-	456
	<u>53,911</u>	<u>51,929</u>
Excess of revenue over expenses	\$ <u>6,897</u>	<u>12,965</u>

See accompanying notes to financial statements.

DEIGHTON GRIFFITH SECONDARY SCHOOL

Statement of Revenue and Expenses - Petty Fees

Year ended March 31, 2015
with comparative figures for 2014

(Expressed in Barbados Dollars)

	<u>2015</u>	<u>2014</u>
Revenue:		
Petty fees		
Games clothes	\$ 35,097	37,022
Other income	2,790	2,665
	<u>3,643</u>	<u>2,496</u>
	<u>41,530</u>	<u>42,183</u>
Expenses:		
Games		
Stationery and supplies	10,720	15,325
Subscriptions	27,899	26,540
Transportation	1,425	675
Other	19,140	23,250
	<u>651</u>	<u>1,681</u>
	<u>59,835</u>	<u>67,471</u>
Excess of expenses over revenue	\$ <u>(18,305)</u>	<u>(25,288)</u>

See accompanying notes to financial statements.

DIGHTON GRIFFITH SECONDARY SCHOOL

Statement of Revenue and Expenses - School Improvement Grant

Year ended March 31, 2015
with comparative figures for 2014

(Expressed in Barbados Dollars)

	<u>2015</u>	<u>2014</u>
Revenue:		
Grant	\$ 16,192	-
	<u>16,192</u>	<u>-</u>
Expenses:		
Travel	7,977	-
Training	4,740	-
Other	<u>3,475</u>	<u>-</u>
	<u>16,192</u>	<u>-</u>
Excess of revenue over expenses	\$ <u><u>-</u></u>	<u><u>-</u></u>

See accompanying notes to financial statements.

DEIGHTON GRIFFITH SECONDARY SCHOOL

Statement of Cash Flows

Year ended March 31, 2015
with comparative figures for 2014

(Expressed in Barbados Dollars)

	<u>2015</u>	<u>2014</u>
Cash Flows from Operating Activities		
Excess of (expenses over revenue) revenue over expenses - General Fund	\$ (7,748)	30,274
Excess of revenue over expenses - Text Book Loan Fund	6,897	12,965
Excess of expenses over revenue - Petty Fees Fund	<u>(18,305)</u>	<u>(25,288)</u>
Excess of (expenses over revenue) revenue over expenses	(19,156)	17,951
Adjustment for:		
Depreciation	<u>66,501</u>	<u>68,835</u>
Excess of revenue over expenses before working capital changes:	47,345	86,786
Increase in VAT receivable	(50,675)	(9,260)
Increase (decrease) in accounts payable and accruals	22,023	(2,021)
Increase in due to government departments	9,680	6,870
(Decrease) increase in net deferred grant	<u>(5,849)</u>	<u>118,031</u>
Net cash from operating activities	<u>22,524</u>	<u>200,406</u>
Cash Flows from Investing Activities		
Purchase of text books	(50,105)	(46,943)
Purchase of furniture and fittings	<u>(7,562)</u>	<u>-</u>
Net cash used in investing activities	<u>(57,667)</u>	<u>(46,943)</u>
(Decrease) increase in cash during the year	(35,143)	153,463
Cash, beginning of year	<u>544,062</u>	<u>390,599</u>
Cash, end of year	<u>\$ 508,919</u>	<u>544,062</u>

See accompanying notes to financial statements.

DEIGHTON GRIFFITH SECONDARY SCHOOL

Notes to the Financial Statements

March 31, 2015

(Expressed in Barbados Dollars)

1. Establishment and Principal Activity

The Board of Management was established under the Education Act 1981-25, and undertook the responsibilities of administering the School on September 12, 1991.

The Deighton Griffith Secondary School is located at Kingsland, Christ Church.

2. Basis of Presentation

These financial statements were approved by the Board of Management on November 26, 2015.

(a) Basis of Measurement

The financial statements are prepared in accordance with International Financial Reporting Standards promulgated by the International Accounting Standards Board. They are prepared under the historical cost convention.

(b) Functional and Presentation Currency

The financial statements are presented in Barbados dollars which is the School's functional currency. All financial information presented in Barbados dollars has been rounded to the nearest dollar.

(c) Period of Reporting

These financial statements represent the performance, the financial and cash flow position of the Deighton Griffith Secondary School for the year ended March 31, 2015.

3. Significant Accounting Policies

The accounting policies adopted by Deighton Griffith Secondary School are as follows:

(a) Revenue Recognition

Government Grant

The School receives an annual grant from the Government of Barbados to finance both capital and recurrent expenditure. The grant income is recognised to the extent that it is matched with the related costs incurred which it is intended to cover in the year.

Other Revenue

Other revenue is recognised when earned.

(b) Furniture and Equipment

Furniture and equipment are recorded at cost less accumulated depreciation and impairment losses. Depreciation is calculated on the straight-line basis to write off the costs of furniture and fittings, equipment and library books over their estimated useful lives as follows:

Furniture and fittings	10 years
Computer equipment	5 years
Library books	3 years
Text books	3 years

DEIGHTON GRIFFITH SECONDARY SCHOOL

Notes to the Financial Statements

March 31, 2015

(Expressed in Barbados Dollars)

4. Cash

	<u>2015</u>	<u>2014</u>
Cash in hand	\$ 500	500
Cash at bank	608,419	543,562
	<u>\$ 508,919</u>	<u>544,062</u>

5. Furniture and Equipment

	Furniture and Fittings	Computer Equipment	Library Books	Text Books	Total
Cost					
At March 31, 2013	\$ 842,539	218,997	69,708	443,627	1,574,871
Additions	-	-	-	46,943	46,943
Disposals	-	-	-	(23,082)	(23,082)
At March 31, 2014	<u>842,539</u>	<u>218,997</u>	<u>69,708</u>	<u>467,488</u>	<u>1,598,732</u>
Additions	7,562	-	-	50,105	57,667
At March 31, 2015	<u>\$ 850,101</u>	<u>218,997</u>	<u>69,708</u>	<u>517,593</u>	<u>1,656,399</u>
Accumulated Depreciation					
At March 31, 2013	778,706	218,997	69,708	393,229	1,460,640
Charge for the year	20,862	-	-	47,973	68,835
Disposals	-	-	-	(23,082)	(23,082)
At March 31, 2014	<u>799,568</u>	<u>218,997</u>	<u>69,708</u>	<u>418,120</u>	<u>1,506,393</u>
Charge for the year	16,090	-	-	50,411	66,501
At March 31, 2015	<u>\$ 815,658</u>	<u>218,997</u>	<u>69,708</u>	<u>468,531</u>	<u>1,572,894</u>
Net Book Value					
At March 31, 2013	<u>\$ 63,833</u>	<u>-</u>	<u>-</u>	<u>50,398</u>	<u>114,231</u>
At March 31, 2014	<u>\$ 42,971</u>	<u>-</u>	<u>-</u>	<u>49,368</u>	<u>92,339</u>
At March 31, 2015	<u>\$ 34,443</u>	<u>-</u>	<u>-</u>	<u>49,062</u>	<u>83,505</u>

Plant and equipment reflects only those assets acquired since the Board assumed responsibility for the administration of the School on September 12, 1991.

Land and buildings have not yet been vested in the School, and therefore are not reflected in these financial statements. The School is however responsible for the maintenance and upkeep of the property. Such costs are reflected in current operations. All land and buildings are owned by the Government of Barbados.

DIGHTON GRIFFITH SECONDARY SCHOOL

Notes to the Financial Statements

March 31, 2015

(Expressed in Barbados Dollars)

6. Net Deferred Grant

Net deferred grant comprises:

	<u>2015</u>	<u>2014</u>
Government grant	\$ 9,608	59,265
School improvement grant	43,808	-
	<u>\$ 53,416</u>	<u>59,265</u>

School Improvement Grant

In February 2015, the School received a \$60,000 grant from the Inter-American Development Bank under the "Skills for the Future Project". The objective of the Project is to create an education and training system better aligned with the needs of the economy and the private sector, so as to improve the school to work transition.

As of March 31, 2015 the School had utilised \$16,192 of the grant funding.

7. Sources of Grant Funding

Grant funding of the approved annual expenditure of \$5,051,098 (2014 - \$5,128,053) is provided through a number of sources as follows:

	<u>2015</u>	<u>2014</u>
Payments made on behalf the School - staff salaries and wages	\$ 4,622,587	4,659,866
Grant payments	333,438	403,892
	<u>\$ 4,956,025</u>	<u>5,063,758</u>

8. Operating Expenses

	<u>2015</u>	<u>2014</u>
Advertising	\$ 1,188	1,341
Board member's fees	10,640	12,360
Board members' refreshments	2,265	3,309
Other expenses	11,162	5,178
Prizes and prize day expenses	5,852	7,530
Training and Teachers' Professional Day	1,500	3,621
Uniforms	192	1,788
	<u>\$ 32,799</u>	<u>35,127</u>

DEIGHTON GRIFFITH SECONDARY SCHOOL

Notes to the Financial Statements

March 31, 2015

(Expressed in Barbados Dollars)

9. Board Room Renovation

On October 6, 2008 permission was granted by the Ministry of Education and Human Resource Development for the use of fifty thousand (\$50,000) dollars from savings in order to cover the cost of the construction of an extension to the School's Board Room and Secretary/Treasurer's Office.

As of March 31, 2015 the cost incurred on the extension of the Board Room was \$40,977.