

Financial Statements of

**DARYLL JORDAN SECONDARY
SCHOOL**

March 31, 2017





DARYLL JORDAN SECONDARY SCHOOL

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INDEPENDENT AUDITORS' REPORT

Opinion

We have audited the financial statements of Daryll Jordan Secondary School (the "School"), which comprise the statement of financial position as at March 31, 2017, the statements of revenue and expenses, the statement of changes in consolidated funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Daryll Jordan Secondary School as at March 31, 2017 and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the School in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

In preparing the financial statements, management is responsible for assessing the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the School or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the School's financial reporting process.


Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 School's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the School to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


Chartered Accountants
Bridgetown, Barbados
October 31, 2017

DARYLL JORDAN SECONDARY SCHOOL

Statement of Financial Position

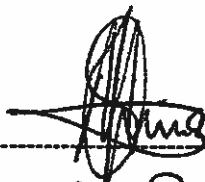
As of March 31, 2017

(Expressed in Barbados Dollars)

Assets	<u>Notes</u>	<u>2017</u>	<u>2016</u>
Non-current Assets			
Plant and equipment	4	\$ <u>561,310</u>	<u>366,064</u>
Current Assets			
Cash	5	601,945	584,300
Net grant receivable		86,919	-
Accounts receivable and prepaid expenses	6	<u>921,853</u>	<u>1,103,780</u>
Total current assets		<u>1,610,717</u>	<u>1,688,080</u>
Less: Current Liabilities			
Accounts payable		63,330	98,528
Due to government departments		42,288	32,657
Net deferred grant		-	77,065
Deferred capital grant	7	<u>1,153,678</u>	<u>964,427</u>
Total current liabilities		<u>1,259,296</u>	<u>1,172,677</u>
Net current assets		<u>351,421</u>	<u>515,403</u>
Net Assets		<u>\$ 912,731</u>	<u>881,467</u>
Consolidated Funds		<u>\$ 912,731</u>	<u>881,467</u>

See accompanying notes to financial statements.

Approved by:



Chairman



Secretary / Treasurer

DARYLL JORDAN SECONDARY SCHOOL

Statement of Changes in Consolidated Funds

Year ended March 31, 2017

(Expressed in Barbados Dollars)

		General Fund	Text Book Loan Scheme Fund	Petty Fees Fund	Graduation Fund	Consolidated Funds
Balance at March 31, 2015	\$	693,287	143,393	22,555	4,426	863,661
Excess of expenses over revenue for the year		<u>6,352</u>	<u>1,548</u>	<u>9,195</u>	<u>711</u>	<u>17,806</u>
Balance at March 31, 2016		699,639	144,941	31,750	5,137	881,467
Excess of revenue over expenses for the year		<u>27,168</u>	<u>(1,278)</u>	<u>6,974</u>	<u>(1,600)</u>	<u>31,264</u>
Balance at March 31, 2017	\$	<u>726,807</u>	<u>143,663</u>	<u>38,724</u>	<u>3,537</u>	<u>912,731</u>

See accompanying notes to financial statements.

L. RYLL JORDAN SECONDARY SCHOOL

Statement of Revenue and Expenses - General Account

Year ended March 31, 2017

(Expressed in Barbados Dollars)

	Notes	Budget Approved In 2017 Estimates	2017	2016
Revenue:				
Government grant	8	\$ 5,638,326	5,409,997	5,306,663
Other income		-	10,989	5,810
Tuition fees		-	13,895	13,620
Rental of canteen		-	9,000	12,000
Steel orchestra		-	(1,830)	(2,885)
Rental of buildings		-	3,120	3,150
Student activities		-	7,371	6,550
Donations		-	(555)	(4,750)
		<u>5,638,326</u>	<u>5,451,987</u>	<u>5,340,158</u>
Expenses:				
Personal emoluments		3,335,836	3,235,381	3,318,791
Other personal emoluments		1,306,136	1,272,000	1,191,202
National insurance and levies		372,320	371,704	362,937
Travel expenses		16,791	12,483	16,262
Utilities		118,260	94,880	103,065
Rentals		5,111	4,350	4,350
Library		3,750	2,481	2,929
Supplies and materials		186,438	92,560	104,845
Maintenance of property- general		83,109	100,084	99,455
Maintenance of property- building		137,505	116,526	-
Operating expenses		61,070	41,294	51,356
Professional services		12,000	9,450	9,450
Depreciation - Furniture, fittings and equipment	4	-	71,626	69,164
		<u>5,638,326</u>	<u>5,424,819</u>	<u>5,333,806</u>
Excess revenue over expenses		\$ -	<u>27,168</u>	<u>6,352</u>

See accompanying notes to financial statements.

DARYLL JORDAN SECONDARY SCHOOL

Statement of Revenue and Expenses - Text Book Loan Scheme

Year ended March 31, 2017

(Expressed in Barbados Dollars)

	<u>Notes</u>	<u>2017</u>	<u>2016</u>
Revenue:			
Maintenance fees		\$ <u>48,325</u>	<u>50,221</u>
Expenses:			
Depreciation	4	43,467	42,212
Salaries / honoraria		4,548	4,734
Stationery		738	1,027
Miscellaneous		<u>850</u>	<u>700</u>
		<u>49,603</u>	<u>48,673</u>
Excess (expenses over revenue) revenue over expenses		\$ <u><u>(1,278)</u></u>	<u><u>1,548</u></u>

See accompanying notes to financial statements.

DARYLL JORDAN SECONDARY SCHOOL

Statement of Revenue and Expenses - Petty Fees

Year ended March 31, 2017

(Expressed in Barbados Dollars)

	<u>2017</u>	<u>2016</u>
Revenue:		
Petty fees	\$ <u>35,286</u>	<u>30,961</u>
Expenses:		
Transportation	9,355	6,150
Stationery	-	7,898
Subscriptions	875	200
Games	16,841	6,918
Miscellaneous	<u>1,241</u>	<u>600</u>
	<u>28,312</u>	<u>21,766</u>
Excess revenue over expenses	\$ <u><u>6,974</u></u>	<u><u>9,195</u></u>

See accompanying notes to financial statements.

DARYLL JORDAN SECONDARY SCHOOL

Statement of Revenue and Expenses - Graduation Fund

Year ended March 31, 2017

(Expressed in Barbados Dollars)

	<u>2017</u>	<u>2016</u>
Revenue:		
Contribution received	\$ <u>6,500</u>	<u>2,311</u>
Expenses:		
Graduation costs	<u>8,100</u>	<u>1,600</u>
	<u>8,100</u>	<u>1,600</u>
Excess (expenses over revenue) revenue over expenses	\$ <u><u>(1,600)</u></u>	<u><u>711</u></u>

See accompanying notes to financial statements.

DARYLL JORDAN SECONDARY SCHOOL

Statement of Cash Flows

Year ended March 31, 2017

(Expressed in Barbados Dollars)

	<u>2017</u>	<u>2016</u>
Cash Flows from Operating Activities		
Excess revenue over expenses - General Fund	\$ 27,168	6,352
Excess (expenses over revenue) revenue over expenses - Text Book Loan Scheme Fund	(1,278)	1,548
Excess revenue over expenses - Petty Fees Fund	6,974	9,195
Excess (expenses over revenue) revenue over expenses - Graduation Fund	<u>(1,600)</u>	<u>711</u>
Excess revenue over expenses	31,264	17,806
Adjustment for:		
Depreciation	<u>115,093</u>	<u>111,376</u>
Excess revenue over expenses before working capital changes:	146,357	129,182
(Decrease) increase in net grant receivable	(163,984)	145,995
Decrease (increase) in accounts receivable and prepaid expenses	181,927	(14,647)
Decrease in accounts payable and accruals	(35,198)	(11,284)
Increase in amount due to government departments	<u>9,631</u>	<u>13,588</u>
Net cash from operating activities	<u>138,733</u>	<u>262,834</u>
Cash Flows from Investing Activities		
Purchase of plant and equipment	(56,805)	(42,020)
Purchase of text books	(37,058)	(61,189)
School Hall expenditure	<u>(27,225)</u>	<u>(11,693)</u>
Net cash used in investing activities	<u>(121,088)</u>	<u>(114,902)</u>
Increase in cash during the year	17,645	147,932
Cash, beginning of year	<u>584,300</u>	<u>436,368</u>
Cash, end of year	<u>\$ 601,945</u>	<u>584,300</u>

See accompanying notes to financial statements.

DARYLL JORDAN SECONDARY SCHOOL

Notes to the Financial Statements

Year ended March 31, 2017

(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 July 1, 1983.

The Daryll Jordan Secondary School is located at Trents, St. Lucy.

2. Basis of Presentation

These financial statements were approved by the Board of Management on October 31, 2017.

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

(a) *Basis of Measurement*

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) 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 Daryll Jordan Secondary School for the year ended March 31, 2017.

(d) *Use of Estimates*

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the year. Actual results could differ significantly from those reported.

3. Significant Accounting Policies

The accounting policies set out below have been applied to all periods presented in these financial statements.

(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.

Donated assets

The carrying value of assets donated to the School is amortised on a systematic and rational basis over the useful lives of the assets to which it relates.

Other Revenue

Other revenue is recognised when earned.

DARYLL JORDAN SECONDARY SCHOOL

Notes to the Financial Statements

Year ended March 31, 2017

(Expressed in Barbados Dollars)

3. Significant Accounting Policies....continued

(b) Plant and Equipment

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

Furniture and fittings	10 years
Computers	5 years
Text books	5 years
Equipment	5-10 years
Minibus	5 years

4. Plant and Equipment

		Minibus	Furniture and Fittings	Computer Equipment	Text Books	Total
Cost						
At March 31, 2015	\$	67,981	1,892,114	242,864	272,180	2,475,139
Additions		-	41,280	740	61,189	103,209
At March 31, 2016		67,981	1,933,394	243,604	333,369	2,578,348
Additions		-	23,573	249,708	37,058	310,339
At March 31, 2017	\$	<u>67,981</u>	<u>1,956,967</u>	<u>493,312</u>	<u>370,427</u>	<u>2,888,687</u>
Accumulated Depreciation						
At March 31, 2015	\$	67,981	1,611,942	228,335	192,650	2,100,908
Charge for the year		-	62,738	6,426	42,212	111,376
At March 31, 2016		67,981	1,674,680	234,761	234,862	2,212,284
Charge for the year		-	58,269	13,357	43,467	115,093
At March 31, 2017	\$	<u>67,981</u>	<u>1,732,949</u>	<u>248,118</u>	<u>278,329</u>	<u>2,327,377</u>
Net Book Value						
At March 31, 2015	\$	<u>-</u>	<u>280,172</u>	<u>14,529</u>	<u>79,530</u>	<u>374,231</u>
At March 31, 2016	\$	<u>-</u>	<u>258,714</u>	<u>8,843</u>	<u>98,507</u>	<u>366,064</u>
At March 31, 2017	\$	<u>-</u>	<u>224,018</u>	<u>245,194</u>	<u>92,098</u>	<u>561,310</u>

Plant and equipment reflects only those assets acquired since the Board assumed responsibility for the administration of the School on July 1, 1983.

DARYLL JORDAN SECONDARY SCHOOL

Notes to the Financial Statements

Year ended March 31, 2017

(Expressed in Barbados Dollars)

4. Plant and Equipment....continued

Land and buildings have not 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.

During March 2017 the School received a donation of ninety (90) desktop computers, fourteen (14) laptop computers, two hundred and ninety-seven (297) tablets, seventy (70) chairs, and seventy (70) desks. The carrying value of the assets donated as at March 31, 2017 is \$216,476.

5. Cash

	<u>2017</u>	<u>2016</u>
General account	601,945	584,300
	<u>601,945</u>	<u>584,300</u>

6. Accounts Receivable and Prepaid Expenses

	<u>2017</u>	<u>2016</u>
VAT receivable	287,834	322,865
Accounts receivable	1,546	1,546
Prepaid expenses	3,049	3,049
	<u>292,429</u>	<u>327,460</u>
VAT receivable (School Hall Project) (note 7)	629,424	776,320
	<u>921,853</u>	<u>1,103,780</u>

7. Deferred Capital Grant

Deferred capital grant comprises:

	<u>2017</u>	<u>2016</u>
(a) School Hall project	937,202	964,427
(b) Donated computer equipment and furniture	216,476	-
	<u>1,153,678</u>	<u>964,427</u>

(a) The School has received a total of \$6,675,590 (2016 - \$6,675,590) from the Ministry of Education to construct a new school hall.

As indicated in note 4, land and buildings are not vested in the School and are therefore not reflected in the financial statements.

DARYLL JORDAN SECONDARY SCHOOL

Notes to the Financial Statements

Year ended March 31, 2017

(Expressed in Barbados Dollars)

7. Deferred Capital Grant....continued

Expenditure on the school hall is being charged to the deferred capital grant.

	<u>2017</u>	<u>2016</u>
Balance - April 1	964,427	976,120
Grant from Government of Barbados	-	-
	<u>964,427</u>	<u>976,120</u>
School Hall Project expense	(27,225)	(11,693)
	<u>937,202</u>	<u>964,427</u>
Balance - March 31	<u>937,202</u>	<u>964,427</u>
Represented by:		
	<u>2017</u>	<u>2016</u>
Cash	307,778	188,107
VAT receivable	629,424	776,320
	<u>937,202</u>	<u>964,427</u>

(b) Donated computer equipment and furniture

	<u>2017</u>	<u>2016</u>
Capital grant	216,476	-
Amount amortised	-	-
	<u>216,476</u>	<u>-</u>

The deferred capital grant of \$216,476 (2016 - \$NIL) represents the carrying value of the donated assets as at March 31, 2017 (see note 4).

8. Sources of Grant Funding

Grant funding of the approved annual expenditure of \$5,409,997 (2016 - \$5,306,663) is provided through a number of sources as follows:

	<u>2017</u>	<u>2016</u>
Payments made on behalf of the School - staff salaries and wages	4,790,130	4,856,085
Grant payments	619,867	450,578
	<u>5,409,997</u>	<u>5,306,663</u>

