

The St. Michael School

Financial statements

March 31, 2008

(expressed in Barbados dollars)



The St. Michael School

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INDEPENDENT AUDITORS' REPORT

To the Board of Management of The St. Michael School

We have audited the balance sheet and the related statements of income and expenditure of The St. Michael School's General fund, Petty fees fund, Textbook loan scheme fund, Canteen fund and VAT fund for the year ended March 31, 2008.

The School's Board of Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provision of the Financial Administration and Audit Act. This responsibility includes: designing, implementing and maintaining internal control 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.

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 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.

In our opinion, the financial statements present fairly in all material respects, the financial position of the School's General fund, Petty fees fund, Textbook loan scheme fund, Canteen fund and VAT fund for the year ended March 31, 2008 in accordance with the accounting policies set out in Note 1.



Chartered Accountants
September 30th, 2008
Bridgetown, Barbados

The St. Michael School

Balance sheet

March 31, 2008

(expressed in Barbados dollars)

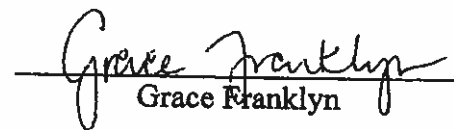
	2008	2007
Assets		
Cash at bank	35,088	134,399
	<u>\$ 35,088</u>	<u>\$ 134,399</u>
Represented by:		
Fund balances		
Textbook loan scheme fund	13,910	484
VAT fund	10,476	2,011
Canteen fund	8,505	6,545
Petty fees	2,724	24,603
General fund	(527)	100,756
	<u>\$ 35,088</u>	<u>\$ 134,399</u>

Approved on September 30th, 2008 by the Board of Management.

Chairman


Sandra Forde

Secretary/Treasurer


Grace Franklyn

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

The St. Michael School
Statement of changes in fund balances
For the year ended March 31, 2008

(expressed in Barbados dollars)

	Fund balances					
	General	VAT	Petty fees	Text book loan scheme	Canteen	Total
Balances - April 1, 2006	71,431	-	27,950	2,742	4,892	107,015
Surplus (deficit) for the year	29,325	2,011	(3,347)	(2,258)	1,653	27,384
Balances - March 31, 2007	100,756	2,011	24,603	484	6,545	134,399
Surplus (deficit) for the year	(101,283)	8,465	(21,879)	13,426	1,960	(99,311)
Balances - March 31, 2008	\$ (527)	\$ 10,476	\$ 2,724	\$ 13,910	\$ 8,505	\$ 35,088
Fund balances comprise :						
Royal Bank of Canada	(527)	10,476	2,724	13,910	8,505	35,088
- current accounts	(527)	10,476	2,724	13,910	8,505	35,088

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

The St. Michael School

General fund

Statement of income and expenditure

For the year ended March 31, 2008

(expressed in Barbados dollars)

	Notes	2008	2007
Income			
Statutory grant	2	4,744,644	4,270,923
Other income	3	25,278	15,427
		<u>4,769,922</u>	<u>4,286,350</u>
Expenditure			
Salaries			
- Statutory personal emoluments		2,948,525	2,340,258
- Other personal emoluments		1,039,057	1,142,014
National insurance		267,306	256,547
Operating expenses	6	233,974	115,167
Utilities	4	110,796	125,384
Maintenance of property	5	103,734	126,248
Plant, equipment and furniture		90,261	69,075
Supplies and materials		53,970	53,462
Rental of property		8,749	8,473
Travel		7,842	13,480
Professional fees		5,980	4,600
Library		1,011	2,317
		<u>4,871,205</u>	<u>4,257,025</u>
(Deficit) surplus for the year		<u>\$ (101,283)</u>	<u>\$ 29,325</u>

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

The St. Michael School
General fund
Statement of budgeted and actual expenditure
For the year ended March 31, 2008

(expressed in Barbados dollars)

Ministry reference	2008				2007					
	Approved estimate	Use of savings	Total	Actual expenditure	Variance	Approved estimate	Use of savings	Total	Actual expenditure	Variance
Salaries										
- Statutory personal emoluments 101	2,643,883		2,646,883	2,948,525	(304,642)	2,385,461	-	2,385,461	2,340,258	45,203
- Other personal emoluments 102	1,055,013		1,055,013	1,039,057	15,956	1,042,098	-	1,042,098	1,142,014	(99,916)
National insurance 103	259,719		259,719	267,306	(7,587)	258,919	-	258,919	256,547	2,372
Travel 206	13,180		13,180	7,842	5,338	12,988	-	12,988	13,480	(492)
Utilities 207	117,837		117,837	110,796	7,041	125,222	-	125,222	125,384	(162)
Rental of property 208	9,241		9,241	8,749	492	9,060	-	9,060	8,473	587
Library 209	2,650		2,650	1,011	1,639	2,650	-	2,650	2,317	333
Supplies and materials 210	58,624		58,624	53,970	4,654	56,585	-	56,585	53,462	3,123
Maintenance of property 211	98,400		98,400	103,734	(5,334)	147,019	4,000	151,019	126,248	24,771
Operating expenses 212	117,428	19,056	136,484	233,974	(97,490)	128,801	3,000	131,801	115,167	16,634
Plant, furniture and equipment 625	81,841	1,199	83,040	90,261	(7,221)	56,498	31,836	88,334	69,075	19,259
Professional fees 626	5,000		5,000	5,980	(980)	5,000	-	5,000	4,600	400
	\$ 4,462,816	20,255	4,486,071	4,871,205	(388,134)	\$ 4,250,301	38,836	4,269,137	4,257,025	12,112

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

The St. Michael School

AT fund

Statement of income and expenditure

For the year ended March 31, 2008

(expressed in Barbados dollars)

	2008	2007
Income		
Vat refunds	43,615	31,051
	<u>43,615</u>	<u>31,051</u>
Expenditure		
Furniture and fittings	30,919	24,582
Labour	4,200	2,030
Materials	-	1,471
Equipment rentals	-	851
Bank charges	31	106
	<u>35,150</u>	<u>29,040</u>
Surplus for the year	<u>\$ 8,465</u>	<u>\$ 2,011</u>

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

The St. Michael School
Petty fees fund
Statement of income and expenditure
For the year ended March 31, 2008

(expressed in Barbados dollars)

	2008	2007
Income		
Petty fees	36,616	36,402
Examination fees	14,084	14,808
Donations for speech day	10,313	9,595
Sale of games uniforms	9,912	11,076
Other income	9,571	5,945
Sale of music books and school crests	4,642	8,054
	<u>85,138</u>	<u>85,880</u>
Expenditure		
Stationery	32,019	23,323
Games supplies and equipment	17,519	23,528
Examination fees	14,264	15,670
Trophies and incentives	11,796	5,272
School crest, epaulettes and badges	10,693	2,840
Transfer to general fund	9,000	-
Prizes for speech day	7,914	9,970
Incidentals	3,604	2,964
Bank charges	163	201
Refunds	45	-
Music material and textbooks	-	459
Transfer to text book fund	-	5,000
	<u>107,017</u>	<u>89,227</u>
(Deficit) surplus for the year	<u>\$ (21,879)</u>	<u>\$ (3,347)</u>

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

The St. Michael School

Textbook loan scheme

Statement of income and expenditure

For the year ended March 31, 2008

(expressed in Barbados dollars)

	2008	2007
Income		
Rental fees	62,775	60,300
Refund on damages	2,381	4,228
Transfer to petty fees fund	-	5,000
Other income	-	599
	<u>65,156</u>	<u>70,127</u>
Expenditure		
Textbooks	47,000	67,013
Assistants' fees	3,260	3,875
Supervisors' fees	1,000	1,000
Refunds	235	87
Stationery	143	184
Bank charges	92	226
	<u>51,730</u>	<u>72,385</u>
Surplus (deficit) for the year	\$ 13,426	\$ (2,258)

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

The St. Michael School
Canteen fund
Statement of income and expenditure
For the year ended March 31, 2008

(expressed in Barbados dollars)

	2008	2007
Income		
Concession fees	13,400	8,000
Refund	1,000	-
	<u>14,400</u>	<u>8,000</u>
Expenditure		
Miscellaneous	7,879	1,779
Use of utilities	2,400	-
Advertising	1,550	-
General maintenance	500	4,496
Bank charges	111	72
	<u>12,440</u>	<u>6,347</u>
Surplus for the year	<u>\$ 1,960</u>	<u>\$ 1,653</u>

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

The St. Michael School

Notes to the financial statements

March 31, 2008

(expressed in Barbados dollars)

1. Significant accounting policies

Basis of preparation

The financial statements of the school are prepared on the cash basis of accounting, consequently they do not reflect the liability for any charges or expenses incurred prior to the year end but settled subsequent to that date. Income due but not received at the year end date is not reflected as an asset on this basis. This is in accordance with the requirements of the Financial Administration and Audit Act 1971 (FAAA). The cash basis however does not conform with International Financial Reporting Standards (IFRS) which requires the financial statements to be prepared on an accrual basis.

Government grants

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

Fixed assets

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

Additions to and disposals of fixed assets are only reflected in the statement of income and expenditure. This is not in accordance with IFRS, which requires that fixed assets be capitalised and depreciated over the estimated useful life of the relevant assets.

2. Statutory grant

Code	Computerised salaries	Receipts	Total	Estimates	Difference
101	2,922,403	-	2,922,403	2,643,883	278,520
102	937,187	111,133	1,048,320	1,055,013	(6,636)
103	254,141	7,678	261,819	259,719	2,100
206	6,396	12,079	18,475	13,180	5,295
316	1,505	492,122	493,627	491,021	2,606
	4,121,632	623,012	4,744,644	4,462,816	281,828

The St. Michael School
Notes to the financial statements
March 31, 2008



(expressed in Barbados dollars)

3. Other income - general fund

	2008	2007
Tuition fees	18,390	10,800
Use of premises	4,200	2,725
Incidentals	2,688	1,902
	\$ 25,278	\$ 15,427

4. Utilities - general fund

	2008	2007
Electricity	49,627	51,106
Water	29,069	49,074
Telephone	31,073	24,182
Gas	1,027	1,022
	\$ 110,796	\$ 125,384

5. Maintenance of property - general fund

	2008	2007
Equipment	59,510	60,201
Building	18,800	25,262
Furniture	3,705	21,235
Insurance	11,396	14,183
Upkeep of grounds	10,323	5,367
	\$ 103,734	\$ 126,248

The St. Michael School

Notes to the financial statements

March 31, 2008

(expressed in Barbados dollars)

6. Operating expenses

	2008	2007
Departmental expenses		
Cricket instructor	33,155	-
Music instructor	27,266	-
Physical education	20,542	15,602
General science	5,883	688
Art and craft	5,407	5,944
Business and computer studies	4,022	1,207
Home economics	3,967	2,787
Music	3,602	3,296
Industrial arts	1,387	1,198
Needle craft	409	688
Guidance	251	150
English	89	36
General studies	60	33
Mathematics	-	390
	<u>106,040</u>	<u>32,019</u>
Other operating expenses		
Cleaning	44,520	21,714
Training	20,931	6,300
Remuneration for board members	18,183	3,906
Transportation	15,990	19,190
Prizes	9,708	6,968
General	7,937	12,306
Uniforms	6,807	8,523
Printing, posting and advertising	2,931	3,651
Subscriptions	927	590
	<u>127,935</u>	<u>83,148</u>
Total operating expenses	<u>\$ 233,974</u>	<u>\$ 115,167</u>

