







Financial Statements of

**DEIGHTON GRIFFITH SECONDARY  
SCHOOL**

March 31, 2017

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## INDEPENDENT AUDITORS' REPORT

### **Opinion**

We have audited the financial statements of Deighton Griffith Secondary School (the "School"), which comprise the balance sheet as at March 31, 2017, the statements of revenue and expenses, the statement of changes in consolidated fund 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 Deighton Griffith 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.

A handwritten signature in black ink that reads 'Burrowes'.

Chartered Accountants  
Bridgetown, Barbados  
January 25, 2018

# DEIGHTON GRIFFITH SECONDARY SCHOOL

## Balance Sheet

As of March 31, 2017  
with comparative figures for 2016

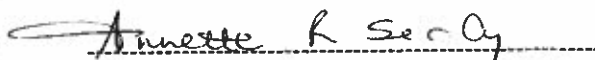
(Expressed in Barbados Dollars)

	<u>Notes</u>	<u>2017</u>	<u>2016</u>
<b>Assets</b>			
<b>Current Assets:</b>			
Cash	4	\$ 514,900	669,953
Accounts receivable		8,519	-
VAT receivable		<u>259,043</u>	<u>130,651</u>
<b>Total current assets</b>		<b>782,462</b>	<b>800,604</b>
Furniture and equipment	5	<u>268,566</u>	<u>71,209</u>
<b>Total Assets</b>		<b>\$ <u>1,051,028</u></b>	<b><u>871,813</u></b>
<b>Liabilities and Consolidated Fund</b>			
<b>Current Liabilities:</b>			
Accounts payable		\$ 51,404	26,033
Due to Government departments		35,535	30,200
Net deferred grant	6	140,118	134,710
Deferred capital grant	7	<u>204,984</u>	<u>-</u>
<b>Total current liabilities</b>		<b>432,041</b>	<b>190,943</b>
<b>Consolidated Fund</b>		<u>618,987</u>	<u>680,870</u>
<b>Total Liabilities and Consolidated Fund</b>		<b>\$ <u>1,051,028</u></b>	<b><u>871,813</u></b>

See accompanying notes to financial statements.

Approved by:

 Chairman

 Secretary / Treasurer

# DEIGHTON GRIFFITH SECONDARY SCHOOL

## Statement of Changes in Consolidated Fund

As of March 31, 2017  
with comparative figures for 2016

*(Expressed in Barbados Dollars)*

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	General Fund	Text Book Loan Scheme Fund	Petty Fees Fund	Consolidated Fund
Balance at March 31, 2015	\$ 599,108	71,092	(22,261)	647,939
Excess of revenue over expenses for the year	<u>29,251</u>	<u>3,899</u>	<u>(219)</u>	<u>32,931</u>
Balance at March 31, 2016	628,359	74,991	(22,480)	680,870
Excess of expenses over revenue for the year	<u>(88,331)</u>	<u>7,396</u>	<u>19,052</u>	<u>(61,883)</u>
Balance at March 31, 2017	\$ <u>540,028</u>	<u>82,387</u>	<u>(3,428)</u>	<u>618,987</u>

*See accompanying notes to financial statements.*



# LEIGHTON GRIFFITH SECONDARY SCHOOL

## Statement of Revenue and Expenses - General Account

Year ended March 31, 2017  
with comparative figures for 2016

(Expressed in Barbados Dollars)

	Notes	Budget Approved In 2017 Estimates	2017	2016
<b>Revenue:</b>				
Government grant	8	\$ 5,710,826	5,561,896	5,033,296
Other income - B.O.M		-	1,806	1,020
Tuition fees		-	10,615	16,275
Rental of canteen		-	13,500	13,500
Rental of premises		-	4,000	11,600
		<u>5,710,826</u>	<u>5,591,817</u>	<u>5,075,691</u>
<b>Expenses:</b>				
Assets under construction		533,250	514,679	61,565
Assets under construction - Industrial Arts Block	9	-	101,378	-
Board room renovation	10	-	9,022	-
Depreciation	5	-	7,852	13,145
Library		900	887	863
Maintenance of property		151,735	151,663	109,899
National insurance and levies		343,996	338,022	330,967
Operating expenses	11	33,440	32,901	30,189
Other personal emoluments		1,231,584	1,113,470	1,057,198
Personal emoluments		3,208,936	3,213,442	3,257,973
Professional fees		9,000	8,500	8,500
Rental of property		27,800	22,661	26,875
Supplies and materials		61,925	61,550	44,329
Travel		10,800	10,543	7,107
Utilities		97,460	93,578	97,830
		<u>5,710,826</u>	<u>5,680,148</u>	<u>5,046,440</u>
Excess of (expenses over revenue) revenue over expenses	\$	<u>-</u>	<u>(88,331)</u>	<u>29,251</u>

See accompanying notes to financial statements.

# DEIGHTON GRIFFITH SECONDARY SCHOOL

## Statement of Revenue and Expenses - Text Book Loan Scheme

Year ended March 31, 2017  
with comparative figures for 2016

*(Expressed in Barbados Dollars)*

	<u>2017</u>	<u>2016</u>
<b>Revenue:</b>		
Text book rentals	\$ 61,420	55,604
Other income - Text books	<u>2,541</u>	<u>1,085</u>
	<u>63,961</u>	<u>56,689</u>
<b>Expenses:</b>		
Depreciation	50,065	48,950
Stipends	6,100	3,500
Other	<u>400</u>	<u>340</u>
	<u>56,565</u>	<u>52,790</u>
Excess of revenue over expenses	\$ <u><u>7,396</u></u>	<u><u>3,899</u></u>

*See accompanying notes to financial statements.*

# WIGHTON GRIFFITH SECONDARY SCHOOL

## Statement of Revenue and Expenses - Petty Fees

Year ended March 31, 2017  
with comparative figures for 2016

*(Expressed in Barbados Dollars)*

	<u>2017</u>	<u>2016</u>
<b>Revenue:</b>		
Petty fees	\$ 36,104	32,997
Games clothes	9,465	2,730
Other income	<u>8,749</u>	<u>4,791</u>
	<u>54,318</u>	<u>40,518</u>
<b>Expenses:</b>		
Games	12,340	7,846
Stationery and supplies	12,018	20,815
Subscriptions	-	336
Transportation	10,508	11,410
Other	<u>400</u>	<u>330</u>
	<u>35,266</u>	<u>40,737</u>
Excess of revenue over expenses (expenses over revenue)	<u>\$ 19,052</u>	<u>(219)</u>

*See accompanying notes to financial statements.*

# DEIGHTON GRIFFITH SECONDARY SCHOOL

## Statement of Revenue and Expenses - School Improvement Grant

Year ended March 31, 2017  
with comparative figures for 2016

*(Expressed in Barbados Dollars)*

	<u>2017</u>	<u>2016</u>
<b>Revenue:</b>		
Grant	\$ 29,450	7,990
	<u>29,450</u>	<u>7,990</u>
<b>Expenses:</b>		
Equipment	15,750	-
Supplies	11,819	-
Travel	-	3,040
Training	-	4,263
Other	1,881	687
	<u>29,450</u>	<u>7,990</u>
Excess of revenue over expenses	\$ <u><u>-</u></u>	<u><u>-</u></u>

*See accompanying notes to financial statements.*

# EIGHTON GRIFFITH SECONDARY SCHOOL

## Statement of Cash Flows

Year ended March 31, 2017  
with comparative figures for 2016

(Expressed in Barbados Dollars)

	<u>2017</u>	<u>2016</u>
<b>Cash Flows from Operating Activities</b>		
Excess of (expenses over revenue) revenue over expenses - General Fund	\$ (88,331)	29,251
Excess of revenue over expenses - Text Book Loan Fund	7,396	3,899
Excess of revenue over expenses (expenses over revenue) - Petty Fees Fund	<u>19,052</u>	<u>(219)</u>
Excess of (expenses over revenue) revenue over expenses	(61,883)	32,931
Adjustment for:		
Depreciation	<u>57,917</u>	<u>62,095</u>
Excess of (expenses over revenue) revenue over expenses before working capital changes:	(3,966)	95,026
Increase in accounts receivable	(8,519)	-
(Increase) decrease in VAT receivable	(128,392)	36,743
Increase (decrease) in accounts payable	25,371	(8,790)
Increase in due to government departments	5,335	6,560
Increase in net deferred grant	<u>5,408</u>	<u>81,294</u>
<b>Net cash (used in) from operating activities</b>	<u>(104,763)</u>	<u>210,833</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of text books	<u>(50,290)</u>	<u>(49,799)</u>
<b>Net cash used in investing activities</b>	<u>(50,290)</u>	<u>(49,799)</u>
(Decrease) increase in cash during the year	(155,053)	161,034
Cash, beginning of year	<u>669,953</u>	<u>508,919</u>
Cash, end of year	<u>\$ 514,900</u>	<u>669,953</u>

See accompanying notes to financial statements

# DEIGHTON GRIFFITH SECONDARY SCHOOL

Notes to the Financial Statements

March 31, 2017

(Expressed in Barbados Dollars)

## 5. Furniture and Equipment,...continued

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.

During March 2017 the School received a donation of ninety (90) desktop computers, fifteen (15) laptop computers, one hundred and ninety-six (196) tablets, one hundred and forty (140) chairs, and one hundred and forty (140) desks. The carrying value of the assets donated as at March 31, 2017 is \$204,984.

## 6. Net Deferred Grant

Net deferred grant comprises:

	<u>2017</u>	<u>2016</u>
(i) Government grant	\$ 133,750	98,892
(ii) School improvement grant	6,368	35,818
	<u>\$ 140,118</u>	<u>134,710</u>

### (i) Government Grant

At March 31, 2017 \$100,780 (2016 - \$32,613) of deferred government grant represents amounts that were approved for release of funds by the Government of Barbados but are not yet deposited in the School's bank account (see note 4).

### (ii) School Improvement Grant

In February 2016, 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, 2017 the School had utilised \$53,932 (2016 - \$24,182) of the grant funding.

## 7. Deferred Capital Grant

Deferred capital grant comprises:

	<u>2017</u>	<u>2016</u>
Donated computer equipment and furniture	204,984	-
Amount amortised	-	-
	<u>204,984</u>	<u>-</u>

The deferred capital grant of \$204,984 (2016 - \$Nil) represents the carrying value of the donated assets as at March 31, 2017 (see note 5).

# DAUGHTON GRIFFITH SECONDARY SCHOOL

Notes to the Financial Statements

March 31, 2017

(Expressed in Barbados Dollars)

## 8. Sources of Grant Funding

Grant funding of the approved annual expenditure of \$5,561,896 (2016 - \$5,033,296) is provided through a number of sources as follows:

	<u>2017</u>	<u>2016</u>
Payments made on behalf the School - staff salaries and wages	\$ 4,671,441	4,639,724
Grant payments - Assets under construction	514,679	-
Grant payments - Other charges	<u>375,776</u>	<u>393,572</u>
	<u>\$ 5,561,896</u>	<u>5,033,296</u>

## 9. Assets Under Construction - Industrial Arts Block

During the year ended March 31, 2012 the School was granted permission for the use of two hundred and forty-three thousand, five hundred and fifty-six (\$243,556) dollars from its accumulated savings to fund the cost of works on the Industrial Arts Block.

As of March 31, 2017 the cost incurred on the Industrial Arts Block renovation work was \$101,378 (2016 - \$Nil).

## 10. 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, 2017 the total cost incurred on the extension of the Board Room was \$49,999 (2016 - \$40,977).

## 11. Operating Expenses

	<u>2017</u>	<u>2016</u>
Advertising	\$ 1,330	639
Board member's fees	9,480	9,240
Board members' refreshments	4,412	4,819
Other expenses	7,571	8,006
Prizes and prize day expenses	5,998	5,295
Training and Teachers' Professional Day	2,206	1,000
Uniforms	<u>1,904</u>	<u>1,190</u>
	<u>\$ 32,901</u>	<u>30,189</u>

