

APPENDIX IV

Financial Statements of

DEIGHTON GRIFFITH SECONDARY SCHOOL

March 31, 2012

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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, 2012, the statements of revenue and expenses, the statement of changes in consolidated funds and cash flow statement 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.

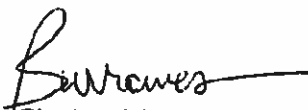
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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, 2012, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Other Matter

The financial statements of Deighton Griffith Secondary School for the year ended March 31, 2011, were audited by another auditor who expressed an unmodified opinion on those statements on July 31, 2011.

A handwritten signature in cursive script that reads 'Burrowes'.

Chartered Accountants
Bridgetown, Barbados
October 25, 2012

DEIGHTON GRIFFITH SECONDARY SCHOOL

Balance Sheet

As of March 31, 2012
with comparative figures for 2011

(Expressed in Barbados Dollars)

	Notes	2012	2011
Assets			
Current Assets:			
Cash	4	\$ 341,540	504,230
Accounts receivable and prepaid expenses		<u>134,894</u>	<u>65,829</u>
Total current assets		476,434	570,059
Furniture and Equipment	5	<u>134,238</u>	<u>179,399</u>
Total Assets		<u>\$ 610,672</u>	<u>749,458</u>
Liabilities and Consolidated Fund			
Current Liabilities:			
Accounts payable		\$ <u>14,200</u>	<u>25,471</u>
Total current liabilities		14,200	25,471
Consolidated Fund		<u>596,472</u>	<u>723,987</u>
Total Liabilities and Consolidated Fund		<u>\$ 610,672</u>	<u>749,458</u>

See accompanying notes to financial statements.

Approved by:

Rodley Tolman J.P. Chairman

Annette R. Soady Secretary/Treasurer

DEIGHTON GRIFFITH SECONDARY SCHOOL

Statement of Changes in Consolidated Fund

As of March 31, 2012
with comparative figures for 2011

(Expressed in Barbados Dollars)

	General Fund	Text Book Loan Scheme Fund	Petty Fees Fund	Consolidate Fun
Balance at March 31, 2010	\$ 864,935	54,369	8,389	927,673
Excess of expenses over revenue for the year	<u>(179,578)</u>	<u>(15,605)</u>	<u>(8,503)</u>	<u>(203,686)</u>
Balance at March 31, 2011	685,357	38,764	(134)	723,987
Excess of expenses over revenue for the year	<u>(129,712)</u>	<u>1,419</u>	<u>778</u>	<u>(127,515)</u>
Balance at March 31, 2012	<u>\$ 555,645</u>	<u>40,183</u>	<u>644</u>	<u>596,472</u>

See accompanying notes to financial statements.

DEIGHTON GRIFFITH SECONDARY SCHOOL

Statement of Revenue and Expenses - General Account

As of March 31, 2012
with comparative figures for 2011

(Expressed in Barbados Dollars)

	<u>Notes</u>	Budget Approved In 2012 <u>Estimates</u>	<u>2012</u>	<u>2011</u>
Revenue:				
Government grant	\$	5,135,146	5,086,087	5,250,182
Other income - B.O.M		-	65,365	75,575
Tuition fees		-	21,280	-
Rental of canteen		-	13,500	13,000
Rental of premises		-	9,450	3,550
		<u>5,135,146</u>	<u>5,195,682</u>	<u>5,342,307</u>
Expenses:				
Depreciation	5	-	28,085	40,511
Library		-	2,865	3,176
Maintenance of property - building	6	-	87,253	202,511
Maintenance of property - general	6	-	96,859	108,246
National insurance and levies		330,464	333,677	319,901
Operating expenses	7	325,960	101,172	165,367
Other personal emoluments		1,240,601	679,234	685,156
Personal emoluments		3,229,901	3,751,028	3,774,939
Professional fees		-	10,750	9,200
Rental of property		-	25,298	29,855
Supplies and materials		-	61,012	52,688
Travel		8,220	8,729	7,734
Utilities		-	139,432	122,601
		<u>5,135,146</u>	<u>5,325,394</u>	<u>5,521,885</u>
Excess expenses over revenue	\$	-	(129,712)	(179,578)

See accompanying notes to financial statements.

DEIGHTON GRIFFITH SECONDARY SCHOOL

Statement of Revenue and Expenses - Text Book Loan Scheme

As of March 31, 2012
with comparative figures for 2011

(Expressed in Barbados Dollars)

	<u>2012</u>	<u>2011</u>
Revenue:		
Text book rentals	\$ 62,600	55,380
Other income - Text books	<u>2,181</u>	<u>3,091</u>
	<u>64,781</u>	<u>58,471</u>
Expenses:		
Depreciation	59,862	67,276
Stipends	<u>3,500</u>	<u>6,800</u>
	<u>63,362</u>	<u>74,076</u>
Excess revenue over expenses (expenses over revenue)	\$ <u><u>1,419</u></u>	<u><u>(15,605)</u></u>

See accompanying notes to financial statements.

DEIGHTON GRIFFITH SECONDARY SCHOOL

Statement of Revenue and Expenses - Petty Fees

As of March 31, 2012
with comparative figures for 2011

(Expressed in Barbados Dollars)

	<u>2012</u>	<u>2011</u>
Revenue:		
Petty fees	\$ 36,725	32,590
Other income - Games clothes	3,960	-
Other income - Petty fees	<u>2,907</u>	<u>21,155</u>
	<u>43,592</u>	<u>53,745</u>
Expenses:		
First aid supplies	328	383
Games	29,629	36,540
Stationery and supplies	11,930	25,265
Subscriptions	280	30
Travel	<u>647</u>	<u>30</u>
	<u>42,814</u>	<u>62,248</u>
Excess revenue over expenses (expenses over revenue)	\$ <u>778</u>	<u>(8,503)</u>

See accompanying notes to financial statements.

DEIGHTON GRIFFITH SECONDARY SCHOOL

Statement of Cash Flows

As of March 31, 2012
with comparative figures for 2011

(Expressed in Barbados Dollars)

	<u>2012</u>	<u>2011</u>
Cash Flows from Operating Activities		
Excess (expenses over revenue) revenue over expenses - General Fund	\$ (129,712)	(179,578)
Excess revenue over expenses (expenses over revenue) - Text Book Loan Fund	1,419	(15,608)
Excess revenue over expenses (expenses over revenue) - Petty Fee Fund	<u>778</u>	<u>(8,503)</u>
Excess expenses over revenue	(127,515)	(203,689)
Adjustment for:		
Depreciation	<u>87,947</u>	<u>107,786</u>
Excess expenses over revenue before working capital changes:	(39,568)	(95,903)
Increase in accounts receivable and prepaid expenses	(69,065)	(38,780)
Decrease in accounts payable and accruals	<u>(11,271)</u>	<u>(60,137)</u>
Net cash used in operating activities	<u>(119,904)</u>	<u>(194,817)</u>
Cash Flows from Investing Activities		
Purchase of text books	<u>(42,786)</u>	<u>(49,318)</u>
Net cash used in investing activities	<u>(42,786)</u>	<u>(49,318)</u>
Decrease in cash during the year	(162,690)	(244,135)
Cash, beginning of year	<u>504,230</u>	<u>748,365</u>
Cash, end of year	<u>\$ 341,540</u>	<u>504,230</u>

See accompanying notes to financial statements.

DEIGHTON GRIFFITH SECONDARY SCHOOL

Notes to the Financial Statements

As of March 31, 2012
with comparative figures for 2011

(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 October 25, 2012

(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, 2012.

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 full amount of the grant is taken to income in the year in which it is received to match it with the related costs which it is intended to cover.

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

As of March 31, 2012
with comparative figures for 2011

(Expressed in Barbados Dollars)

4. Cash

	2012	2011
Cash in hand	\$ -	1,400
General Account	287,521	489,680
Petty Fees Account	27,185	4,810
Text Book Loan Scheme Account	26,834	8,330
	<u>\$ 341,540</u>	<u>504,230</u>

5. Furniture and Equipment

	Furniture and Fittings	Computer Equipment	Library Books	Text Books	Total
Cost					
At March 31, 2010	\$ 842,539	218,997	69,708	1,262,040	2,393,284
Additions	-	-	-	49,318	49,318
Adjustment	-	-	-	(964,717)	(964,717)
At March 31, 2011	842,539	218,997	69,708	346,641	1,477,885
Additions	-	-	-	42,786	42,786
At March 31, 2012	<u>\$ 842,539</u>	<u>218,997</u>	<u>69,708</u>	<u>389,427</u>	<u>1,520,671</u>
Accumulated Depreciation					
At March 31, 2010	\$ 692,926	215,342	65,106	1,182,043	2,155,417
Charge for the year	36,336	1,287	2,888	67,275	107,786
Adjustment	-	-	-	(964,717)	(964,717)
At March 31, 2011	729,262	216,629	67,994	284,601	1,298,486
Charge for the year	25,187	1,184	1,714	59,862	87,947
At March 31, 2012	<u>\$ 754,449</u>	<u>217,813</u>	<u>69,708</u>	<u>344,463</u>	<u>1,386,433</u>
Net Book Value					
At March 31, 2010	<u>\$ 149,613</u>	<u>3,655</u>	<u>4,602</u>	<u>79,997</u>	<u>237,867</u>
At March 31, 2011	<u>\$ 113,277</u>	<u>2,368</u>	<u>1,714</u>	<u>62,040</u>	<u>179,399</u>
At March 31, 2012	<u>\$ 88,090</u>	<u>1,184</u>	<u>-</u>	<u>44,964</u>	<u>134,238</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.

DEIGHTON GRIFFITH SECONDARY SCHOOL

Notes to the Financial Statements

As of March 31, 2012
with comparative figures for 2011

(Expressed in Barbados Dollars)

5. Furniture and Equipment....continued

An adjustment has been made to Text Books cost and accumulated depreciation to reflect text books which are no longer in use within the Text Book Loan Scheme but were not reflected as disposals in the financial records for previous financial periods.

6. Maintenance of Property

General maintenance comprises:

	<u>2012</u>	<u>2011</u>
Insurance	\$ 20,727	22,431
Pest control	15,538	14,836
Plumbing and electrical maintenance	13,165	20,608
Repairs to plant, furniture and equipment	<u>47,428</u>	<u>50,371</u>
	<u>\$ 96,859</u>	<u>108,246</u>

Maintenance of building comprises:

	<u>2012</u>	<u>2011</u>
General maintenance	\$ 29,638	150,982
Security	<u>57,615</u>	<u>51,529</u>
	<u>\$ 87,253</u>	<u>202,511</u>

7. Operating Expenses

	<u>2012</u>	<u>2011</u>
Advertising	\$ 3,718	14,027
Board member's fees	11,040	11,970
Board members' refreshments	6,281	6,487
Donations	3,934	3,450
Medical supplies	-	120
Miscellaneous	-	9,981
Prizes and prize day expenses	7,016	-
Training and Training and teachers' professional day	3,600	12,350
Conferences- Principal, S/T	5,214	-
Uniforms	<u>2,396</u>	<u>2,405</u>
Balance carried forward	<u>\$ 43,198</u>	<u>60,790</u>

DEIGHTON GRIFFITH SECONDARY SCHOOL

Notes to the Financial Statements

As of March 31, 2012
with comparative figures for 2011

(Expressed in Barbados Dollars)

7. Operating Expenses....continued

	<u>2012</u>	<u>2011</u>
Balance brought forward	\$ 43,198	60,790
Programme supplies		
Art and Craft	5,121	11,960
Business Studies	2,292	3,900
Cadets, Scouts, Guides, etc.	400	770
English Language	777	3,812
Examinations	2,877	5,940
General Science	2,633	10,651
General Studies	856	930
Guidance	234	1,660
Home Economics	6,539	8,030
Industrial Arts	12,621	31,520
Mathematics and Computer Science	-	420
Modern Languages	-	600
Music	1,003	1,790
Physical Education	<u>22,622</u>	<u>22,530</u>
	<u>\$ 101,172</u>	<u>165,367</u>

