The St. Michael School

Financial statements
March 31, 2012

(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 statement of financial position 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, 2012.

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 controls 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, 2012 in accordance with the accounting policies set out in Note 1.

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Chartered Accountants
March 28th, 2013
Bridgetown, Barbados

The St. Michael School

Statement of financial position

Ma[illegible] 31, 2012

(expressed in Barbados dollars)

	2012	2011
Assets		
Cash at bank	6,981	80,367
	$ 6,981	$ 80,367
Represented by:		
Fund balances		
Building fund	2,291	-
General fund	1,841	70,123
Petty fees fund	1,222	2,376
Canteen fund	923	2,027
VAT fund	370	1,757
Textbook loan scheme fund	334	4,084
	$ 6,981	$ 80,367

Approved on March 28th, 2013 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, 2012

(expressed in Barbados dollars)

	General	VAT	Petty fees	Text book loan scheme	Canteen	Building	Total
Balances - April 1, 2010	1,724	7,681	14,157	12,294	5,030	-	40,886
Surplus (deficit) for the year	68,399	(5,924)	(11,781)	(8,210)	(3,003)	-	39,481
Balances - March 31, 2011	70,123	1,757	2,376	4,084	2,027	-	80,367
Surplus (deficit) for the year	(68,282)	(1,387)	(1,154)	(3,750)	(1,104)	2,291	(73,386)
Balances - March 31, 2012	**$ 1,841**	**$ 370**	**$ 1,222**	**$ 334**	**$ 923**	**$ 2,291**	**$ 6,981**
Fund balances comprise :							
Royal Bank of Canada							
- current accounts							
	$ 1,841	**$ 370**	**$ 1,222**	**$ 334**	**$ 923**	**$ 2,291**	**$ 6,981**

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

General fund
Statement of income and expenditure
For the year ended March 31, 2012

(expressed in Barbados dollars)

	Notes	2012	2011
Income			
Statutory grant	2	5,376,473	5,379,603
Other income	3	81,923	52,355
		5,458,396	5,431,958
Expenditure			
Salaries			
- Statutory personal emoluments		3,059,230	3,202,333
- Other personal emoluments		1,440,426	1,159,541
National insurance		338,749	315,552
Utilities	4	149,817	149,854
Operating expenses	6	137,175	137,861
Supplies and materials		118,417	196,819
Transfer to building fund		110,000	-
Maintenance of property	5	81,995	164,920
Library		59,596	5,616
Rental of property		17,174	13,847
Travel		8,459	6,803
Professional fees		5,640	10,413
		5,526,678	5,363,559
(Deficit) surplus for the year		$ (68,282)	$ 68,399

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, 2012

(expressed in Barbados dollars)

	Ministry reference	2012 Approved estimate	2012 Use of savings	2012 Total	2012 Actual expenditure	2012 Variance	2011 Approved estimate	2011 Use of savings	2011 Total	2011 Actual expenditure	2011 Varian
Salaries											
- Statutory personal emoluments	101	3,092,552	-	3,092,552	3,059,230	33,322	3,077,993	-	3,077,993	3,202,333	(124,3
- Other personal emoluments	102	1,352,823	-	1,352,823	1,440,426	(87,603)	1,361,421	-	1,361,421	1,159,541	201,8
National insurance	103	306,978	-	306,978	338,749	(31,771)	300,918	-	300,918	315,552	(14,6
Travel	206	13,000	-	13,000	8,459	4,541	13,000	-	13,000	6,803	6,1
Utilities	207	123,442	-	123,442	149,817	(26,375)	123,442	-	123,442	149,854	(26,4
Rental of property	208	14,135	-	14,135	17,174	(3,039)	14,135	-	14,135	13,847	2
Library	209	5,000	-	5,000	59,596	(54,596)	5,000	-	5,000	5,616	(6
Supplies and materials	210	181,227	-	181,227	118,417	62,810	145,438	-	145,438	196,819	(51,3
Maintenance of property	211	315,121	-	315,121	81,995	233,126	94,040	-	94,040	164,920	(70,8
Operating expenses	212	136,935	-	136,935	137,175	(240)	131,295	-	131,295	137,861	(6,5
Professional fees	226	6,000	-	6,000	5,640	360	6,000	-	6,000	10,413	(4,4
Property and plant	751	-	-	-	-	-	-	-	-	-	
Machinery and equipment	752	6,000	-	6,000	-	6,000	6,000	-	6,000	-	6,0
Furniture and fixtures	753	-	-	-	-	-	25,032	-	25,032	-	25,0
Assets under construction	785	-	-	-	110,000	(110,000)	250,000	-	250,000	-	250,0
		$ 5,553,213	-	5,553,213	5,526,678	26,535	$ 5,553,714	-	5,553,714	5,363,559	190,1

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

The St. Michael School
VAT fund
Statement of income and expenditure
For the year ended March 31, 2012

(expressed in Barbados dollars)

	2012	2011
Income		
Vat refunds	**29,679**	22,085
Expenditure		
Repairs and maintenance	**23,610**	17,837
Furniture and fittings	**6,425**	7,411
Special payments	**1,000**	1,500
Bank charges	**31**	61
Entertainment	**-**	1,200
	31,066	28,009
Deficit for the year	**$ (1,387)**	$ (5,924)

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

The St. Michael School

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ement of income and expenditure

For the year ended March 31, 2012

(expressed in Barbados dollars)

	2012	2011
Income		
Petty fees	**80,641**	35,015
Examination fees	**16,615**	14,275
Donations for speech day	**7,285**	11,780
Transfer from general fund	**3,202**	-
Sale of cricket shirts	**1,178**	-
Donations for cricket team	**1,000**	-
Miscellaneous	**240**	-
Tours/transportation	**120**	-
Sale of games uniforms	-	14,820
Sale of music books and school crests	-	11,316
Other income	-	5,859
	110,281	93,065
Expenditure		
Games supplies and equipment	**26,134**	41,668
Stationery	**19,243**	26,678
Prizes for speech day	**18,724**	14,395
Examination fees	**17,085**	14,545
Miscellaneous	**16,008**	-
School crest, epaulettes and badges	**10,833**	3,114
Refunds	**2,998**	1,712
Bank charges	**410**	126
Trophies and incentives	-	1,490
Incidentals	-	1,118
	111,435	104,846
Deficit for the year	**$ (1,154)**	$ (11,781)

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

The St. Michael School
Textbook loan scheme fund
Statement of income and expenditure
For the year ended March 31, 2012

(expressed in Barbados dollars)

	2012	2011
Income		
Rental fees	**76,779**	63,450
Refund on damages	**296**	5,719
Other	**63**	-
Sale of advance books	**-**	5,000
	77,138	74,169
Expenditure		
Textbooks	**60,415**	71,282
Assistants' fees	**8,895**	6,145
Refunds	**7,832**	1,825
Supervisors' fees	**2,400**	2,200
Stationery	**1,188**	777
Bank charges	**158**	150
	80,888	82,379
Deficit for the year	**$ (3,750)**	$ (8,210)

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, 2012

(expressed in Barbados dollars)

	2012	2011
Income		
Concession fees	**16,230**	16,000
Expenditure		
Hospitality	**13,613**	4,516
Equipment for smartstream	**2,830**	-
General maintenance	**800**	2,471
Bank charges	**91**	234
Transfer to general fund	**-**	10,350
Refund to stationery account	**-**	787
Miscellaneous	**-**	645
	17,334	19,003
Deficit for the year	**$ (1,104)**	$ (3,003)

The accompanying notes form an integral part of these financial statements

The St. Michael School
Building fund
Statement of income and expenditure
For the year ended March 31, 2012

(expressed in Barbados dollars)

	2012	2011
Income		
Grants received	208,583	-
Expenditure		
Construction costs	169,538	-
Building maintenance	16,746	-
Transfer to general fund	13,583	-
Repairs	6,281	-
Bank charges	144	-
	206,292	-
Surplus for the year	$ 2,291	$ -

The accompanying notes form an integral part of these financial statements

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 yearend but settled subsequent to that date. Income due but not received at the yearend date is not reflected as an asset on this basis. This is in accordance with the requirements of the Financial Administration and Audit Act 1991 (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	2,986,854	-	**2,986,854**	3,092,552	(105,698)
102	1,318,313	70,592	**1,388,905**	1,352,823	36,082
103	330,116	5,342	**335,458**	306,978	28,480
206	7,311	11,913	**19,224**	13,000	6,224
226	-	6,000	**6,000**	6,000-	-
316	64,908	569,124	**634,032**	554,712	79,320
752	-	6,000	**6,000**	6,000	-
753	-	-	-	-	-
785	-	-	-	-	-
	4,707,502	668,971	**5,376,473**	5,332,065	44,408

3. Other income - general fund

	2012	2011
Reimbursements	42,883	-
Tuition fees	29,000	26,890
Use of premises	8,645	5,575
Incidentals	1,395	9,540
Transfer from canteen fund	-	10,350
	$ 81,923	$ 52,355

4. Utilities - general fund

	2012	2011
Electricity	101,633	97,453
Telephone	31,934	35,416
Water	15,104	15,257
Gas	1,146	1,728
	$ 149,817	$ 149,854

5. Maintenance of property - general fund

	2012	2011
Equipment	25,557	30,093
Building	18,542	61,053
Insurance	18,395	21,666
Maintenance	17,296	49,909
Furniture	2,205	2,199
	$ 81,995	$ 164,920

6. Operating expenses

	2012	2011
Departmental expenses		
Music	30,684	31,217
Cricket	24,755	29,705
Industrial arts	713	1,122
Information technology	157	84
Business studies	129	-
Guidance	-	419
	56,438	62,547
Other operating expenses		
Transportation	19,245	13,523
General	16,238	13,728
Training	16,028	4,524
Remuneration for board members	11,523	17,570
Uniforms	7,173	6,417
Hospitality	6,751	3,722
Printing, posting and advertising	2,941	5,697
Bank charges	787	1,142
Prizes	51	8,691
Special payments	-	300
	80,737	75,314
Total operating expenses	$ 137,175	$ 137,861