

Financial Statement of

**THE BOARD OF MANAGEMENT –
ST. LEONARD'S BOYS' SECONDARY
SCHOOL**

March 31, 2010

THE BOARD OF MANAGEMENT - ST. LEONARD'S BOYS' SECONDARY SCHOOL

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AUDITORS' REPORT

To the Board of Management - St. Leonard's Boys' Secondary School

We have audited the accompanying financial statement of St. Leonard's Boys' Secondary School, which comprises the statement of receipts and payments as of March 31, 2010, 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 the financial statement in accordance with the accounting policies described in note 2. 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement 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 statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, 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 statement.

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 statement presents fairly, in all material respects, the financial position of St. Leonard's Boys' Secondary School as of March 31, 2010, and its financial performance for the year then ended in accordance with the accounting policies described in note 2.

Chartered Accountants
Bridgetown, Barbados
January 27, 2011

THE BOARD OF MANAGEMENT -
ST. LEONARD'S BOYS' SECONDARY SCHOOL.

Statement of Receipts and Payments

Year ended March 31, 2010
with comparative figures (in total) for 2009

| | General | Text-book Loan Scheme | Petty Fees | Canteen | Collections | Staff Room Building Fund | Information Technology | Total 2010 | Total 2009 |
|---|---------|-----------------------|------------|---------|-------------|--------------------------|------------------------|------------|------------|
| Receipts | | | | | | | | | |
| Grants from Government of Barbados | 773,924 | 74,861 | 88,947 | 7,175 | 75,049 | 264,337 | 55,436 | 565,806 | 1,554,662 |
| Other Income (note 6) | 92,010 | - | - | - | - | - | 312,000 | 1,085,924 | 1,459,019 |
| | 865,934 | 74,861 | 88,947 | 7,175 | 75,049 | 264,337 | 367,436 | 1,743,739 | 3,072,723 |
| Payments | | | | | | | | | |
| Personal emoluments (note 3) | 36,237 | - | - | - | - | - | - | 36,237 | 94,843 |
| Other personal emoluments (note 3) | 2,951 | - | - | - | - | - | - | 2,951 | 8,055 |
| National Insurance (note 3) | 7,049 | - | - | - | - | - | - | 7,049 | 4,699 |
| Travel (note 3) | 125,495 | - | - | - | - | - | - | 125,495 | 148,356 |
| Utilities | 18,978 | - | - | - | - | - | - | 18,978 | 13,276 |
| Library | 42,166 | - | - | - | - | - | - | 42,166 | 16,609 |
| Rentals | 108,253 | - | - | - | - | - | - | 108,253 | 102,242 |
| Supplies and materials | 278,218 | 26,222 | 54,883 | 4,850 | 50,849 | 83,815 | 180,092 | 678,929 | 3,084,567 |
| Operating expenses (note 4) | 119,311 | - | - | - | - | - | - | 119,311 | 134,207 |
| Maintenance of property | 109,127 | - | - | - | - | - | - | 109,127 | 51,941 |
| Furniture and equipment | 12,650 | - | - | - | - | - | - | 12,650 | 24,877 |
| Professional services | 860,434 | 26,222 | 54,883 | 4,850 | 50,849 | 83,815 | 180,092 | 1,261,146 | 3,683,682 |
| Excess of receipts/(payments) for year | 5,500 | 48,639 | 34,064 | 2,325 | 24,200 | 180,522 | 187,344 | 482,593 | (610,959) |
| Excess of receipts/(payments) beginning of year | 3,698 | 253 | 14,522 | 4,529 | 23,787 | 34,669 | 238,090 | 319,548 | 930,507 |
| Accumulated excess of receipts over payments for year | 9,198 | 48,892 | 48,586 | 6,853 | 47,987 | 215,191 | 425,434 | 802,141 | 319,548 |
| Represented by: | | | | | | | | | |
| Cash at bank and on hand at end of year | | | | | | | | 802,141 | 319,548 |

See accompanying notes to financial statement.

Approved on behalf of The Board of Management:

 Chairman
 Secretary/Treasurer

THE BOARD OF MANAGEMENT - ST. LEONARD'S BOYS' SECONDARY SCHOOL

Notes to Financial Statement

March 31, 2010

1. General

St. Leonard's Boys' Secondary School (The "School") was established under the Education Act 1981-25.

2. Significant Accounting Policies

The significant accounting policies adopted by the School are as follows:

(a) Basis of accounting

The financial statement is prepared on a cash basis in accordance with the Education Act 1981 - 25, and is presented in Barbados dollars.

(b) Furniture and equipment

Payments in respect of furniture and equipment are charged to expenses when incurred.

3. Reconciliation of Amount Paid by School

The reconciliation of the amount paid by the School is as follows:

| | <u>Total</u> | <u>Ministry of Education</u> | <u>Board of Management</u> |
|-------------------------------|---------------------|----------------------------------|--------------------------------|
| Personal and other emoluments | \$ 5,083,589 | 5,047,351 | 36,237 |
| Principal travel | 15,123 | 8,075 | 7,049 |
| Principal telephone | 1,243 | 1,243 | - |
| National insurance | <u>371,914</u> | <u>368,963</u> | <u>2,951</u> |
| | <u>\$ 5,471,869</u> | <u>5,425,632</u> | <u>46,237</u> |
| Direct payments (as above) | | \$ 5,425,632 | 1,085,924 |
| Received by the School | | | <u>1,085,924</u> |
| Total grants for year | | \$ | <u>6,511,556</u> |

THE BOARD OF MANAGEMENT - ST. LEONARD'S BOYS' SECONDARY SCHOOL

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March 31, 2010

4. Operating Expenses

This amount comprises:

| | <u>2010</u> | <u>2009</u> |
|--|-------------------|------------------|
| Agriculture Science | \$ - | 1,526 |
| Bank Charges | 842 | 1,076 |
| Board of Management | - | 1,272 |
| Business Studies | 573 | 1,722 |
| Coaching | 9,818 | - |
| Conferences | 3,000 | - |
| English | 754 | 271 |
| Exam Practicals | 5,512 | - |
| Examinations | 1,970 | 1,193 |
| Games | 22,504 | 16,810 |
| General Studies | 128 | 97 |
| Guidance | 771 | 204 |
| Home Economics | 4,206 | 7,252 |
| Information Technology | - | 3,577 |
| Industrial Arts | 14,317 | 14,599 |
| ISCF | - | 141 |
| Mathematics | - | 485 |
| Meetings and Seminars | 8,068 | 7,310 |
| Miscellaneous/Incidentals (note 7) | 400,712 | 2,768,760 |
| Modern Language | 606 | 835 |
| NVQ | 3,827 | - |
| Prefects | 1,097 | 1,239 |
| Principal's Office | 393 | 92 |
| Printing, postage and advertising | 1,835 | 8,578 |
| Professional Development/Training/Seminars | 2,429 | 2,180 |
| Prizes/Prize Day | 11,185 | 8,722 |
| Reading | - | 17,527 |
| Refreshments | 5,786 | 6,554 |
| Science | 4,183 | 1,195 |
| Security Guard Service | 145,656 | 204,268 |
| Special Payments | - | 60 |
| Student Welfare | 976 | 1,271 |
| Transportation/Bus Fare | 20,920 | 4,803 |
| Uniforms | <u>6,861</u> | <u>948</u> |
| | <u>\$ 678,929</u> | <u>3,084,567</u> |

THE BOARD OF MANAGEMENT - ST. LEONARD'S BOYS' SECONDARY SCHOOL

Notes to Financial Statement

March 31, 2010

5. Comparison of Actual Receipts and Payments with Approved Estimates

This comparison is presented as follows:

| | <u>Actual</u> | <u>Approved Estimates</u> | <u>Over/ (Under)</u> |
|---|---------------------|-------------------------------|--------------------------|
| Receipts: | | | |
| Grants from Government of Barbados (note 3) | \$ <u>6,511,556</u> | <u>6,178,596</u> | <u>332,960</u> |
| Payments: | | | |
| Personal emoluments (note 3) | 5,083,589 | 5,082,477 | 1,112 |
| National insurance (note 3) | 371,914 | 359,599 | 12,315 |
| Travel (note 3) | 15,123 | 5,500 | 9,623 |
| Telephone (note 3) | 1,243 | - | 1,243 |
| Maintenance of property | 119,312 | - | 119,311 |
| Assets under construction | 312,000 | - | 312,000 |
| Plant, equipment and furniture | 109,126 | 130,000 | (20,874) |
| Grants to institutions | <u>585,759</u> | <u>601,020</u> | <u>15,261</u> |
| | <u>6,598,066</u> | <u>6,178,596</u> | <u>419,470</u> |
| Excess of payments over receipts | \$ (86,510) | | (86,510) |
| Other receipts | <u>92,010</u> | | <u>92,010</u> |
| Excess of payments over receipts for year | <u>5,500</u> | | <u>5,500</u> |

The above amounts represent receipts and payments by the Government of Barbados and the School. The accounts paid by both parties are disclosed in Note 3.

6. Other Income

Other income comprised VAT refunds and accumulated interest.

| | |
|----------------------|------------------|
| VAT returns | \$ 72,000 |
| Accumulated interest | <u>20,010</u> |
| | <u>\$ 92,010</u> |

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March 31, 2010

7. Miscellaneous Operating Expenses

Miscellaneous operating expenses comprise the following:

| | <u>2010</u> | <u>2009</u> |
|------------------------|-------------------|------------------|
| Text Books | \$ 26,223 | 109,749 |
| Petty Fees | 54,883 | 72,429 |
| Canteen | 4,850 | 3,775 |
| Information Technology | 180,092 | 2,486,242 |
| Collections | 50,849 | 44,331 |
| Staff Room | <u>83,815</u> | <u>52,234</u> |
| | <u>\$ 400,712</u> | <u>2,768,760</u> |

8. Value Added Tax

The School incurred expenses of \$67,613 (2009: \$265,420) pertaining to such taxes during the year. This amount has been included in the relevant expense categories in the Statement of Receipts and Payments. The school is however eligible to receive a refund of these taxes under Section 56 of the Value Added Tax Act, 1997 – 15.