



**REPORT ON THE AUDIT OF ACCOUNTS OF
BARBADOS COMMUNITY COLLEGE
FOR THE YEAR ENDED MARCH 31, 2011**

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**REPORT ON THE AUDIT OF ACCOUNTS OF
BARBADOS COMMUNITY COLLEGE
FOR THE YEAR ENDED MARCH 31, 2011**

Barbados Community College 'Eyrie' Campus
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Year ended March 31, 2011

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**AUDITOR GENERAL'S OFFICE
BARBADOS**



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the Barbados Community College

Qualified Opinion

I have audited the financial statements of the **Barbados Community College**, which comprise the Statement of Financial Position as at March 31st, 2011, Statement of Income and General Fund, Statement of Changes in Equity for the year then ended, and Notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the effects of the matters outlined in the Basis for Qualified Opinion section, the accompanying financial statements present fairly, in all material respects, the financial position of the **Barbados Community College** and its financial performance, in accordance with International Public Sector Accounting Standards (IPSAS).

Basis for Qualified Opinion

On transition to accrual-based accounting at April 1, 2010, the College recorded property, plant and equipment of \$119,132.00. A comprehensive inventory of the College's fixed assets was however not undertaken. Consequently I was unable to determine whether any adjustments were required to property, plant and equipment on the statement of financial position and depreciation of property, plant and equipment on the statement of financial performance.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Responsibility 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 the International Public Sector Reporting Standards, 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.

Those charged with governance are responsible for overseeing the College's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

My 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 auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs) 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.

I am independent of the activities of the Barbados Community College in accordance with the ethical requirements that are relevant to my conduct of audits and I have fulfilled my other ethical responsibilities in accordance with these requirements.



Auditor General
2nd Floor Weymouth Corporate Centre
17th February, 2020

Barbados Community College 'Eyrie' Campus
Statement of Financial Position
As of March 31, 2011

(expressed in Barbados dollars)

	2011 \$	Unaudited April 1, 2010 \$
Assets		
Current assets		
Cash and cash equivalents (note 4)	4,120,031	3,760,336
Accounts receivable and prepayments (note 5)	684,381	539,064
	<u>4,804,412</u>	<u>4,299,400</u>
Non-current assets		
Property, plant and equipment (note 6)	284,513	119,132
Total assets	<u>5,088,925</u>	<u>4,418,532</u>
Liabilities		
Current liabilities		
Bank overdraft (note 4)	82,101	-
Accounts payable and accrued liabilities (note 7)	486,594	434,770
Due to related party (note 8)	251,718	130,833
Deferred revenue (note 9)	206,210	153,937
Refundable deposits (note 10)	535,194	456,394
Other deposits (note 11)	332,739	56,869
Total liabilities	<u>1,894,556</u>	<u>1,232,803</u>
Equity		
Accumulated surplus	3,194,369	3,185,729
Total net assets and liabilities	<u>5,088,925</u>	<u>4,418,532</u>

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

Approved by the Board of Management on December 19, 2019

Velma Newton Chairman

A. A. B. Dwyer Principal

Barbados Community College 'Eyrie' Campus
Statement of Changes in Net Assets
For the year ended March 31, 2011

(expressed in Barbados dollars)

	Accumulated surplus \$
Opening balance as at March 31, 2010 - previously reported	3,760,336
Changes in accounting policies:	
Accounts receivable and prepayments (note 20)	539,064
Property, plant and equipment and accumulated depreciation (note 20)	119,132
Accounts payable and accrued liabilities (note 20)	(434,769)
Deferred revenue (note 20)	(154,240)
Refundable deposits (note 20)	(456,395)
Other deposits (note 20)	(56,869)
Related party transactions (note 20)	(130,833)
Miscellaneous adjustment (note 20)	803
	<hr/>
Opening balance as at April 1, 2010 - restated	3,185,729
Surplus for the year	8,640
	<hr/>
Closing balance as at March 31, 2011	3,194,369

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

Barbados Community College 'Eyrie' Campus
Statement of Financial Performance
For the year ended March 31, 2011

(expressed in Barbados dollars)

	2011 \$
Revenues	
<i>Revenue from non-exchange transactions</i>	
Government grant	21,948,113
<i>Revenue from exchange transactions</i>	
Tuition fees (note 12)	2,122,467
Other income (note 13)	127,859
Total revenues	<u>24,198,439</u>
Expenses	
Personnel emoluments (note 14)	(19,555,535)
Administrative support costs (note 15)	(723,568)
Utilities (note 16)	(1,267,996)
Maintenance and upkeep of property, plant and equipment (note 17)	(1,675,051)
Depreciation of property, plant and equipment (note 6)	(41,997)
Other operating expenses (note 18)	(925,652)
Total expenses	<u>(24,189,799)</u>
Surplus for the year	<u>8,640</u>

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

Barbados Community College 'Eyrie' Campus
Statement of Cash Flows
For the year ended March 31, 2011

(expressed in Barbados dollars)

	2011
	\$
Cash flows from operating activities	
Surplus for the year	8,640
Depreciation on property, plant and equipment	41,997
Interest income	(34,990)
	<hr/>
Surplus before working capital changes	15,647
Increase in accounts receivable	(145,317)
Increase in accounts payable and accrued liabilities	51,823
Increase in due to related party	120,885
Increase in deferred revenue	52,275
Increase in refundable deposits	78,800
Increase in other deposits	275,870
	<hr/>
Net cash generated from operating activities	449,983
Cash flows from investing activities	
Purchase of property, plant and equipment	(207,378)
Interest income	34,990
	<hr/>
Net cash flows used in investing activities	(172,388)
Net increase in cash and cash equivalents	277,595
Cash and cash equivalents - beginning of year	3,760,836
	<hr/>
Cash and cash equivalents - end of year	4,037,931
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The accompanying notes form an integral part of these financial statements.

Barbados Community College 'Eyrie' Campus
Statement of Comparison of Budget and Actual Amounts
For the year ended March 31, 2011

(expressed in Barbados dollars)

2011	Original budget \$	Final budget \$	Actual on comparable basis \$
Expenditure			
Statutory personal emoluments	10,733,862	10,733,862	10,329,452
Other personal emoluments	8,479,948	8,404,428	7,213,155
National Insurance	1,434,160	1,428,210	1,326,527
Travel	20,510	20,510	24,681
Utilities	1,577,747	1,390,139	1,267,996
Rental of property	149,213	149,213	112,380
Library	325,130	191,239	78,874
Supplies and materials	516,518	345,422	445,106
Maintenance of property	1,496,893	1,257,301	1,647,664
Operating expenses	1,257,992	813,643	925,652
Structures	10,829	10,829	27,387
Professional services	115,610	26,390	28,485
Contingencies	15,000	-	-
Subscriptions	7,899	7,899	4,238
Retiring benefits	55,810	55,810	55,810
Depreciation	-	-	41,997
Nursing - Special project	810,546	755,972	660,395
	27,007,667	25,590,867	24,189,799

Barbados Community College 'Eyrie' Campus
Statement of Comparison of Budget and Actual Amounts ...continued
For the year ended March 31, 2011

(expressed in Barbados dollars)

2011	Original budget \$	Final budget \$	Actual on comparable basis \$
Revenue			
Application fees	39,000	39,000	57,014
Summer program	170,000	170,000	-
Examination fees	2,000	2,000	-
Identification cards	37,500	37,500	36,850
Materials	295,000	295,000	244,666
Registration - Government and tuition	510,000	510,000	701,385
Transcripts	15,000	15,000	10,161
Faxes	250	250	1,540
Course outlines	500	500	180
Detailed course outlines	500	500	452
Student contingency fund	2,500	2,500	1,806
Course fees	1,533,604	1,533,604	1,003,497
Library fines	5,000	5,000	13,060
Rentals	30,525	30,525	79,055
Graduation gowns	14,100	14,100	15,320
Customised courses	2,000	2,000	-
Bank interest	-	-	34,990
Other sundry income	-	-	31,557
Other income	-	-	18,793
Government grant	-	22,400,000	21,948,113
	<u>2,657,479</u>	<u>25,057,479</u>	<u>24,198,439</u>

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

Barbados Community College 'Eyrie' Campus

Notes to Financial Statements

March 31, 2011

(expressed in Barbados dollars)

1 Establishment and principal activity

The Barbados Community College (the "BCC") was established under the Barbados Community College Act, 1968-23, which was amended in 1990. The BCC is comprised of three campuses, Eyrie located at Howell's Cross Road, the Hospitality Institute located at Marine Gardens and the Industry Services Unit located at the Harbour Industrial Park. These financial statements relate to the Eyrie Campus inclusive of the Industry Services Unit.

The BCC is a tertiary education institution which has ten Academic Divisions and a Department of Physical Education. The BCC has the power to confer Bachelor and Associate Degrees, for long term courses and Diplomas and Certificates for shorter programmes.

2 Significant accounting policies

a) Statement of compliance and basis of preparation

These financial statements have been prepared on the accrual basis of accounting in accordance with International Public Sector Accounting Standards (IPSAS) as issued by the International Public Sector Accounting Standards Board (IPSASB). They have been prepared on the basis of historical cost on the date of adoption of IPSAS. The statement of cash flows has been prepared using the indirect method. These policies have been consistently applied to all the years presented, unless otherwise stated.

This is the first set of financial statements prepared in compliance with IPSAS. The adoption of IPSAS has required changes to be made to the accounting policies followed by the College. The adoption of the new accounting policies has resulted in changes to the assets and liabilities recognised in the statement of financial position and revenues and expenses recognised in the statement of financial performance. Accordingly, the statement of financial position as of March 31, 2010 has been restated and the resulting changes are reported in the statement of changes in net assets and note 20. The revised statement of financial position as of March 31, 2010 is described in these financial statements as the opening statement of financial position at April 1, 2010, the date of adoption of accrual basis IPSAS. As permitted in respect of financial statements to which accrual accounting is first adopted in accordance with IPSAS, comparative information for the previous year has not been provided.

b) Adoption of new and revised standards

There were no new IPSAS standards issued and or effective for the year beginning April 1, 2010.

The IPSASB issued IPSAS 33 First-time adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs) in January 2015 to provide guidance to a first-time adopter that prepares and presents financial statements following the adoption of accrual basis IPSASs, in order to present high quality information:

- that provides transparent reporting about a first-time adopter's transition to accrual basis IPSASs;
- that provides a suitable starting point for accounting in accordance with accrual basis IPSASs irrespective of the basis of accounting the first-time adopter has used prior to the date of adoption; and
- where the benefits are expected to exceed the costs.

This standard is effective for annual periods beginning on or after January 1, 2017, with earlier application permitted. The College has opted to early adopt this standard in these financial statements.

Barbados Community College 'Eyrie' Campus

Notes to Financial Statements

March 31, 2011

(expressed in Barbados dollars)

2 Significant accounting policies ...continued

c) Critical accounting estimates and judgements

The development of estimates and the exercise of judgment in applying accounting policies may have a material impact on reported assets, liabilities, revenues and expenses. No critical estimates or judgements are required in the application of the College's accounting policies.

d) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call with original maturities of three months or less that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown in current liabilities in the statement of financial position.

e) Revenue recognition

Revenue from non-exchange transactions

Government grant

Revenue grants received from Government are recognised in the statement of financial performance in the period in which the related expenditure is incurred.

Revenue from exchange transactions

Tuition fees

Tuition fees are recognised on the accrual basis when conditions have been satisfied under the terms of contract with the students. Tuition fees paid in advance are deferred over the period of the prepayment and a portion recognised at the beginning of each semester.

Other income

The College receives revenue from various miscellaneous services such as rental of facilities, student services - printing and photocopying services, provision of course outlines and transcripts; proctoring of external examinations. Revenue from these exchange transactions is recognised when services have been provided.

Interest income

Interest income is recognised on the accrual basis using the effective interest method.

Barbados Community College 'Eyrie' Campus

Notes to Financial Statements

March 31, 2011

(expressed in Barbados dollars)

2 Significant accounting policies ...continued

f) Foreign currencies

i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the College operates ('the functional currency'). The financial statements are presented in Barbados dollars, which is the College's functional and presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into Barbados dollars using a monthly exchange rate, which approximates the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into Barbados dollars at the year-end closing rate.

Both realised and unrealised foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of financial performance.

g) Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the fair value of the asset (at initial recognition) is adopted as the deemed cost of the asset, where fair value can be reliably determined. The inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue in the statement of financial performance except to the extent that a liability is also recognised in respect of the same inflow due to performance obligations or settlement conditions.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits or service potential associated with the item will flow to the College and the cost of the item can be measured reliably. The carrying amount of a replaced part is derecognised. All repairs and maintenance expenses are charged to the statement of financial performance during the financial period in which the expenses are incurred.

Depreciation on assets is charged on a straight-line basis at rates calculated to allocate the cost of the asset less any estimated residual value over its remaining useful life:

Computer software	25%
Furniture and fittings	10%
Machinery and equipment	10%
Motor vehicles	14%
Property and plant	2.5% - 20%

Barbados Community College 'Eyrie' Campus

Notes to Financial Statements

March 31, 2011

(expressed in Barbados dollars)

2 Significant accounting policies ...continued

g) Property, plant and equipment ...continued

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount or recoverable service amount if the asset's carrying amount is greater than its estimated recoverable amount or recoverable service amount.

The College assesses property, plant and equipment for impairment and where impairment is identified a charge is made to the statement of financial performance.

The College derecognises items of property, plant and equipment upon disposal or when no future economic benefits or service potential is expected from its continuing use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of financial performance when the asset is derecognised.

h) Accounts payable

Accounts payable are obligations to pay for goods and services that have been accrued in the ordinary course of business from suppliers. Accounts payable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

i) Provisions

Provisions are recognised when the College has a legal or constructive obligation, as a result of past events, if it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

j) Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell and the value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Barbados Community College 'Eyrie' Campus

Notes to Financial Statements

March 31, 2011

(expressed in Barbados dollars)

2 Significant accounting policies ...continued

k) Accounts receivable

Receivables are recognised initially at fair value and subsequently remeasured at the anticipated realisable value. A provision for impairment of receivables is established when there is objective evidence that the College will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the provision is the difference between the carrying amount and the anticipated realisable value and is recognised in the statement of financial performance within other operating expenses.

l) Refundable deposits

At the time of registration, students are required to pay certain fees, to pay for any damage to BCC's property that they may be responsible for. These fees are refundable to the student upon completion of their course of study, to the extent that the deposit has not been fully applied to make good any repairs or replacements. Refundable deposits are recorded in current liabilities in the statement of financial position.

m) Other deposits

These comprise of fees paid by third parties to fund educational activities or to use the College to pay for services on their behalf. Also included are amounts collected from students which have to be paid to cover their insurance premiums, guild fees, and to fund the Physical Education activities.

n) Leases

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the College. Operating lease payments are recognised as an operating expense in the statement of financial performance on a straight-line basis over the lease term.

o) Budget information

The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the College. As a result of the adoption of the accrual basis for budgeting purposes, there are no basis, timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts. Explanatory comments are provided in the notes to the annual financial statements; first, the reasons for overall growth or decline in the budget are stated, followed by details of overspending or underspending on line items.

p) Taxation

The College is exempt from income and any other form of tax under Section 8 of the Barbados Community College, 1968-23.

Barbados Community College 'Eyrie' Campus

Notes to Financial Statements

March 31, 2011

(expressed in Barbados dollars)

3 Financial risk management

The College's activities expose it to a variety of financial risks including the effects of credit risk, liquidity risk and interest rate risk.

Risk management is carried out by the College's management team under the direction of the Executive Committee through review of the College's performance; and its investment and loan disbursement procedures and practices.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to suffer a financial loss. Credit risk arises primarily from cash and cash equivalents, and deposits with banks and financial institutions and accounts receivable.

The College evaluates the financial institutions with which it places cash and cash equivalents. Only reputable financial institutions with high credit ratings are considered.

The maximum exposure to credit risk is as follows:

	March 31, 2011		Restated April 1, 2010	
	\$	%	\$	%
Cash and cash equivalents	4,120,031	86	3,760,336	87
Accounts receivable	684,381	14	539,065	13
	<u>4,804,412</u>	<u>100</u>	<u>4,299,401</u>	<u>100</u>

Foreign currency risk

The College's transactions in foreign currencies are mainly for purchases of consumable stores and services. These transactions are denominated mainly in United States dollars. Since there is a fixed exchange rate between the Barbados dollar and the United States dollar, management do not consider that there is significant exposure to foreign exchange risk.

Barbados Community College 'Eyrie' Campus

Notes to Financial Statements

March 31, 2011

(expressed in Barbados dollars)

3 Financial risk management ...continued

Liquidity risk

Liquidity risk is the risk that the College does not have sufficient financial resources available to meet its obligation and commitments as they fall due. Liquidity management is therefore primarily designed to ensure that funding requirements can be met, including the replacement of existing funds as they are disbursed to creditors.

The College's liquidity management process includes:

- a) Monitoring future cashflows and liquidity on a monthly basis;
- b) Maintaining a portfolio of highly marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption of cash flow; and
- c) Optimising cash returns on investment.

The table below analyses the College's financial liabilities into relevant maturity grouping based on the remaining period at the date of the statement of financial position to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

2011	On demand \$	Between 1 - 2 years \$	2 - 5 years \$	Total \$
Accounts payable	26,483	-	-	26,483
Due to related party	130,833	-	-	130,833
Deferred revenue	153,937	-	-	153,937
Refundable deposits	535,194	-	-	535,194
Other deposits	332,739	-	-	332,739
	<u>1,179,186</u>	<u>-</u>	<u>-</u>	<u>1,179,186</u>

Capital management

The primary objective of managing the College's capital is to ensure that there is sufficient cash available to support the College's funding requirements, including capital expenditure, to ensure that the College remains financially sound. The College prioritises capital preservation and all cash balances are held rather than invested to ensure that there is sufficient liquidity to meet its requirements or that interest expenses are minimised.

Barbados Community College 'Eyrie' Campus
Notes to Financial Statements
March 31, 2011

(expressed in Barbados dollars)

3 Financial risk management ...continued

Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

The College is not exposed to any material market risk as it does not hold financial assets for trading purposes or that can be realised only by trading in the financial market.

Interest rate risk

Interest rate risk is the risk that the value of future cash flows will fluctuate because of changes in market interest rates. As the College has no significant interest bearing assets, the College's income and operating cash flows are substantially independent of changes in market interest rates. The College's balance with related parties is typically interest free.

4 Cash and cash equivalents

Cash and cash equivalents include the following for the purposes of the cash flow statement:

	2011 \$	Unaudited 2010 \$
Cash in hand	1,500	-
Cash at bank	4,118,531	3,760,336
	<hr/> 4,120,031	<hr/> 3,760,336
Bank overdraft	(82,101)	-
	<hr/> 4,037,930	<hr/> 3,760,336

Significant concentrations of cash and cash equivalents are as follows:

	2011 \$	Unaudited 2010 \$
Bank of Nova Scotin (unrated)	4,036,430	3,760,336

Barbados Community College 'Eyrie' Campus
Notes to Financial Statements
March 31, 2011

(expressed in Barbados dollars)

5 Accounts receivable

	2011 \$	Unaudited 2010 \$
Staff	163,193	182,320
Rental of facilities	15,900	32,000
Other	32,553	1,444
VAT refundable	472,735	196,301
	<hr/>	<hr/>
Prepaid insurance	684,381	412,065
	-	126,999
	<hr/>	<hr/>
	684,381	539,064

As at year end, accounts receivable of \$552,283 (2010 - \$Nil) were fully performing.

Aging of VAT refundable is as follows:

	2011 \$	Unaudited 2010 \$
Current year	408,572	196,301
Over 12 months	64,163	-
	<hr/>	<hr/>
	472,735	196,301

No provision for impairment has been made in respect of accounts receivable not fully performing.

As at January 31, 2019, the Ministry of Finance, Economic Affairs and Investment instructed state owned enterprises and other public bodies to write off intragovernmental debt (including tax refunds and budgetary transfers which have not been made) incurred prior to September 1, 2018 effective December 31, 2018. VAT receivables remaining unpaid at that date were written off.

Barbados Community College
Notes to Financial Statements
March 31, 2011

(expressed in Barbados dollars)

6 Property, plant and equipment

	Computer software \$	Furniture and fittings \$	Machinery and equipment \$	Motor vehicles \$	Property and plant \$	Total \$
At March 31, 2010 (unaudited)						
Cost	-	3,234	77,262	46,500	3,717	130,713
Accumulated depreciation	-	(162)	(7,726)	(3,321)	(372)	(11,581)
Net book value	-	3,072	69,536	43,179	3,345	119,132
Year ended March 31, 2011						
Opening net book amount	-	3,072	69,536	43,179	3,345	119,132
Additions	12,226	28,476	117,444	-	49,232	207,378
Depreciation charge	(1,528)	(1,747)	(29,535)	(6,510)	(2,677)	(41,997)
Closing net book value	10,698	29,801	157,445	36,669	49,900	284,513
At March 31, 2011						
Cost	12,226	31,710	194,706	46,500	52,949	338,091
Accumulated depreciation	(1,528)	(1,909)	(37,261)	(9,831)	(3,049)	(53,578)
Net book value	10,698	29,801	157,445	36,669	49,900	284,513

Barbados Community College

Notes to Financial Statements

March 31, 2011

(expressed in Barbados dollars)

7 Accounts payable and accrued liabilities

	2011 \$	Unaudited 2010 \$
Trade payables	26,483	-
Other payables	2,989	-
Vacation accrual	457,122	434,770
	486,594	434,770

8 Related party transactions

The Hospitality Institute (HI) is a division of the Barbados Community College, which is accounted for separately. The College collects certain tuition fees from the students of Hospitality Institute which are payable to the Hospitality Institute.

The following related party transactions occurred during the year:

	2011 \$	Unaudited 2010 \$
Fees collected on behalf of Hospitality Institute	186,525	86,625
Fees remitted to Hospitality Institute	65,640	86,350

Amounts due to related party:

	2011 \$	2010 \$
Due to Hospitality Institute	251,718	130,833

The amount due to the Hospitality Institute is interest free and due in the normal course business.

Key management compensation

Key management comprises senior management and the board of management of the College. Compensation to these individuals was as follows:

	2011 \$	Unaudited 2010 \$
Salaries and other short term benefits	475,320	476,035
Board of management fees	21,920	48,040
	497,240	524,075

Barbados Community College

Notes to Financial Statements

March 31, 2011

(expressed in Barbados dollars)

9 Deferred revenue

Students enrolled in two (2) and three (3) year courses, may pay the fees for the entire period. These fees are deferred until future semesters. Students who terminate their studies voluntarily or otherwise are entitled to be refunded the fees for semesters not attended.

	2011	Unaudited 2010
	\$	\$
Course	9,250	-
Registration	27,360	15,880
Materials	132,165	70,000
	<hr/>	<hr/>
One year deferral	168,775	85,880
	<hr/>	<hr/>
Course	6,250	-
Registration	3,020	9,420
Materials	28,165	58,637
	<hr/>	<hr/>
Two year deferral	37,435	68,057
	<hr/>	<hr/>
	206,210	153,937
	<hr/>	<hr/>
10 Refundable deposits		
	2011	Unaudited 2010
	\$	\$
Cautions fees	535,194	456,394
	<hr/>	<hr/>

Barbados Community College

Notes to Financial Statements

March 31, 2011

(expressed in Barbados dollars)

11 Other deposits

	2011	Unaudited 2010
	\$	\$
MOH Receipts - Institutional hygiene	120	-
MOH Receipts - Basic food safety	370	-
MOH Receipts - Swimming pool management	700	-
MOH Receipts - Basic vector control	200	-
Donations	9,475	5,460
BCC exams	20,131	38,742
Local agency receipts	(25,001)	(13,030)
Foreign agency receipts	15,406	-
Counselling USIS	14,833	8,013
Florida Caribbean cruise	3,654	3,654
Student contingency fund	416	1,871
Commercial or local secretarial exams	11,090	-
Student medical insurance	1,198	-
Graduation - Rental of gowns	(60)	-
Student fund raising	2,471	-
Physical education sports and athletics	59,755	-
Physical education fund raising	15,415	7,079
Guild fees	7,350	5,080
Visa fees	4,732	-
Inland Revenue	285	-
NIS (Employee's)	59	-
TVET sponsorship	52,392	-
Workshops	129,376	-
Student allowances	900	-
Invigilation fees	10,367	-
Administrative services	105	-
Scholarships	(3,000)	-
	332,739	56,869

Barbados Community College
Notes to Financial Statements
March 31, 2011

(expressed in Barbados dollars)

12 Tuition fees

	2011 \$
Course fees	1,003,497
Regional tuition	515,498
Extra-regional tuition	54,001
Materials	244,656
Registration	131,886
Rentals	79,055
Identification cards	36,850
Application and late entry fees	57,014
	<u>2,122,457</u>

13 Other income

	2011 \$
Sundry income	74,076
Other income	18,793
Interest income	34,990
	<u>127,859</u>

14 Personnel emoluments

	2011 \$
Salaries and wages	18,173,198
National Insurance	1,326,527
Gratuities	55,810
	<u>19,555,535</u>

Barbados Community College

Notes to Financial Statements

March 31, 2011

(expressed in Barbados dollars)

15 Administrative support costs

	2011
	\$
Library	80,016
Professional services	28,485
Rental of property	112,380
Supplies and materials	473,768
Subscription and contributions	4,238
Travel	24,681
	<u>723,568</u>

16 Utilities

	2011
	\$
Telephone and fax charges	330,215
Electricity and lighting	868,650
Water	69,131
	<u>1,267,996</u>

17 Maintenance and upkeep of property, plant and equipment

	2011
	\$
Maintenance of property	1,647,664
Structures	27,387
	<u>1,675,051</u>

Barbados Community College

Notes to Financial Statements

March 31, 2011

(expressed in Barbados dollars)

18 Other operating expenses

	2011
	\$
Hospitality	46,694
Conferences and meetings	47,487
Training	4,450
Postage	10,305
Special payments	6,950
Information services	90,465
Uniforms	29,793
Bank charges	4,351
Payment of licences	1,124
HIV/AIDS awareness payment	723
Field trips	17,888
Security services - BIMAP	34,537
Laundry expenses	661
Association membership fees	5,107
Other operating expenses	114,710
Janitorial services - BIMAP	10,393
Storage fee	24
Processing fee	1,771
Freight	2,901
Contractual administrative services	271,656
Costs associated with graduation	21,428
Board members fees and expenses	26,033
Security services	176,201
	<hr/>
	925,652

19 Commitments

At March 31, 2011, the commitments for goods and services ordered but not received were \$240,099.

Barbados Community College

Notes to Financial Statements

March 31, 2011

(expressed in Barbados dollars)

20 Change in accounting policy

The effects of the changes are shown in the following table:

Impact of change on the statement of financial position:

	(Unaudited) as previously reported March 31, 2010 \$	Fair value of net assets \$	Accumulated depreciation \$	Vacation accrual \$	Unaudited as restated April 1, 2010 \$
Current assets					
Cash and cash equivalents	3,760,336	-	-	-	3,760,336
Accounts receivable and prepayments	-	539,064	-	-	539,064
Non-current assets					
Property, plant and equipment	-	130,713	(11,581)	-	119,132
Current liabilities					
Accounts payable and accrued liabilities	-	-	-	(434,769)	(434,769)
Due to related party	-	(130,833)	-	-	(130,833)
Deferred revenue	-	(153,937)	-	-	(153,938)
Refundable deposits	-	(456,395)	-	-	(456,394)
Other deposits	-	(56,869)	-	-	(56,869)
Equity					
Accumulated surplus	3,760,336	(128,257)	(11,581)	(434,769)	3,620,498

Barbados Community College

Notes to Financial Statements

March 31, 2011

(expressed in Barbados dollars)

20 Change in accounting policy ...continued

Impact of change on the statement of changes in net assets:

	Unaudited Accumulated surplus \$
Balance at March 31, 2010 - as previously reported	3,760,336
Effect of change in accounting policy	
i) Fair value of net assets	(128,257)
ii) Accumulated depreciation on property, plant and equipment	(11,581)
iii) Vacation accrual	(434,769)
Balance at April 1, 2010 - restated	<u>3,185,729</u>

i) Fair value of net assets

Under the previous accounting policy, accounts receivable and prepayments, amounts due to related party, deferred revenue, refundable deposits and other deposits were not recognized as amounts that were due from or due to other parties. On the date of adoption of IPSAS, an adjustment of (\$128,257) was made to reflect these balances.

ii) Accumulated depreciation

Under the previous accounting policy, no depreciation was charged on the property, plant and equipment of the College. On the date of adoption of IPSAS, an adjustment of \$11,581 was recorded to reflect the accumulated depreciation on such assets from the date of acquisition up to April 1, 2010.

iii) Accounts payable and accrued liabilities

Under the previous accounting policy, no vacation accrual provision was made in respect of outstanding vacation leave. On the date of adoption of IPSAS, an adjustment of \$434,769 was made to record the College's liability in respect of outstanding vacation leave.

Barbados Community College
Notes to Financial Statements
March 31, 2011

(expressed in Barbados dollars)

21 Comparison of budget and actual amounts

The College's budget and financial statements are both prepared using a full accrual basis. The statements of financial position, financial performance, changes in net assets and cash flows and the statement of comparison of budget are prepared using a classification based on the nature of expenses in the statement of financial performance.

Explanations of material differences between the original budget and final budget and, final budget and the actual amounts are presented below:

Revenue

	Original budget \$	Final budget \$	Actual on a comparable basis \$	Variance between original and final budget \$	Variance between final budget and actual on a comparable basis \$
2011					
Course fees	1,533,604	1,533,604	1,003,497	-	(530,107)
Government grant	-	22,400,000	21,948,113	22,400,000	(451,887)

Course fees

The variance in course fee revenue was primarily the result of a reduction in student enrolment in the various programmes.

Government grant

The variance in Government grant arose from a shortfall between what was budgeted for and received from the Government of Barbados.

Barbados Community College
Notes to Financial Statements
March 31, 2011

(expressed in Barbados dollars)

21 Comparison of budget and actual amounts ... continued

Expenses

	Original budget \$	Final budget \$	Actual on a comparable basis \$	Variance between original and final budget \$	Variance between final budget and actual on a comparable basis \$
2011					
Statutory personal emoluments	10,733,862	10,733,862	10,329,452	-	(404,410)
Other personal emoluments	8,479,948	8,404,428	7,313,155	(75,520)	(1,166,793)

Statutory personal emoluments

The variances in the statutory personal emoluments costs were primarily the result of delayed or deferred recruitment to fill positions included in the budget.

Other personal emoluments

Similar to the constraints highlighted for the statutory personal emoluments, the variance in other personal emoluments arose from delayed or deferred recruitment to fill positions in the budget.