

Early Learning and Child Care Program

Financial Statements: Requirements for Nursery Schools

Funded nursery schools must submit financial statements no later than 5 months following the nursery school's fiscal year end:

Nursery School Fiscal Year End	Financial Statements Due Date
March	August 31
June	November 30
August	January 31
September	February 28
December	May 31

The financial statements for nursery schools must be prepared in accordance with the generally accepted accounting standards, but do not need to be audited or reviewed by an accountant with a professional accounting designation.

The financial statements must include the following:

1. Balance Sheet;
2. Statement of Revenue and Expenses prepared on the accrual basis of accounting, including separate revenue accounts for grants received; and
3. Signatures of two members of the board of directors approving the financial statements.

A *Sample Balance Sheet* and a *Sample Statement of Revenue and Expenses* are included on the following pages to provide assistance to the board of directors and management of the nursery school. The financial statements must be prepared in this manner.

Should you have any questions about the above requirements, please do not hesitate to contact elccfinance@gov.mb.ca or 204-945-0776 (toll-free at 1-888-213-4754).

SAMPLE BALANCE SHEET

XYZ Nursery School As At June 30, 2017

ASSETS	<u>2017</u>	<u>2016</u>
CURRENT ASSETS		
Cash	\$5,282	\$4,701
Petty Cash	100	100
Prepaid Insurance	300	300
Investment, Credit Union	<u>5</u>	<u>5</u>
	<u>\$5,687</u>	<u>\$5,106</u>
LIABILITIES AND RETAINED EARNING		
CURRENT LIABILITIES		
Accounts Payable, Accounting Fees	\$ 2,500	\$ 2,500
Pension Advance Province of MB	<u>297</u>	<u>297</u>
	\$ 2,797	\$ 2,797
RETAINED EARNINGS	<u>2,890</u>	<u>2,309</u>
	<u>\$5,687</u>	<u>\$5,106</u>

APPROVED ON BEHALF OF THE BOARD:

Board Member

Board Member

SAMPLE STATEMENT OF REVENUE AND EXPENSES

XYZ Nursery School For The Year Ended June 30, 2017

	<u>2017</u> <u>ACTUAL</u>	<u>2016</u> <u>ACTUAL</u>
REVENUE		
Parent Fees	\$37,440	\$37,440
Donations	1,000	800
Operating Grant – Province of MB	5,280	5,280
Grant – 4% Pension Province of MB	1,189	1,165
Fundraiser	<u>1,500</u>	<u>1,300</u>
	<u>\$46,409</u>	<u>\$45,985</u>
EXPENDITURES		
Staff Salaries and Benefits		
Salaries	\$29,727	\$29,144
Canada Pension Plan	1,125	1,096
Vacation pay	1,189	1,166
Workers' Compensation	155	151
Employment Insurance	678	665
Pension	1,189	1,165
Program		
Food	300	
290		
Activity supplies	1,500	1,400
Equipment and furniture	300	250
Special projects	250	230
Building Rental	4,000	4,000
Administration		
Postage and stationary	370	360
Bank charges	100	90
Insurance	600	600
Staff training	800	700
Annual return	25	25
Fire inspection	370	370
MCCA membership	150	150
Phone charges	500	450
Accounting fees	<u>2,500</u>	<u>2,500</u>
	<u>\$45,828</u>	<u>\$44,802</u>
NET INCOME (LOSS)	\$ 581	\$1,183
Retained Earnings at beginning of year	<u>2,309</u>	<u>1,126</u>
Retained Earnings at end of year	<u>\$2,890</u>	<u>\$2,309</u>

CONFLICT OF INTEREST GUIDELINES

- Members of the board of directors and employees of a child care centre are responsible for disclosure of any situation or matter to the chairperson of the board or other designated officer where the member or employee has an actual or perceived conflict of interest or the potential for a conflict of interest.
- A “conflict of interest” is any situation in which a board member or employee of a child care centre has an employment, business or personal interest, which results or appears to result in an improper material interest or an advantage by virtue of the person’s position. A material interest includes any matter or situation where a board member or employee has a direct or indirect financial or other interest beyond the interest of an ordinary citizen.
- Members of the board of directors or employees of a child care centre shall not engage directly or indirectly in any personal business transaction or private arrangement for personal profit or benefit which they gain by reason of their position with the child care centre.
- Members of the board of directors or employees of a child care centre shall not have direct or indirect personal business or financial activities, which conflict with their duties and responsibilities in any way related to the child care centre.
- Where a member of the board of directors or employee of the child care centre is in an actual, potential or perceived conflict of interest situation, that member or employee must immediately remove themselves from any decision-making role whether directly or indirectly with respect to the particular matter that gave rise to the conflict situation.
- In order that their honesty and impartiality may be beyond doubt, members of the board of directors or employees of the child care centre should not place themselves in a position where they are under obligation to any persons who might benefit from special considerations or favours on their part or seek in any way to gain special treatment from them.
- Conflict of interest declarations should be filed annually at a minimum or updated immediately where:
 - an actual, potential or perceived conflict situation arises where none existed previously; or
 - a change occurs, which alters the nature or degree of the conflict, subsequent to a declaration being made.