

The Edward Said National Conservatory of Music (ESNCM)

**Financial Statements
And
Independent Auditors' Report
For the Year ended August 31, 2013**

The Edward Said National Conservatory of Music (ESNCM)

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The Edward Said National Conservatory of Music (ESNCM)
Statement of Financial Position
As of August 31, 2013

Assets	Note	2013 USD	2012 USD
Cash on hand and deposits with banks	3	886,280	323,231
Grants receivable	4	68,200	196,175
Accounts receivable	5	89,432	162,744
Prepaid expenses	6	402,756	430,058
Inventory of musical instruments, CDs and books		51,945	47,226
Fixed assets - net of accumulated depreciation	7	2,783,580	1,425,948
Buildings in progress	8	741,193	1,657,948
Total Assets		5,023,386	4,243,330
Liabilities and Net Assets			
Liabilities:			
Payables and accruals	9	170,627	195,697
Tuition fees received in advance		169,459	113,908
Reserve for severance pay	10	348,366	296,482
Loan payable	11	200,000	200,000
Interest payable	11	14,354	10,151
Total Liabilities		902,806	816,238
Net Assets:			
Unrestricted:			
General fund (deficit)		(71,388)	(105,103)
Investment in fixed assets		3,524,773	3,083,896
Total unrestricted	Statement-C	3,453,385	2,978,793
Temporarily restricted	Statement-C	667,195	448,299
Total Net Assets		4,120,580	3,427,092
Total Liabilities and Net Assets		5,023,386	4,243,330

Ms. Rima Tarazi
Chairman of Supervisory Board

Mr. Suheil Khoury
General Director

See Notes to Financial Statements

The Edward Said National Conservatory of Music (ESNCM)
Statement of Activities
For the Year Ended August 31, 2013

	Note	Unrestricted	Temporary	Total	
		Fund	Restricted	2013	2012
		USD	USD	USD	USD
Revenues:					
Grants	13&15	78,155	2,221,360	2,299,515	3,024,316
Total grants		78,155	2,221,360	2,299,515	3,024,316
Releases from restrictions:					
Releases to cover scholarships		146,752	(146,752)	-	-
Releases to cover operating expenses		1,855,712	(1,855,712)	-	-
Net assets released from restrictions	15	2,002,464	(2,002,464)	-	-
Operating income:					
Tuition and registration fees	12	469,308	-	469,308	430,467
Concerts revenue		222,529	-	222,529	56,737
Sales of CD's, books, and musical instruments		27,878	-	27,878	16,644
Rent of premises and other income		17,417	-	17,417	22,231
Total operating income		737,132	-	737,132	526,079
Total revenues		2,817,751	218,896	3,036,647	3,550,395
Expenses:					
Program expenses :					
Teaching		1,241,780	-	1,241,780	979,231
Programs		876,225	-	876,225	917,141
Total program expenses	Statement-E	2,118,005	-	2,118,005	1,896,372
Administrative and general	Statement-E	32,000	-	32,000	28,500
Total program and administrative expenses		2,150,005	-	2,150,005	1,924,872
Depreciation	7	140,260	-	140,260	108,243
Difference of currency		48,691	-	48,691	(25,153)
Interest expense		4,203	-	4,203	10,151
Total expenses		2,343,159	-	2,343,159	2,018,113
Change in net assets for the year		474,592	218,896	693,488	1,532,282

See Notes to Financial Statements