

The Edward Said National Conservatory of Music (ESNCM)

**Financial Statements
And
Independent Auditors' Report
For the Year ended August 31, 2014**

The Edward Said National Conservatory of Music (ESNCRM)

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The Edward Said National Conservatory of Music (ESNCM)
Statement of Financial Position
As of August 31, 2014

Assets	Note	2014 USD	2013 USD
Cash on hand and deposits with banks	3	323,188	886,280
Grants receivable	4	283,763	68,200
Accounts receivable	5	67,047	89,432
Prepaid expenses	6	384,639	402,756
Inventory of musical instruments, CDs and books		51,647	51,945
Fixed assets - net of accumulated depreciation	7	4,331,748	2,840,440
Buildings in progress	8	-	1,138,403
Total Assets		5,442,032	5,477,456
Liabilities and Net Assets			
Liabilities:			
Payables and accruals	9	369,035	205,515
Tuition fees received in advance		212,555	169,459
Reserve for severance pay	10	407,532	348,366
Loan payable	11	200,000	200,000
Interest payable	11	18,641	14,354
Total Liabilities		1,207,763	937,694
Net Assets:			
Unrestricted:			
General fund (deficit)		(225,612)	(106,276)
Investment in fixed assets		4,331,748	3,978,843
Total unrestricted	Statement-C	4,106,136	3,872,567
Temporarily restricted	Statement-C	128,133	667,195
Total Net Assets		4,234,269	4,539,762
Total Liabilities and Net Assets		5,442,032	5,477,456

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, 2014

	Note	Unrestricted	Temporary	Total	
		Fund	Restricted	2014	2013
		USD	USD	USD	USD
Revenues:					
Grants	13&15	37,862	1,548,753	1,586,615	2,299,515
Total grants		37,862	1,548,753	1,586,615	2,299,515
Releases from restrictions:					
Releases to cover scholarships		162,322	(162,322)	-	-
Releases to cover operating expenses		1,925,493	(1,925,493)	-	-
Net assets released from restrictions	15	2,087,815	(2,087,815)	-	-
Operating income:					
Tuition and registration fees	12	568,125	-	568,125	469,308
Concerts revenue		147,736	-	147,736	222,529
Sales of CD's, books, and musical instruments		14,967	-	14,967	27,878
Rent of premises and other income		8,686	-	8,686	17,417
Total operating income		739,514	-	739,514	737,132
Total revenues		2,865,191	(539,062)	2,326,129	3,036,647
Expenses:					
Program expenses :					
Teaching		1,607,587	-	1,607,587	1,273,780
Programs		784,625	-	784,625	876,225
Total program expenses		2,392,212	-	2,392,212	2,150,005
Depreciation	7	176,430	-	176,430	140,260
Difference of currency		33,864	-	33,864	48,691
Provision for bad debts		24,830	-	24,830	-
Interest expense		4,287	-	4,287	4,203
Total expenses		2,631,623	-	2,631,623	2,343,159
Change in net assets for the year		233,569	(539,062)	(305,493)	693,488

See Notes to Financial Statements