

**EDNA MANLEY COLLEGE OF THE VISUAL AND PERFORMING ARTS
GOVERNMENT OF JAMAICA SUBVENTION**

**Year ended March 31, 2012
FINANCIAL STATEMENTS**

EDNA MANLEY COLLEGE OF THE
VISUAL AND PERFORMING ARTS
GOVERNMENT OF JAMAICA SUBVENTION
MARCH 31, 2012

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March 24, 2014

The Permanent Secretary
Ministry of Education, Youth and Culture
Heroes Circle
Kingston

Auditors' Report

EDNA MANLEY COLLEGE OF THE VISUAL AND PERFORMING ARTS **(Government of Jamaica Subvention)**

We have audited the financial statements set out on pages 1 to 7 and have obtained all the information and explanation which we required. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures, as we considered necessary.

These financial statements are prepared for the purpose of reporting to the Ministry of Education and are limited in scope to accounts and transactions related to the Government of Jamaica Subvention. The basis of financial reporting to the Ministry is set out in note 5 - Significant Accounting Policies.

In our opinion proper accounting records have been maintained and the financial statements are in agreement with the accounting records. The financial statements, in keeping with the limited purpose and scope set out in paragraph two above, give a true and fair view of the College's affairs at March 31, 2012 and of the receipts and disbursements for the year then ended, so far as they relate to the Government of Jamaica Subvention.

CHARTERED ACCOUNTANTS

EDNA MANLEY COLLEGE OF THE VISUAL AND PERFORMING ARTS

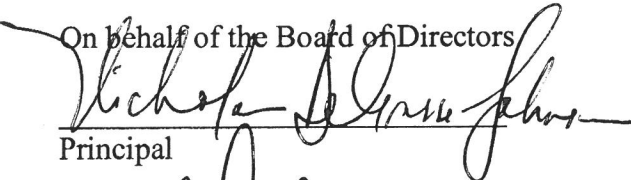
Government of Jamaica Subvention

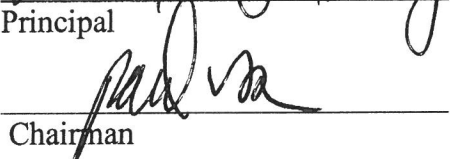
Statement of Financial Position

March 31, 2012

	<u>Notes</u>	<u>2012</u> \$	<u>2011</u> \$
ASSETS			
Current Assets			
Cash and cash equivalents		6,705,677	50,143
Receivables	6	<u>742,863</u>	<u>-</u>
Total Assets		<u>7,448,540</u>	<u>50,143</u>
LIABILITIES & COLLEGE FUNDS			
Current Liabilities			
Payable and accruals	7	<u>3,181,812</u>	<u>1,451,262</u>
		<u>3,181,812</u>	<u>1,451,262</u>
College Funds			
Accumulated Surplus/(deficit)		<u>4,266,728</u>	<u>(1,401,119)</u>
Total Liabilities and College Funds		<u>7,448,540</u>	<u>50,143</u>

On behalf of the Board of Directors


Principal


Chairman

March 24, 2014
Date

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

EDNA MANLEY COLLEGE OF THE VISUAL AND PERFORMING ARTS

Government of Jamaica Subvention

Statement of Income and Expense

March 31, 2012

	<u>Notes</u>	<u>2012</u> \$	<u>2011</u> \$
INCOME			
Subvention		<u>356,344,698</u>	<u>317,007,418</u>
EXPENDITURE:-			
Salaries and wages – Academic and Administrative Staff		267,192,800	240,291,951
Salaries and wages – Ancillary Staff		15,528,850	14,537,929
Salaries and wages –Academic - Part Time		47,672,803	39,809,947
Material and Laundry Allowance		523,286	1,319,068
National Housing Trust		9,447,017	8,488,332
National Insurance Scheme		4,340,409	3,693,236
Security		2,278,884	1,002,370
Stationery		-	14,998
Travelling & Subsistence		730,057	205,233
Text books and references		-	12,087
Advertising		-	31,740
Repairs and maintenance		-	142,231
Utilities		2,438,149	6,600,027
Audit and accounting		254,000	-
Bank charges		45,396	46,010
Miscellaneous expense	9	<u>225,200</u>	<u>3,151,138</u>
Total operating expenditure		<u>350,676,851</u>	<u>319,346,297</u>
Surplus/(Deficit) for year		<u>5,667,847</u>	<u>(2,338,879)</u>

EDNA MANLEY COLLEGE OF THE VISUAL AND PERFORMING ARTS

Government of Jamaica Subvention

Statement of Changes in Accumulated Surplus/(Deficit)

March 31, 2012

	<u>2012</u>	<u>2011</u>
	<u>\$</u>	<u>\$</u>
Accumulated (Deficit)/surplus at beginning of year	(1,401,119)	937,760
Net surplus/(deficit) for the year	<u>5,667,847</u>	<u>(2,338,879)</u>
Accumulated surplus/(deficit) at end of year	<u>4,266,728</u>	<u>(1,401,119)</u>

EDNA MANLEY COLLEGE OF THE VISUAL AND PERFORMING ARTS

Government of Jamaica Subvention

Statement of Cash Flows

Year ended March 31, 2012

	<u>2012</u>	<u>2011</u>
	<u>\$</u>	<u>\$</u>
Cash flows from operating activities:		
Surplus/(Deficit) for the year	<u>5,667,847</u>	<u>(2,338,879)</u>
(Increase)/decrease in current assets		
Receivable	(742,863)	4,053,509
Increase/ (decrease) in current liabilities		
Payable and accruals	<u>1,730,550</u>	<u>(4,683,512)</u>
Net cash provided by/ (used in) operating activities	<u>987,687</u>	<u>(630,003)</u>
Cash flows from investing activity		-
Net (decrease)/increase in cash and cash equivalents	6,655,534	(2,968,882)
Cash and cash equivalents at beginning of the year	<u>50,143</u>	<u>3,019,025</u>
Cash and cash equivalents at end of the year	<u><u>6,705,677</u></u>	<u><u>50,143</u></u>

EDNA MANLEY COLLEGE OF THE VISUAL AND PERFORMING ARTS

Government of Jamaica Subvention

Notes to Financial Statements

March 31, 2012

1. Identification

- (a) Edna Manley College of the Visual and Performing Arts is a registered institution of the University Council of Jamaica, with approval to issue baccalaureate degrees in Fine Arts, Arts Education and Music.
- (b) The College was originally established as the Cultural Training Centre under Institute of Jamaica combining the Edna Manley College of the Visual Arts, the Jamaica School of Music, the Jamaica School of Drama and the Jamaica School of Dance. With effect from March 29, 1995, the College was transferred to the Ministry of Education, registered as a third stage public educational institution under the Education Act, and renamed the Edna Manley College of the Visual and Performing Arts.

The administration of the College is regulated under the “Edna Manley College of the Visual and Performing Arts Scheme 1999”. The primary functions of the College are teaching and research. The College is primarily financed by subventions from the Government of Jamaica.

The registered office of the College and its principal place of operation is located at 1 Arthur Wint Drive, Kingston 5, St. Andrew.

The College is exempted from Income Tax and Transfer Tax, Import Duties and General Consumption Tax on imported items. Under the General Consumption Tax Act the College is zero rated.

2. Scope of Statement

The scope of the statements is limited to reporting on the Government of Jamaica Subvention Accounts.

3. Government of Jamaica Subvention

The major source of funding for the operation of the College is by Subvention from the Ministry of Education. The subvention is applicable to personal emoluments, payroll taxes and other expenditures specifically approved by the Ministry. The amount of subvention is determined by the Ministry of Education based on budgets submitted by the College.

EDNA MANLEY COLLEGE OF THE VISUAL AND PERFORMING ARTS

Government of Jamaica Subvention

Notes to Financial Statements

March 31, 2012

4. Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and revenue and expenses during the reporting period. Actual results could differ from those estimates.

5. Significant Accounting Policies

(a) Accounting convention

These financial statements are prepared under the historical cost convention.

(b) Basis of Income Recognition

The subvention is recognized on the basis of amount received.

(c) Basis of Expense Recognition

Transactions in the detailed receipt and expenditure schedule are recognized on a cash basis.

Otherwise, transactions are recognized on the accruals basis. Accruals comprise the liability for employee statutory contribution, elective payroll deductions, and payroll taxes at the reporting date.

6. Receivable

	<u>2012</u>	<u>2011</u>
	\$	\$
Advances	<u>742,863</u>	<u>-</u>
	<u>742,863</u>	<u>-</u>

7. Payable and accruals

	<u>2012</u>	<u>2011</u>
	\$	\$
Statutory payroll liabilities	2,054,385	1,043,676
Accounts payable	<u>1,127,427</u>	<u>407,586</u>
	<u>3,181,812</u>	<u>1,451,262</u>

EDNA MANLEY COLLEGE OF THE VISUAL AND PERFORMING ARTS

Government of Jamaica Subvention

Notes to Financial Statements

March 31, 2012

8. Income

Income is accounted for on a cash basis.

9. Miscellaneous expense

This amount is comprised of student grants and duty allowance paid from the subvention account.