

**EDNA MANLEY COLLEGE OF THE VISUAL
AND PERFORMING ARTS
GOVERNMENT OF JAMAICA SUBVENTION
Year ended March 31, 2011
FINANCIAL STATEMENTS**

Smith and Associates
Chartered Accountants
16 Hope Road
Kingston 10

EDNA MANLEY COLLEGE OF THE
VISUAL AND PERFORMING ARTS
GOVERNMENT OF JAMAICA SUBVENTION
MARCH 31, 2011

I N D E X

	<u>PAGE</u>
AUDITORS' REPORT	
FINANCIAL STATEMENTS	
Statement of Financial Position	1
Statement of Income and Expenses	2
Statement of Changes in Accumulated Surplus	3
Statement of Cash Flows	4
Notes to Financial Statements	5 - 7



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March 1, 2013

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

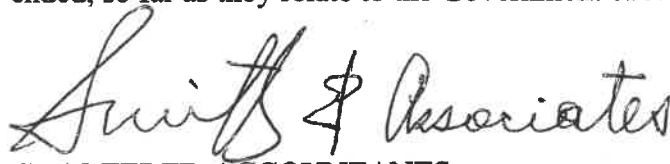
Auditors' Report

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 6 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, 2011 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

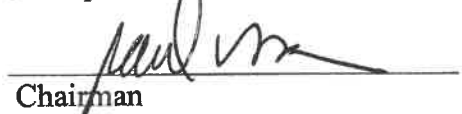
Statement of Financial Position

March 31, 2011

	<u>Notes</u>	<u>2011</u> \$	<u>2010</u> \$
ASSETS			
Current Assets			
Cash and cash equivalents		50,143	3,019,025
Receivables	6	<u>-</u>	<u>4,053,509</u>
Total Assets		<u>50,143</u>	<u>7,072,534</u>
LIABILITIES & COLLEGE FUNDS			
Current Liabilities			
Payable and accruals	7	<u>1,451,262</u>	<u>6,134,774</u>
		<u>1,451,262</u>	<u>6,134,774</u>
College Funds			
Accumulated deficit		<u>(1,401,119)</u>	<u>937,760</u>
Total Liabilities and College Funds		<u>50,143</u>	<u>7,072,534</u>

On behalf of the Board of Directors


Principal


Chairman

1/3/13
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, 2011

	<u>Notes</u>	<u>2011</u>	<u>2010</u>
		<u>\$</u>	<u>\$</u>
INCOME			
Subvention		<u>317,007,418</u>	<u>341,455,651</u>
EXPENDITURE:-			
Salaries and wages – Academic and Administrative Staff		240,291,951	252,954,514
Salaries and wages – Ancillary Staff		14,537,929	15,362,486
Salaries and wages –Academic - Part Time		39,809,947	42,878,647
Material and Laundry Allowance		1,319,068	1,567,630
National Housing Trust		8,488,332	9,319,838
National Insurance Scheme		3,693,236	2,900,605
Security		1,002,370	1,910,332
Stationery		14,998	12,805
Travelling & Subsistence		205,233	-
Text books and references		12,087	1,000
Advertising		31,740	-
Repairs and maintenance		142,231	-
Utilities		6,600,027	5,627,885
Audit and accounting		-	640,000
Bank charges		46,010	44,454
Miscellaneous expense	9	<u>3,151,138</u>	<u>545,950</u>
Total operating expenditure		<u>319,346,297</u>	<u>333,766,146</u>
(Deficit)/ Surplus for year		<u>(2,338,879)</u>	<u>7,689,505</u>

EDNA MANLEY COLLEGE OF THE VISUAL AND PERFORMING ARTS

Government of Jamaica Subvention

Statement of Changes in Accumulated Surplus/(Deficit)

March 31, 2011

	<u>2011</u>	<u>2010</u>
	<u>\$</u>	<u>\$</u>
(Deficit) at beginning of year	937,760	(6,751,745)
Net (deficit)/surplus for the year	<u>(2,338,879)</u>	<u>7,689,505</u>
Accumulated deficit at end of year	<u>(1,401,119)</u>	<u>937,760</u>

EDNA MANLEY COLLEGE OF THE VISUAL AND PERFORMING ARTS

Government of Jamaica Subvention

Statement of Cash Flows

Year ended March 31, 2011

	<u>2011</u>	<u>2010</u>
	\$	\$
Cash flows from operating activities:		
(Deficit)/Surplus for the year	<u>(2,338,879)</u>	<u>7,689,505</u>
(Increase)/decrease in current assets		
Receivable	4,053,509	(123,802)
Increase/ (decrease) in current liabilities		
Payable and accruals	<u>(4,683,512)</u>	<u>(5,999,725)</u>
Net cash provided by/ (used in) operating activities	<u>(630,003)</u>	<u>(6,123,527)</u>
Cash flows from investing activity	-	-
Net (decrease)/increase in cash and cash equivalents	(2,968,882)	1,565,978
Cash and cash equivalents at beginning of the year	<u>3,019,025</u>	<u>1,453,047</u>
Cash and cash equivalents at end of the year	<u><u>50,143</u></u>	<u><u>3,019,025</u></u>

EDNA MANLEY COLLEGE OF THE VISUAL AND PERFORMING ARTS

Government of Jamaica Subvention

Notes to Financial Statements

March 31, 2011

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, 2011

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>2011</u>	<u>2010</u>
	\$	\$
Advances	-	4,053,509
	<u>-</u>	<u>4,053,509</u>

7. Payable and accruals

	<u>2011</u>	<u>2010</u>
	\$	\$
Statutory payroll liabilities	1,043,676	4,854,774
Accounts payable	407,586	1,280,000
	<u>1,451,262</u>	<u>6,134,774</u>

EDNA MANLEY COLLEGE OF THE VISUAL AND PERFORMING ARTS

Government of Jamaica Subvention

Notes to Financial Statements

March 31, 2011

8. Income

Income is accounted for on a cash basis.

9. Miscellaneous expense

This amount is comprised of inter-departmental advances from the subvention account to the hostel and the general accounts in the prior year. The amounts have been expensed in the current year.