

NEW ENGLAND CONSERVATORY

Statement of Financial Position

Year ended June 30, 2005 (with summarized financial information as of June 30, 2004)

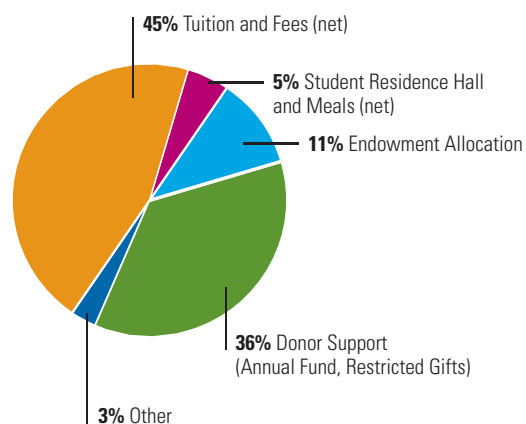
ASSETS

	2005	2004
Cash and equivalents	\$2,296,121	3,999,197
Receivables and other assets	576,767	1,266,657
Student accounts, notes, and loans receivable, net	2,687,724	2,448,484
Contributions receivable, net	10,369,940	14,240,292
Planned giving assets	2,686,495	2,787,455
Endowment investments, at fair value	65,565,843	49,975,445
Property and equipment, net	18,260,608	18,731,615
Total assets	\$102,443,498	93,449,145

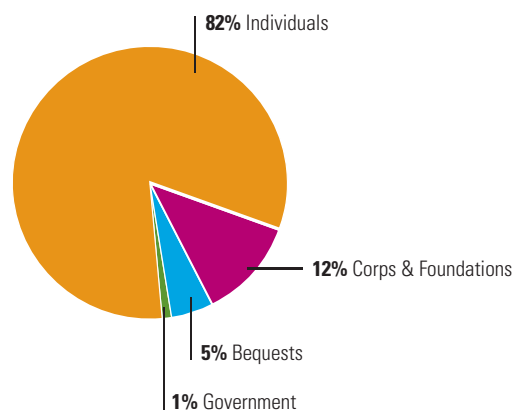
LIABILITIES AND NET ASSETS

Accounts payable and accrued expenses	\$1,489,076	1,058,543
Deposits and advance payments	395,178	385,259
Government advances for student loans	3,267,512	3,151,644
Total liabilities	5,151,766	4,595,446
Net assets:		
Unrestricted	28,231,871	22,219,114
Temporarily restricted	29,071,982	29,284,953
Permanently restricted	39,987,879	37,349,632
Total net assets	97,291,732	88,853,699
Total liabilities and net assets	\$102,443,498	93,449,145

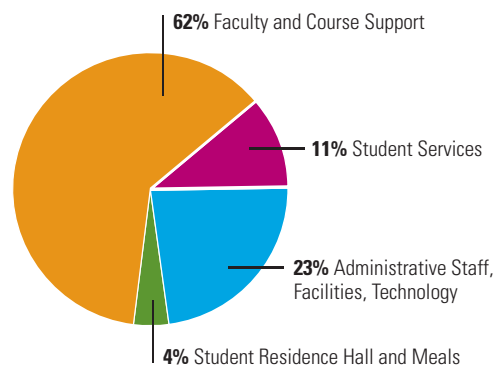
Sources of Funds



Annual Support



Uses of Funds



The accounting firm of KPMG LLP has audited the financial statements that appear on these pages, and in a letter dated September 2, 2005, has expressed its opinion that these statements fairly present, in all material respects, the financial position of New England Conservatory.

NEW ENGLAND CONSERVATORY

Statement of Activities

Year ended June 30, 2005 (with summarized financial information for the year ended June 30, 2004)

	Unrestricted				Temporarily Restricted	Permanently Restricted	2005 Total	2004 Total
	Operating	Plant	Internally Designated	Total Unrestricted				
REVENUES & SUPPORT								
Tuition and fees	23,428,712	—	—	23,428,712	—	—	23,428,712	21,474,489
Less student aid	(7,309,553)	—	—	(7,309,553)	—	—	(7,309,553)	(6,506,287)
Net tuition and fees	16,119,159	—	—	16,119,159	—	—	16,119,159	14,968,202
Dormitory and dining service	1,796,751	—	—	1,796,751	—	—	1,796,751	1,719,858
Less student aid	—	—	—	—	—	—	—	(6,725)
Net dormitory and dining service	1,796,751	—	—	1,796,751	—	—	1,796,751	1,713,133
Investment activities								
Endowment income	803,175	—	—	803,175	—	—	803,175	853,485
Net realized and unrealized investment gains	—	—	1,063,933	1,063,933	2,232,114	—	3,296,047	4,011,622
Total endowment return	803,175	—	1,063,933	1,867,108	2,232,114	—	4,099,222	4,865,107
Allocated endowment spending	2,567,216	—	(835,544)	1,731,672	(1,731,672)	—	—	—
Total endowment return and allocated endowment spending	3,370,391	—	228,389	3,598,780	500,442	—	4,099,222	4,865,107
Private gifts	2,111,732	213,560	1,628,719	3,954,011	5,685,569	3,495,017	13,134,597	20,811,026
Government grants	266,508	—	—	266,508	—	—	266,508	362,293
Change in value of planned giving net assets	—	—	—	—	(58,062)	(180,496)	(238,558)	34,606
Other sources	1,117,090	51,525	—	1,168,615	—	—	1,168,615	782,911
Net assets released from time and purpose restrictions	1,803,947	—	5,219,492	7,023,439	(6,147,377)	(876,062)	—	—
Net assets reclassified	(6,245)	—	—	(6,245)	(193,543)	199,788	—	—
Total revenues and other support	26,579,333	265,085	7,076,600	33,921,018	(212,971)	2,638,247	36,346,294	43,537,278
EXPENSES								
Instruction	14,183,203	704,076	—	14,887,279	—	—	14,887,279	14,333,391
Academic support	2,392,417	180,667	—	2,573,084	—	—	2,573,084	2,460,786
Student services	2,929,986	106,683	—	3,036,669	—	—	3,036,669	2,803,338
Institutional support	6,137,247	280,890	—	6,418,137	—	—	6,418,137	6,275,136
Dormitory and dining service	906,965	86,127	—	993,092	—	—	993,092	922,705
Total expenses	26,549,818	1,358,443	—	27,908,261	—	—	27,908,261	26,795,356
Change in net assets	29,515	(1,093,358)	7,076,600	6,012,757	(212,971)	2,638,247	8,438,033	16,741,922
Net assets at beginning of year	761,861	13,446,439	8,010,814	22,219,114	29,284,953	37,349,632	88,853,699	72,111,777
Net assets at end of year	\$791,376	12,353,081	15,087,414	28,231,871	29,071,982	39,987,879	97,291,732	88,853,699