

B37072

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

EXAMINATION REPORT  
OF  
JOSHUA ACADEMY, INC  
VANDERBURGH COUNTY, INDIANA  
July 1, 2007 to June 30, 2009



**FILED**  
05/28/2010



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Sandy Byers	07-01-07 to 06-30-10
Executive Director	Pamela J. Decker	07-01-07 to 06-30-10
President of the School Board	Reginald P. Gibson Rev. Larry Rascoe	07-01-07 to 06-30-08 07-01-08 to 06-30-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE JOSHUA ACADEMY, INC., VANDERBURGH COUNTY, INDIANA

We have examined the financial information presented herein of the Joshua Academy, Inc., (School Corporation), for the period of July 1, 2007 to June 30, 2009. The School Corporation's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the School Corporation for the years ended June 30, 2008 and 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

March 4, 2010

JOSHUA ACADEMY, INC.  
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS  
For the Year Ended June 30, 2008

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts		Net (Disbursement) Receipts and Changes in Net Assets
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 853,248	\$ -	\$ 35,037	\$ (818,211)
Support services	543,314	37,006	128,567	(377,741)
Noninstructional services	114,209	-	-	(114,209)
Facilities acquisition and construction	115,903	-	-	(115,903)
Debt service	343,404	-	-	(343,404)
<b>Total governmental activities</b>	<b><u>\$ 1,970,078</u></b>	<b><u>\$ 37,006</u></b>	<b><u>\$ 163,604</u></b>	<b><u>(1,769,468)</u></b>
General receipts:				
Property taxes				403,423
Other local sources				141,751
State aid				835,176
Bonds and loans				250,000
Grants and contributions not restricted to specific programs				<u>97,752</u>
<b>Total general receipts</b>				<b><u>1,728,102</u></b>
Change in net assets				(41,366)
Net assets - beginning				<u>137,756</u>
Net assets - ending				<b><u>\$ 96,390</u></b>
<u>Assets</u>				
Cash and investments				<b><u>\$ 96,390</u></b>
<u>Net Assets</u>				
Unrestricted				<b><u>\$ 96,390</u></b>

The accompany notes are an integral part of the financial information.

JOSHUA ACADEMY, INC.  
STATEMENT OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS  
For the Year Ended June 30, 2009

<u>Functions/Programs</u>	<u>Disbursements</u>	Program Receipts		Net (Disbursement) Receipts and Changes in Net Assets
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Totals</u>
Governmental activities:				
Instruction	\$ 887,647	\$ -	\$ 51,785	\$ (835,862)
Support services	504,117	28,729	139,251	(336,137)
Noninstructional services	131,951	-	-	(131,951)
Facilities acquisition and construction	141,383	-	-	(141,383)
Debt service	247,931	-	-	(247,931)
<b>Total governmental activities</b>	<b><u>\$ 1,913,029</u></b>	<b><u>\$ 28,729</u></b>	<b><u>\$ 191,036</u></b>	<b><u>(1,693,264)</u></b>
General receipts:				
Property taxes				212,952
Other local sources				180,510
State aid				981,274
Bonds and loans				193,799
Grants and contributions not restricted to specific programs				<u>259,789</u>
<b>Total general receipts</b>				<b><u>1,828,324</u></b>
Change in net assets				135,060
Net assets - beginning				<u>96,390</u>
Net assets - ending				<b><u>\$ 231,450</u></b>
 <u>Assets</u>				
Cash and investments				<b><u>\$ 231,450</u></b>
 <u>Net Assets</u>				
Unrestricted				<b><u>\$ 231,450</u></b>

The accompany notes are an integral part of the financial information.

JOSHUA ACADEMY, INC.  
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,  
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2008

	<u>General</u>	<u>Other</u>	<u>Totals</u>
Receipts:			
Local sources	\$ 544,910	\$ 37,271	\$ 582,181
State sources	870,213	19,600	889,813
Federal sources	-	206,718	206,718
Temporary loans	<u>250,000</u>	<u>-</u>	<u>250,000</u>
 Total receipts	 <u>1,665,123</u>	 <u>263,589</u>	 <u>1,928,712</u>
Disbursements:			
Current:			
Instruction	698,717	154,531	853,248
Support services	500,268	43,046	543,314
Noninstructional services	1,690	112,519	114,209
Facilities acquisition and construction	107,028	8,875	115,903
Debt services	<u>343,404</u>	<u>-</u>	<u>343,404</u>
 Total disbursements	 <u>1,651,107</u>	 <u>318,971</u>	 <u>1,970,078</u>
 Excess (deficiency) of receipts over disbursements	 <u>14,016</u>	 <u>(55,382)</u>	 <u>(41,366)</u>
Other financing sources (uses):			
Transfers in	-	20,018	20,018
Transfers out	<u>-</u>	<u>(20,018)</u>	<u>(20,018)</u>
 Total other financing sources (uses)	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	 14,016	 (55,382)	 (41,366)
 Cash and investments - beginning	 <u>90,621</u>	 <u>47,135</u>	 <u>137,756</u>
 Cash and investments - ending	 <u>\$ 104,637</u>	 <u>\$ (8,247)</u>	 <u>\$ 96,390</u>
 <u>Cash and Investment Assets - Ending</u>			
 Cash and investments	 <u>\$ 104,637</u>	 <u>\$ (8,247)</u>	 <u>\$ 96,390</u>
 <u>Cash and Investment Fund Balance - Ending</u>			
 Unrestricted	 <u>\$ 104,637</u>	 <u>\$ (8,247)</u>	 <u>\$ 96,390</u>

The accompany notes are an integral part of the financial information.

JOSHUA ACADEMY, INC.  
STATEMENT OF ASSETS AND FUND BALANCES AND RECEIPTS,  
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2009

	<u>General</u>	<u>Other</u>	<u>Totals</u>
Receipts:			
Local sources	\$ 391,395	\$ 30,794	\$ 422,189
State sources	1,028,589	30,795	1,059,384
Federal sources	4,272	368,445	372,717
Temporary loans	193,799	-	193,799
	<u>1,618,055</u>	<u>430,034</u>	<u>2,048,089</u>
Total receipts			
Disbursements:			
Current:			
Instruction	684,240	203,408	887,648
Support services	427,366	76,750	504,116
Noninstructional services	23,960	107,991	131,951
Facilities acquisition and construction	128,146	13,237	141,383
Debt services	247,931	-	247,931
	<u>1,511,643</u>	<u>401,386</u>	<u>1,913,029</u>
Total disbursements			
Excess of receipts over disbursements	<u>106,412</u>	<u>28,648</u>	<u>135,060</u>
Other financing sources (uses):			
Transfers in	-	7,477	7,477
Transfers out	(7,477)	-	(7,477)
	<u>(7,477)</u>	<u>7,477</u>	<u>-</u>
Total other financing sources (uses)			
Excess of receipts and other financing sources over disbursements and other financing uses	98,935	36,125	135,060
Cash and investments - beginning	<u>104,637</u>	<u>(8,247)</u>	<u>96,390</u>
Cash and investments - ending	<u>\$ 203,572</u>	<u>\$ 27,878</u>	<u>\$ 231,450</u>
<u>Cash and Investment Assets - Ending</u>			
Cash and investments	<u>\$ 203,572</u>	<u>\$ 27,878</u>	<u>\$ 231,450</u>
<u>Cash and Investment Fund Balance - Ending</u>			
Unrestricted	<u>\$ 203,572</u>	<u>\$ 27,878</u>	<u>\$ 231,450</u>

The accompany notes are an integral part of the financial information.

JOSHUA ACADEMY, INC.  
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For the Year Ended June 30, 2008

	Private-Purpose Trust Funds
Additions:	
Contributions:	
Other	\$ <u>(1,864)</u>
Deductions:	
Administrative and general	<u>52,608</u>
Deficiency of total additions over total deductions	(54,472)
Cash and investment fund balance - beginning	<u>54,816</u>
Cash and investment fund balance - ending	<u>\$ 344</u>
Net assets:	
Cash and investments	<u>\$ 344</u>
Total net assets - cash and investment basis held in trust	<u>\$ 344</u>

The accompany notes are an integral part of the financial information.

JOSHUA ACADEMY, INC.  
STATEMENT OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For the Year Ended June 30, 2009

	Private-Purpose Trust Funds
Additions:	
Contributions:	
Other	\$ 31,540
Deductions:	
Administrative and general	27,481
Excess of total additions over total deductions	4,059
Cash and investment fund balance - beginning	344
Cash and investment fund balance - ending	\$ 4,403
Net assets:	
Cash and investments	\$ 4,403
Total net assets - cash and investment basis held in trust	\$ 4,403

The accompany notes are an integral part of the financial information.

JOSHUA ACADEMY, INC.  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

School Corporation, as used herein, shall include, but is not limited to, school townships, school towns, school cities, consolidated school corporations, joint schools, metropolitan school districts, township school districts, county schools, united schools, school districts, cooperatives, educational service centers, community schools, community school corporations, and charter schools.

The School Corporation was established under the laws of the State of Indiana. The School Corporation operates under a Board of School Trustees form of government and provides educational services.

Note 2. Fund Accounting

A. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The Statement of Activities and Net Assets - Cash and Investments Basis displays information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, receipts, and disbursements. Separate financial statements are provided for governmental funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. However, at this time, the School Corporation has not established any enterprise funds.

The School Corporation reports the following major governmental fund:

The general fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Additionally, the School Corporation reports the following fund type:

The private-purpose trust fund reports a trust arrangement under which principal and income benefit the School Corporation students.

B. Measurement Focus and Basis of Accounting

The government-wide, governmental fund, proprietary fund and fiduciary fund financial statements are reported using the basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a

JOSHUA ACADEMY, INC.  
NOTES TO FINANCIAL INFORMATION  
(Continued)

comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when received and disbursements are recorded when paid.

The cash and investment basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash rather than when earned and disbursements are recognized when paid rather than when a liability is incurred. Investment transactions are not presented on the financial statements.

If the School Corporation utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the enterprise fund statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their enterprise funds, subject to this same limitation. The School Corporation has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, the School Corporation's policy is to use restricted resources first, then unrestricted resources as they are needed.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the School Corporation on or prior to June 30 of the year collected.

JOSHUA ACADEMY, INC.  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the School Corporation to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Note 6. Interfund Transfers

Interfund transfers for the years ended June 30, 2008 and 2009, were as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>2007-2008</u>	<u>2008-2009</u>
General Fund	Other governmental funds	\$ -	\$ 7,477
Other governmental funds	Other governmental funds	<u>20,018</u>	<u>-</u>
Totals		<u>\$ 20,018</u>	<u>\$ 7,477</u>

The School Corporation typically uses transfers for cash flow purposes as provided by various statutory provisions.

Note 7. Pension Plan

Public Employees' Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the School Corporation authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

JOSHUA ACADEMY, INC.  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

Teacher's Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Teacher's Retirement Fund (TRF), a defined benefit pension plan. TRF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All employees engaged in teaching or in the supervision of teaching in the public schools of the State of Indiana are eligible to participate in TRF. State statute (IC 5-10.2) governs, through the TRF Board, most requirements of the system, and gives the School Corporation authority to contribute to the plan. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The School Corporation may elect to make the contributions on behalf of the member.

TRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Teacher's Retirement Fund  
150 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 232-3860

Funding Policy and Annual Pension Cost

The School Corporation contributes the employer's share to TRF for certified employees employed under a federally funded program and all the certified employees hired after July 1, 1995. The School Corporation currently receives partial funding, through the school funding formula, from the State of Indiana for this contribution. The employer's share of contributions for certified personnel who are not employed under a federally funded program and were hired before July 1, 1995, is considered to be an obligation of, and is paid by, the State of Indiana.

JOSHUA ACADEMY, INC.  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Note 8. For the year ended June 30, 2007, certain changes have been made to the financial statements to more appropriately reflect financial activity of the School Corporation. The following schedule presents a summary of restated beginning balances by opinion unit.

Opinion Unit	Balance as Reported June 30, 2007	Fund Reclassification	Balance as Restated July 1, 2007
Governmental	\$ 193,375	\$ (55,619)	\$ 137,756
Private-purpose trust	(803)	55,619	54,816

JOSHUA ACADEMY, INC.  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-06	\$ -	\$ 22,977	\$ (22,977)	0%	\$ 232,008	(10%)
07-01-07	25,928	31,499	(5,571)	82%	170,325	(3%)
07-01-08	29,194	36,019	(6,825)	81%	158,753	(4%)

JOSHUA ACADEMY, INC.  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2008

	School Lunch	Textbook Rental	Title I 2006-2007	Title I 2007-2008	Title V Innovative Education
<b>Receipts:</b>					
Local sources	\$ 27,419	\$ 9,852	\$ -	\$ -	\$ -
State sources	2,329	17,271	-	-	-
Federal sources	<u>108,966</u>	<u>-</u>	<u>-</u>	<u>91,292</u>	<u>468</u>
<b>Total receipts</b>	<u>138,714</u>	<u>27,123</u>	<u>-</u>	<u>91,292</u>	<u>468</u>
<b>Disbursements:</b>					
<b>Current:</b>					
Instruction	-	-	11,700	95,101	303
Support services	24,530	68	2,100	1,551	468
Noninstructional services	111,539	-	72	908	-
Facilities acquisition and construction	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total disbursements</b>	<u>136,069</u>	<u>68</u>	<u>13,872</u>	<u>97,560</u>	<u>771</u>
<b>Excess (deficiency) of receipts over disbursements</b>	<u>2,645</u>	<u>27,055</u>	<u>(13,872)</u>	<u>(6,268)</u>	<u>(303)</u>
<b>Other financing sources (uses):</b>					
Transfers in	-	-	-	20,018	-
Transfers out	<u>-</u>	<u>-</u>	<u>(20,018)</u>	<u>-</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(20,018)</u>	<u>20,018</u>	<u>-</u>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<u>2,645</u>	<u>27,055</u>	<u>(33,890)</u>	<u>13,750</u>	<u>(303)</u>
Cash and investments - beginning	<u>15,560</u>	<u>(67,885)</u>	<u>33,890</u>	<u>-</u>	<u>303</u>
Cash and investments - ending	<u>\$ 18,205</u>	<u>\$ (40,830)</u>	<u>\$ -</u>	<u>\$ 13,750</u>	<u>\$ -</u>
<b>Cash and Investment Assets - Ending</b>					
Cash and investments	<u>\$ 18,205</u>	<u>\$ (40,830)</u>	<u>\$ -</u>	<u>\$ 13,750</u>	<u>\$ -</u>
<b>Cash and Investment Fund Balance - Ending</b>					
Unrestricted	<u>\$ 18,205</u>	<u>\$ (40,830)</u>	<u>\$ -</u>	<u>\$ 13,750</u>	<u>\$ -</u>

JOSHUA ACADEMY, INC.  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2008  
 (Continued)

	Title II Part A	Improving Teacher Quality	Implementation Grant	Totals
<b>Receipts:</b>				
Local sources	\$ -	\$ -	\$ -	\$ 37,271
State sources	-	-	-	19,600
Federal sources	5,246	746	-	206,718
	<u>5,246</u>	<u>746</u>	<u>-</u>	<u>263,589</u>
<b>Disbursements:</b>				
<b>Current:</b>				
Instruction	6,203	178	41,046	154,531
Support services	4,571	-	9,758	43,046
Noninstructional services	-	-	-	112,519
Facilities acquisition and construction	(568)	568	8,875	8,875
	<u>10,206</u>	<u>746</u>	<u>59,679</u>	<u>318,971</u>
Excess (deficiency) of receipts over disbursements	<u>(4,960)</u>	<u>-</u>	<u>(59,679)</u>	<u>(55,382)</u>
<b>Other financing sources (uses):</b>				
Transfers in	-	-	-	20,018
Transfers out	-	-	-	(20,018)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(4,960)</u>	<u>-</u>	<u>(59,679)</u>	<u>(55,382)</u>
Cash and investments - beginning	<u>5,588</u>	<u>-</u>	<u>59,679</u>	<u>47,135</u>
Cash and investments - ending	<u>\$ 628</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,247)</u>
<b><u>Cash and Investment Assets - Ending</u></b>				
Cash and investments	<u>\$ 628</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,247)</u>
<b><u>Cash and Investment Fund Balance - Ending</u></b>				
Unrestricted	<u>\$ 628</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,247)</u>

JOSHUA ACADEMY, INC.  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2009

	School Lunch	Textbook rental	Joint Service Supply	Professional Development Grant	Title I 2007-2008
<b>Receipts:</b>					
Local sources	\$ 22,710	\$ 8,084	\$ -	\$ -	\$ -
State sources	832	25,493	-	4,470	-
Federal sources	<u>112,926</u>	<u>-</u>	<u>37,950</u>	<u>-</u>	<u>-</u>
Total receipts	<u>136,468</u>	<u>33,577</u>	<u>37,950</u>	<u>4,470</u>	<u>-</u>
<b>Disbursements:</b>					
<b>Current:</b>					
Instruction	-	-	32,282	-	13,750
Support services	28,329	224	278	4,470	-
Noninstructional services	107,991	-	-	-	-
Facilities acquisition and construction	<u>903</u>	<u>-</u>	<u>2,834</u>	<u>-</u>	<u>-</u>
Total disbursements	<u>137,223</u>	<u>224</u>	<u>35,394</u>	<u>4,470</u>	<u>13,750</u>
Excess (deficiency) of receipts over disbursements	<u>(755)</u>	<u>33,353</u>	<u>2,556</u>	<u>-</u>	<u>(13,750)</u>
<b>Other financing sources (uses)</b>					
Transfers in	-	7,477	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>7,477</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(755)</u>	<u>40,830</u>	<u>2,556</u>	<u>-</u>	<u>(13,750)</u>
Cash and investments - beginning	<u>18,205</u>	<u>(40,830)</u>	<u>-</u>	<u>-</u>	<u>13,750</u>
Cash and investments - ending	<u>\$ 17,450</u>	<u>\$ -</u>	<u>\$ 2,556</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Cash and Investment Assets - Ending</b>					
Cash and investments	<u>\$ 17,450</u>	<u>\$ -</u>	<u>\$ 2,556</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Cash and Investment Fund Balance - Ending</b>					
Unrestricted	<u>\$ 17,450</u>	<u>\$ -</u>	<u>\$ 2,556</u>	<u>\$ -</u>	<u>\$ -</u>

JOSHUA ACADEMY, INC.  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2009  
 (Continued)

	Title I 2008-2009	Title V Innovative Education	Improving Teacher Quality	Fiscal Stabilization	Totals
<b>Receipts:</b>					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 30,794
State sources	-	-	-	-	30,795
Federal sources	90,986	4,695	10,286	111,602	368,445
<b>Total receipts</b>	<u>90,986</u>	<u>4,695</u>	<u>10,286</u>	<u>111,602</u>	<u>430,034</u>
<b>Disbursements:</b>					
<b>Current:</b>					
Instruction	90,756	-	4,715	61,905	203,408
Support services	-	3,771	5,054	34,624	76,750
Noninstructional services	-	-	-	-	107,991
Facilities acquisition and construction	-	924	-	8,576	13,237
<b>Total disbursements</b>	<u>90,756</u>	<u>4,695</u>	<u>9,769</u>	<u>105,105</u>	<u>401,386</u>
Excess (deficiency) of receipts over disbursements	<u>230</u>	<u>-</u>	<u>517</u>	<u>6,497</u>	<u>28,648</u>
<b>Other financing sources (uses)</b>					
Transfers in	-	-	-	-	7,477
Transfers out	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,477</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>230</u>	<u>-</u>	<u>517</u>	<u>6,497</u>	<u>36,125</u>
Cash and investments - beginning	<u>-</u>	<u>-</u>	<u>628</u>	<u>-</u>	<u>(8,247)</u>
Cash and investments - ending	<u>\$ 230</u>	<u>\$ -</u>	<u>\$ 1,145</u>	<u>\$ 6,497</u>	<u>\$ 27,878</u>
<b>Cash and Investment Assets - Ending</b>					
Cash and investments	<u>\$ 230</u>	<u>\$ -</u>	<u>\$ 1,145</u>	<u>\$ 6,497</u>	<u>\$ 27,878</u>
<b>Cash and Investment Fund Balance - Ending</b>					
Unrestricted	<u>\$ 230</u>	<u>\$ -</u>	<u>\$ 1,145</u>	<u>\$ 6,497</u>	<u>\$ 27,878</u>

JOSHUA ACADEMY, INC.  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 PRIVATE-PURPOSE TRUST FUNDS  
 For the Year Ended June 30, 2008

	SINE Grant	Welborn Grant	Donation, Gifts and Trust II	Instruction Support Fund	Private School Debt	Totals
Additions:						
Contributions:						
Other	\$ (1,002)	\$ -	\$ (1,882)	\$ 217	\$ 803	\$ (1,864)
Deductions:						
Administrative and general	-	51,276	2,950	(1,618)	-	52,608
Excess (deficiency) of total additions over total deductions	(1,002)	(51,276)	(4,832)	1,835	803	(54,472)
Cash and investment fund balance - beginning	1,002	51,276	5,176	(1,835)	(803)	54,816
Cash and investments - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 344</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 344</u>
Net assets:						
Cash and investments	\$ -	\$ -	\$ 344	\$ -	\$ -	\$ 344
Total net assets - cash and investment basis held in trust	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 344</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 344</u>

JOSHUA ACADEMY, INC.  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 PRIVATE-PURPOSE TRUST FUNDS  
 For the Year Ended June 30, 2009

	<u>Welborn Foundation</u>	<u>Youth Leadership</u>	<u>Donations, Gifts and Trust II</u>	<u>Spirit Wear</u>	<u>Totals</u>
Additions:					
Contributions:					
Other	\$ 28,868	\$ 1,054	\$ -	\$ 1,618	\$ 31,540
Deductions:					
Administrative and general	24,869	994	-	1,618	27,481
Excess of total additions over total deductions	3,999	60	-	-	4,059
Cash and investment fund balance - beginning	-	-	344	-	344
Cash and investments - June 30	<u>\$ 3,999</u>	<u>\$ 60</u>	<u>\$ 344</u>	<u>\$ -</u>	<u>\$ 4,403</u>
Net assets:					
Cash and investments	\$ 3,999	\$ 60	\$ 344	\$ -	\$ 4,403
Total net assets - cash and investment basis held in trust	<u>\$ 3,999</u>	<u>\$ 60</u>	<u>\$ 344</u>	<u>\$ -</u>	<u>\$ 4,403</u>

JOSHUA ACADEMY, INC.  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 For The Year Ended June 30, 2009

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Buildings	\$ 27,534
Machinery and equipment	<u>215,032</u>
 Total governmental activities, capital assets not being depreciated	 <u><u>\$ 242,566</u></u>

JOSHUA ACADEMY, INC.  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 June 30, 2009

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Common School Loan	\$ 426,305	\$ 21,848
Old National Bank Loan	<u>193,799</u>	<u>40,320</u>
Total governmental activities debt	<u>\$ 620,104</u>	<u>\$ 62,168</u>

JOSHUA ACADEMY, INC.  
EXIT CONFERENCE

The contents of this report were discussed on March 9, 2010, with Pamela J. Decker, Executive Director; Rev. Larry Rascoe, President of the School Board; and Sandy Byers, Treasurer. Our examination disclosed no material items that warrant comment at this time.