



Paul D. Joyce, CPA  
State Examiner

## INDIANA STATE BOARD OF ACCOUNTS

302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769  
Telephone: (317) 232-2513  
Fax: (317) 232-4711  
[www.in.gov/sboa](http://www.in.gov/sboa)

December 26, 2024

Charter School Board  
The Nature School of Central Indiana, Inc.  
Marion County, Indiana

We have reviewed the audit report of The Nature School of Central Indiana, Inc., which was opined upon by Donovan CPAs, Independent Public Accountants, for the period July 1, 2023 to June 30, 2024. Per the *Independent Auditor's Report* the financial statements included in the report present fairly the financial condition of The Nature School of Central Indiana, Inc. as of June 30, 2024 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, Donovan CPAs prepared the audit report in accordance with guidelines established by the Indiana State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.

Tammy R. White, CPA  
Deputy State Examiner

**The Nature School of Central Indiana, Inc.**

Financial Statements  
Together with Independent Auditor's Report

For the Years Ended June 30, 2024 and 2023



# The Nature School of Central Indiana, Inc.

---

## Table of Contents

	<b>Page</b>
<b>Independent Auditor's Report</b> .....	1 - 2
<b>Financial Statements</b>	
Statements of Financial Position.....	3
Statements of Activities and Change in Net Assets.....	4
Statements of Functional Expenses .....	5
Statements of Cash Flows.....	6
Notes to the Financial Statements.....	7 - 10
<b>Schedule of Lead Auditor</b> .....	11



# Donovan CPAs

## *Independent Auditor's Report*

The Board of Directors  
The Nature School of Central Indiana, Inc.  
Lawrence, Indiana

### **Opinion**

We audited the accompanying financial statements of The Nature School of Central Indiana, Inc. (the School), which comprise the statements of financial position as of June 30, 2024 and 2023 and the related statements of activities and change in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the School as of June 30, 2024 and 2023 and the results of its operations, functional expenses, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are required to be independent of the School and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, which raise substantial doubt about the School's ability to continue as a going concern for one year after the date the financial statements are issued.

---

[www.cpadonovan.com](http://www.cpadonovan.com)

Avon | 5151 E. US Hwy 36, Avon, IN 46123 | 317.745.6411

Indianapolis | 9292 N. Meridian Street, Suite 150, Indianapolis, IN 46260 | 317.844.8300

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, which raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters we identified during the audits.



Donovan CPAs  
Indianapolis, Indiana  
November 26, 2024

**The Nature School of Central Indiana, Inc.**  
**Statements of Financial Position**  
**June 30, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$ 510,233	\$ 322,843
Grants receivable	1,899	2,899
Other receivables	49,307	52,659
Total current assets	561,439	378,401
<b>Other Asset</b>		
Security deposit	550	-
<b>Total Assets</b>	<b>\$ 561,989</b>	<b>\$ 378,401</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 8,165	\$ 13,836
Accrued expenses	37,682	15,093
Refundable advances	109,464	-
Total current liabilities	155,311	28,929
<b>Net Assets, Without Donor Restrictions</b>	<b>406,678</b>	<b>349,472</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 561,989</b>	<b>\$ 378,401</b>

See independent auditor's report and notes to the financial statements

**The Nature School of Central Indiana, Inc.**  
**Statements of Activities and Change in Net Assets**  
**For the Years Ended June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<b>Revenue and Support</b>		
State education support	\$ 1,300,994	\$ 1,040,701
Grant revenue	327,868	269,756
Student fees	32,600	28,600
Contributions	7,176	-
Other income	36,330	32,836
Total revenue and support	<u>1,704,968</u>	<u>1,371,893</u>
<b>Expenses</b>		
Program services	1,226,632	874,663
Management and general	473,512	340,959
Total expenses	<u>1,700,144</u>	<u>1,215,622</u>
<b>Change in Net Assets from Operations</b>	4,824	156,271
<b>Other Income</b>		
Employee retention tax credit income	<u>52,382</u>	<u>-</u>
<b>Change in Net Assets</b>	57,206	156,271
<b>Net Assets, Beginning of Year</b>	<u>349,472</u>	<u>193,201</u>
<b>Net Assets, End of Year</b>	<u>\$ 406,678</u>	<u>\$ 349,472</u>

See independent auditor's report and notes to the financial statements

**The Nature School of Central Indiana, Inc.**  
**Statements of Functional Expenses**  
**For the Years Ended June 30, 2024 and 2023**

	<b>2024</b>			<b>2023</b>		
	<b>Program Services</b>	<b>Management and General</b>	<b>Total</b>	<b>Program Services</b>	<b>Management and General</b>	<b>Total</b>
Salaries and wages	\$ 859,323	\$ 208,193	\$ 1,067,516	\$ 596,616	\$ 146,242	\$ 742,858
Professional services	122,154	108,685	230,839	64,543	86,282	150,825
Occupancy	120,593	-	120,593	76,560	-	76,560
Employee benefits	65,617	44,240	109,857	39,336	38,713	78,049
Authorizer fees	-	37,473	37,473	-	28,611	28,611
Classroom and office supplies	14,593	10,174	24,767	64,159	478	64,637
Repairs and maintenance	19,544	-	19,544	13,738	-	13,738
Insurance	-	18,302	18,302	-	21,135	21,135
Payroll service fees	-	15,478	15,478	-	10,096	10,096
Bad debt	-	0	-	-	-	-
Information technology	8,270	-	8,270	2,700	-	2,700
Staff development	-	7,756	7,756	-	9,180	9,180
Food costs	2,639	-	2,639	-	-	-
Equipment	2,106	-	2,106	5,400	-	5,400
After school care	-	-	-	4,198	-	4,198
Other	11,793	23,211	35,004	7,413	222	7,635
<b>Total functional expenses</b>	<b>\$ 1,226,632</b>	<b>\$ 473,512</b>	<b>\$ 1,700,144</b>	<b>\$ 874,663</b>	<b>\$ 340,959</b>	<b>\$ 1,215,622</b>

See independent auditor's report and notes to the financial statements

**The Nature School of Central Indiana, Inc.**  
**Statements of Cash Flows**  
**For the Years Ended June 30, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
<b>Operating Activities</b>		
Change in net assets	\$ 57,206	\$ 156,271
Adjustments to reconcile change in net assets to net change in cash from operating activities:		
Changes in certain assets and liabilities:		
Grants receivable	1,000	5,597
Other receivables	3,352	(22,233)
Security deposit	(550)	-
Accounts payable	(5,671)	13,836
Accrued expenses	22,589	2,528
Refundable advances	109,464	-
Net change in cash from operating activities	187,390	155,999
<b>Cash, Beginning of Year</b>	322,843	166,844
<b>Cash, End of Year</b>	\$ 510,233	\$ 322,843

See independent auditor's report and notes to the financial statements

**The Nature School of Central Indiana, Inc.**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2024 and 2023**

---

**Note 1 – Nature of Activities**

General

The Nature School of Central Indiana, Inc. (the School) is a public benefit not-for-profit organization incorporated under the laws of the State of Indiana. The School operates as a public charter school under Indiana Code 20-24 and is sponsored by Education One, LLC through Trine University (Education One). This charter agreement remains in effect until August 2026 and is renewable thereafter by mutual consent. The School served approximately 160 students in grades kindergarten through eighth during the 2023-2024 school year (150 students during the 2022-2023 school year).

**Note 2 – Summary of Significant Accounting Policies**

Financial Statement Presentation

The School reports its financial position and activities according to two classes of net assets:

- net assets without donor restrictions, which include unrestricted resources available for the operating objectives of the School; and
- net assets with donor restrictions, which represent resources restricted by donors for specific time or purpose.

As of June 30, 2024 and 2023, the School had only net assets without donor restrictions.

Basis of Accounting and Use of Estimates

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, which requires management to make estimates and assumptions affecting certain reported amounts and disclosures. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash consists of cash held in bank accounts and cash equivalents consists of short-term, highly liquid investments with original maturities of three months or less. As of June 30, 2024 and 2023, there were no cash equivalents.

Grants Receivable

The School adopted Accounting Standards Update 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* during the year ended June 30, 2024 which introduced a forward-looking approach, based on expected losses, to estimate credit losses on certain types of financial instruments, including grants receivable and other receivables. The adoption of this accounting standards update did not have a material impact on the School's financial position or the result of its operations and cash flows.

Grants receivable relate primarily to activities funded under federal programs and legislation enacted by the State of Indiana. The School believes it is operating in compliance with regulatory requirements and as such no allowance for credit losses is deemed necessary.

Other Receivables

Other receivables consist primarily of funds due from the School's pre-kindergarten program, which is operated under a separate legal entity.

**The Nature School of Central Indiana, Inc.**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2024 and 2023**

---

**Note 2 – Summary of Significant Accounting Policies (Continued)**

Taxes on Income

The School received a determination from the U.S. Treasury Department stating it qualifies under the provisions of Section 501(c)(3) of the Internal Revenue Code as a tax-exempt organization; however, the School would be subject to tax on income unrelated to its tax-exempt purpose. For the years ended June 30, 2024 and 2023, no accounting for federal and state income taxes was required to be included in the accompanying financial statements.

Professional accounting standards require the School to recognize a tax liability only if it is more likely than not the tax position would not be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax liability greater than 50% likely of being realized on examination. For tax positions not meeting the more-likely-than-not test, no tax liability is recorded. The School examined this issue and determined there are no material contingent tax liabilities or questionable tax positions. Tax years ended after June 30, 2020 are open to audit for both federal and state purposes.

Subsequent Events – The School evaluated subsequent events through November 26, 2024, the date these financial statements were available to be issued. Events occurring through that date have been evaluated to determine whether a change in the financial statements or related disclosures would be required.

**Note 3 – Revenue Recognition**

Revenue Recognition Policy

Revenues primarily come from resources provided under the Indiana Charter Schools Act. Under the Act, the School receives an amount per student in relation to the funding received by other public schools in the same geographic area. Funding from the State of Indiana is based on enrollment and paid in monthly installments in July through June coinciding with the academic school year. Revenue is recognized in the year in which the educational services are rendered.

A significant portion of the School's revenue is the product of cost reimbursement grants. Accordingly, the School recognizes revenue under these grants in the amount of costs and expenses at the time they are incurred. Incurring approved costs under the grants is considered satisfaction of the performance obligation.

Contributions and grants from other agencies and individuals are recorded in accordance with the terms of the underlying agreements.

Student fees are recognized in the year in which the services are rendered.

Disaggregation of Revenue

Revenue is disaggregated on the statements of activities and change in net assets.

**The Nature School of Central Indiana, Inc.**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2024 and 2023**

---

**Note 4 – Employee Retention Credits**

The Coronavirus Aid, Relief, and Economic Security Act includes a provision of the Employee Retention Credit (ERC) program. The ERC is a refundable tax credit for employers equal to 50 percent of qualified wages paid after March 12, 2020 and before June 30, 2021. During the year ended June 30, 2024, the School received \$52,382, which consisted of credits totaling \$48,307 and interest totaling \$4,075.

**Note 5 – Refundable Advance**

The School was awarded a Charter School Facility Grant to provide for facility costs. The grant is considered an exchange transaction. Accordingly, revenue is recognized when earned and expenses are recognized as incurred. The refundable grant advance totaled \$109,464 and \$-0- as of June 30, 2024 and June 30, 2023, respectively. The School intends to expend the entire balance during the year ending June 30, 2025.

**Note 6 – Lease**

The School leases facilities and equipment from Camp Belzer on a year-to-year basis. During the years ended June 30, 2024 and 2023, rent expense was \$120,593 and \$76,560, respectively. Since the lease term is twelve months or fewer, it is excluded from the requirements of Accounting Standards Update No. 2016-02, *Leases (Topic 842)*. Total minimum lease payments for facilities and equipment for fiscal year ending June 30, 2025 is \$150,000.

**Note 7 – Retirement Plan**

The School provides employees the option to participate in a 401(k) plan. An employee must be at least 18 years old to participate. The plan has automatic enrollment of 1% of compensation. The School matches 100% of an employee's deferral up to 3% of compensation. Total employer contributions were \$12,591 and \$14,774 during the years ended June 30, 2024 and 2023, respectively.

**Note 8 – Commitment**

As the sponsoring organization, Education One exercises certain oversight responsibilities. Education One assesses an authorizer oversight fee of no more than 3% of the basic tuition amount received by the School. The fees were \$37,473 and \$28,611 for the years ended June 30, 2024 and 2023, respectively. In addition, the charter agreement requires the School to establish an escrow account of \$50,000 should a dissolution occur. The escrow was established as of June 30, 2024 and is included in the balance of cash on the statements of financial position.

**The Nature School of Central Indiana, Inc.**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2024 and 2023**

---

**Note 9 – Risks and Uncertainties**

The School provides educational instruction services to families residing in Marion County, Indiana and is subject to the risks of economic and competitive forces at work within this geographic area.

The majority of revenues relate to legislation enacted by the State of Indiana and grants awarded under federal programs. Changes in state or federal legislation could significantly affect the School. Additionally, the School is subject to monitoring and audit by state and federal agencies. Those examinations may result in additional liability to be imposed on the School.

Bank deposits are maintained at BMO Harris Bank N.A. and are insured up to the FDIC insurance limit of \$250,000. As of June 30, 2024, approximately \$260,000 in cash was uninsured.

**Note 10 – Liquidity**

Financial assets held by the School include cash, grants receivable, and others receivables totaling \$561,439 and \$378,401 as of June 30, 2024 and 2023, respectively. Financial assets are entirely available to meet cash needs for general expenditures within one year, with the exception of the \$50,000 cash escrow account (Note 8).

From time to time, the School receives donor restricted contributions. Because donor restrictions require resources to be used in a particular manner or in a future period, the School must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the School's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

**Note 11 – Functional Expense Reporting**

The costs of providing the educational activities are summarized on a functional basis in the statements of activities and change in net assets. Management of the School categorized expenses as program services or management and general according to the underlying nature of the expense. As such, no allocation of specific transactions between these categories was required.

**The Nature School of Central Indiana, Inc.**  
**Schedule of Lead Auditor**  
**For the Years Ended June 30, 2024 and 2023**

---

Auditor Information:	Donovan CPAs 9292 N Meridian Street, Suite 150 Indianapolis, IN 46260
Phone Number:	(317) 844-8300
Fax Number:	(317) 745-6545
Auditor Contract Title:	Benjamin A. Lippert, CPA
Auditor Contact Title:	Partner
Auditor Contact Email:	blippert@cpadonovan.com