



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B43116

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January 13, 2014

Charter School Board
Community Montessori, Inc.
4102 St. Joseph Road
New Albany, IN 47150

We have reviewed the Financial Statements and Independent Auditors' Report prepared by Fitzgerald/Isaac LLC, Independent Public Accountants, for the period July 1, 2012 to June 30, 2013. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of Community Montessori, Inc., as of June 30, 2013, and the results of its operations for the period then ended, on the basis of accounting described in the report.

In addition to the report presented herein, a Supplemental Audit Report for Community Montessori, Inc. was prepared in accordance with the guidelines established by the State Board of Accounts.

The Financial Statements and Independent Auditors' Report and the Supplemental Audit Report are filed in our office as a matter of public record.

State Board of Accounts

COMMUNITY MONTESSORI, INC.

Financial Statements

June 30, 2013 and 2012

COMMUNITY MONTESSORI, INC.

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Community Montessori, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of **Community Montessori, Inc.**, which comprise the statements of financial position as of June 30, 2013 and 2012, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

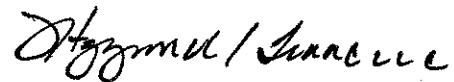
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Montessori, Inc. as of June 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script, appearing to read "D. J. ... / ...".

Indianapolis, IN
November 13, 2013

COMMUNITY MONTESSORI, INC.

Statements of Financial Position

	June 30	
Assets	2013	2012
Current assets:		
Cash and cash equivalents	\$ 1,917,989	1,279,611
Bank certificates of deposit	223,503	454,242
Accounts receivable:		
State education support	1,477,941	1,407,894
Grants	19,947	15,645
Other	26,235	19,545
Less: allowance for funding reduction	(1,477,941)	-
Less: allowance for doubtful accounts	(10,280)	(7,540)
Accounts receivable, net	35,902	1,435,544
Unconditional promise to give, currently due	56,000	56,000
Prepaid expenses	19,298	69,735
Total current assets	2,252,692	3,295,132
Unconditional promise to give	-	56,000
Property and equipment, net	9,621,364	9,916,356
	\$ 11,874,056	13,267,488
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 228,643	293,354
Current portion of long-term debt	487,354	447,690
Current portion of capital lease obligation	6,749	8,061
Deferred revenue	132,850	129,272
Total current liabilities	855,596	878,377
Accrued interest on Common School Fund loans	-	103,118
Long-term debt, less current portion	7,577,739	8,893,642
Capital lease obligations, less current portion	-	6,749
Total liabilities	8,433,335	9,881,886
Net assets:		
Unrestricted net assets	3,371,020	3,257,934
Temporarily restricted net assets	69,701	127,668
Total net assets	3,440,721	3,385,602
	\$ 11,874,056	13,267,488

See accompanying notes to financial statements.

COMMUNITY MONTESSORI, INC.

Statement of Activities

	Year Ended June 30, 2013		
	Unrestricted	Temporarily Restricted	Total
Revenue, Gains and Support			
State education support	\$ 3,068,681	-	3,068,681
Program fees	316,056	-	316,056
Grant revenue	206,211	-	206,211
Materials and supplies fees	139,559	-	139,559
Contributions	22,459	4,999	27,458
Fundraising	45,118	-	45,118
Interest income	7,011	-	7,011
Net assets released from restrictions	62,966	(62,966)	-
Total revenue, gains and support	3,868,061	(57,967)	3,810,094
<u>Expenses</u>			
Salaries and wages	1,527,429	-	1,527,429
Employee benefits	367,954	-	367,954
Staff development and recruitment	5,223	-	5,223
Professional fees	88,065	-	88,065
Program expenses	11,813	-	11,813
Supplies	104,090	-	104,090
Travel	2,077	-	2,077
Dues, licenses, and subscriptions	64,294	-	64,294
Occupancy	120,791	-	120,791
Insurance	23,800	-	23,800
Minor equipment	74,615	-	74,615
Interest	347,803	-	347,803
Depreciation	294,992	-	294,992
Fundraising	44,589	-	44,589
Bad debts	2,740	-	2,740
Other	58,656	-	58,656
Total expenses	3,138,931	-	3,138,931
Change in net assets from operations	729,130	(57,967)	671,163
<u>Non-Operating Income (Expense)</u>			
Gain on repayment of indebtedness	861,897	-	861,897
Loss on elimination of School funding	(1,477,941)	-	(1,477,941)
Change in net assets	113,086	(57,967)	55,119
Net assets, beginning of year	3,257,934	127,668	3,385,602
Net assets, end of year	\$ 3,371,020	69,701	3,440,721

See accompanying notes to financial statements.

COMMUNITY MONTESSORI, INC.

Statement of Activities

<u>Revenue, Gains and Support</u>	Year Ended June 30, 2012		
	Unrestricted	Temporarily Restricted	Total
State education support	\$ 2,860,358	-	2,860,358
Program fees	333,352	-	333,352
Grant revenue	228,629	-	228,629
Materials and supplies fees	128,890	-	128,890
Contributions	16,971	5,255	22,226
Fundraising	46,853	4,092	50,945
Interest income	9,349	-	9,349
Other income	18,247	-	18,247
Net assets released from restrictions	64,271	(64,271)	-
Total revenue, gains and support	3,706,920	(54,924)	3,651,996
<u>Expenses</u>			
Salaries and wages	1,469,554	-	1,469,554
Employee benefits	346,693	-	346,693
Staff development and recruitment	19,005	-	19,005
Professional fees	79,852	-	79,852
Program expenses	39,530	-	39,530
Supplies	71,415	-	71,415
Travel	5,733	-	5,733
Dues, licenses, and subscriptions	87,064	-	87,064
Occupancy	147,881	-	147,881
Insurance	22,479	-	22,479
Minor equipment	39,367	-	39,367
Interest	447,639	-	447,639
Depreciation	298,971	-	298,971
Fundraising	41,701	-	41,701
Bad debts	15,911	-	15,911
Other	26,686	-	26,686
Total expenses	3,159,481	-	3,159,481
Change in net assets	547,439	(54,924)	492,515
Net assets, beginning of year	2,710,495	182,592	2,893,087
Net assets, end of year	\$ 3,257,934	127,668	3,385,602

See accompanying notes to financial statements.

COMMUNITY MONTESSORI, INC.

Statements of Cash Flows

	Year Ended June 30	
	2013	2012
<u>Operating Activities</u>		
Change in net assets	\$ 55,119	492,515
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Loss due to changes in legislative funding	616,044	-
Depreciation	294,992	298,971
Change in:		
Accounts receivable	(78,298)	(71,665)
Unconditional promise to give	56,000	56,000
Prepaid expenses	50,437	(62,291)
Accounts payable and accrued expenses	(39,065)	5,429
Refundable advances	-	-
Deferred revenue	3,577	2,553
Net cash provided by operating activities	958,806	721,512
 <u>Investing Activities</u>		
Additions to certificates of deposit	-	(4,533)
Maturity of certificate of deposit	230,739	-
Net cash provided (used) by investing activities	230,739	(4,533)
 <u>Financing Activities</u>		
Principal repayments of long-term debt	(543,106)	(604,787)
Principal payments on capital lease obligations	(8,061)	(12,315)
Net cash used by financing activities	(551,167)	(617,102)
 Net increase in cash	638,378	99,877
 Cash and cash equivalents, beginning of year	1,279,611	1,179,734
 Cash and cash equivalents, end of year	\$ 1,917,989	1,279,611
 Supplemental information:		
Cash payments for interest	\$ 303,367	451,367
Acquisition of equipment under a capital lease	-	20,247

See accompanying notes to financial statements.

COMMUNITY MONTESSORI, INC.

Notes to Financial Statements

June 30, 2013 and 2012

(1) Summary of Significant Accounting Policies

General

Community Montessori, Inc. (the "School") is a public benefit not-for-profit organization incorporated under the laws of the State of Indiana. The School operates a public charter school established under Indiana Code 20-24 and sponsored by Ball State University. The School also provides an early childhood education program for children ages three and four on a fee basis. For the year ended June 30, 2013, the School served approximately 580 students in preschool through high school.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Revenue Recognition

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 publicly funded schools in the same geographic area. Funding from the State of Indiana is based on enrollment, and paid in equal monthly installments in January through December following the start of the academic school year. Revenue is recognized in the year in which the educational services are rendered.

Program fees and materials and supplies fees are paid by families based on the number of children enrolled, and are recognized in the academic school year to which the payments pertain.

A 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.

COMMUNITY MONTESSORI, INC.

Notes to Financial Statements

(1) Summary of Significant Accounting Policies, Continued

Accounts Receivable

Accounts receivable relate primarily to activities funded under grants and legislation enacted by the State of Indiana. The School believes that it is operating in compliance with regulatory requirements and as such no allowance for doubtful account is deemed necessary with regard to such receivables. The allowance for funding reduction is described in Note 2. Other receivables are reviewed for collectability on an annual basis. The accompanying financial statements reflect an allowance for doubtful accounts of \$10,280 as of June 30, 2013 (\$7,540 as of June 30, 2012) relating to program fees.

Contributions

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The School reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in bank accounts and short-term, highly liquid investments with original maturities of three months or less.

Deferred Income

Deferred income consists of early education program fee deposits and materials and supplies fee deposits received as part of the enrollment process for the subsequent academic school year.

COMMUNITY MONTESSORI, INC.

Notes to Financial Statements

(1) Summary of Significant Accounting Policies, Continued

Property and Equipment

Purchases of these assets and expenditures that materially increase value or extend useful lives are capitalized and are included in the accounts at cost. Routine maintenance and repairs, minor replacement costs, and equipment purchases with a unit cost of less than \$5,000 are charged to expense as incurred.

Depreciation is provided over the estimated useful lives of the respective assets using the straight-line method. The estimated useful lives generally are as follows:

Buildings and improvements	40 years
Furniture and equipment	3 to 7 years

Taxes on Income

Community Montessori, Inc. has received a determination from the U.S. Treasury Department stating that 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 exempt purpose. For the years ended June 30, 2013 and 2012, no accounting for federal and state income taxes was required to be included in the accompanying financial statements.

Professional standards require the School to recognize a tax liability only if it is more likely than not the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax liability that is 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 has examined this issue and has determined that there are no material contingent tax liabilities or questionable tax positions. The tax years ending 2012, 2011, and 2010 are open to audit for both federal and state purposes.

Subsequent Events

The School evaluated subsequent events through November 13, 2013, 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.

COMMUNITY MONTESSORI, INC.

Notes to Financial Statements

(2) Legislative Funding Changes

In 2013, the Indiana legislature passed amendments to the Indiana Charter Schools Act that altered the manner in which charter schools are funded. Prior to enactment, charter schools received funding in the calendar year following the start of the academic school year. As such, the School followed the practice of recognizing at June 30 of each year a receivable for payments to be made to the School in the subsequent July through December time period, which represented amounts due for services rendered. Effective July 1, 2013, school funding will be paid following the State of Indiana fiscal year of July to June, which is similar to the School's academic year. As part of this legislative amendment, the funding owed to the School under prior legislation for the period July 2013 to December 2013 will no longer be paid. This elimination of funding resulted in a non-operating loss of \$1,477,941.

In the same session, the Indiana legislature appropriated funding from the Indiana general fund to repay Indiana Common School Fund loans and accrued interest outstanding as of June 30, 2013 on behalf of charter schools. The School has applied for and received repayment of its indebtedness under these obligations as of June 30, 2013. The repayment of debt resulted in non-operating income of \$861,897 comprised of the following:

Repayment of Common School Fund loans.....	\$ 733,133
Repayment of accrued interest on Common School Fund loans.....	<u>128,764</u>
	<u>\$ 861,897</u>

The School believes that it has been adversely affected by the legislative changes relating to the elimination of funding, and is pursuing relief through its elected representatives and the Indiana Department of Education. The prospect for success is unknown as of June 30, 2013. The School continues to carry a receivable relating to the funding reduction on its books, offset by a collectability allowance in the same amount.

(3) Accounting Correction

In 2013, the School discovered that certain purchases were reported as expense in the 2012 fiscal year that should have been reported as prepaid expense as of June 30, 2012 because the items purchased were for use in the 2012-13 academic school year. The School has corrected this error by restating previously issued financial statements. The effect of this correction has been to increase the change in net assets for the year ended June 30, 2012 by \$50,067.

COMMUNITY MONTESSORI, INC.

Notes to Financial Statements

(4) Accounts Receivable

Accounts receivable from the State of Indiana for education support reflect the following amounts as of June 30, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Tuition support	\$ 1,284,018	1,225,093
Honors grant	2,250	2,700
Special education grant	169,992	159,933
Prime time grant	<u>21,681</u>	<u>20,168</u>
	1,477,941	1,407,894
Less: allowance for funding reduction	<u>(1,477,941)</u>	<u>-</u>
	<u>\$ -</u>	<u>1,407,894</u>

Tuition support is determined by state law and is dependent upon the geographic location of the school and is indexed for the poverty data of the enrolled students and other factors. The payment schedule is determined by state law with tuition payable in equal monthly installments by the State of Indiana in the calendar year following the start of the school year. Effective July 1, 2013, tuition support will be paid in monthly installments that coincide with the School's fiscal year (see Note 2).

(5) Property and Equipment

Property and equipment consisted of the following as of June 30, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Land	\$ 140,296	140,296
Building and improvements	11,205,490	11,205,490
Furniture and equipment	<u>164,482</u>	<u>164,482</u>
	11,510,268	11,510,268
Less: accumulated depreciation	<u>(1,888,904)</u>	<u>(1,593,912)</u>
	<u>\$ 9,621,364</u>	<u>9,916,356</u>

COMMUNITY MONTESSORI, INC.

Notes to Financial Statements

(6) Long-Term Debt

Long-term debt at June 30, 2013 and 2012 consisted of the following:

	<u>2013</u>	<u>2012</u>
Note payable to Stock Yards Bank & Trust, payable \$26,716 monthly, including interest at 2.77% per annum, maturing in October 2025	\$3,255,784	3,483,622
Note payable to Stock Yards Bank & Trust, payable \$13,088 monthly, including interest at 5.75% per annum, maturing in July 2021....	911,689	1,101,195
Note payable to Main Source Bank, payable \$23,592 monthly, including interest at 3.7% per annum, maturing in October 2032	3,897,620	4,023,382
Notes payable to the Indiana Common School Fund	-	<u>733,133</u>
	<u>8,065,093</u>	<u>9,341,332</u>
Less: current portion.....	<u>(487,354)</u>	<u>(447,690)</u>
	<u>\$7,577,739</u>	<u>8,893,642</u>

The notes payable to Stock Yards Bank & Trust and Main Source Bank are the result of Economic Development Revenue Bonds issued by the Town of Sellersburg, Indiana. These notes are secured by first and second mortgages on the land and building as well as a security interest in all fixtures, equipment and machinery installed therein. In addition, the Charter School Development Corporation, an unrelated not-for-profit organization, has pledged certificates of deposit as additional collateral. The interest rates on these loans reset at periodic intervals based on current U.S. Treasury Bond yields.

COMMUNITY MONTESSORI, INC.

Notes to Financial Statements

(6) Long-Term Debt, Continued

The loan agreements contain certain covenants that limit the School's ability to create liens, incur indebtedness or guarantees, purchase or dispose of assets, or change the nature of the business. The agreements also contain financial maintenance covenants establishing a minimum debt service coverage ratio. The School exceeded the minimum debt service coverage ratio in each of the years ended June 30, 2013 and 2012.

The notes payable to the Indiana Common School Fund at June 30, 2012 represented five separate notes. The loans required semi-annual payments of principal and interest over a period of 20 years, with interest at 4% per annum. In 2013 and 2012, the loans were under a moratorium on loan payments, but interest continued to accrue. In 2013, the outstanding loans and all accrued interest were repaid with funding appropriated from the State of Indiana general fund (see Note 2).

Principal maturities of long-term debt are scheduled as follows:

Year Ending June 30:	
2014	\$ 487,354
2015	515,116
2016	534,243
2017	554,798
2018	575,894
Thereafter	<u>5,397,688</u>
	<u>\$ 8,065,093</u>

(7) Commitments and Contingencies

The School operates under a charter granted by Ball State University. As the sponsoring organization, Ball State University exercises certain oversight responsibilities. Under this charter, the School has agreed to pay to Ball State University an annual administrative fee equal to 3% of state tuition support received. The charter remains in effect until June 30, 2014, and is renewable thereafter by mutual consent. Expense under this agreement was \$38,520 and \$73,506 for the years ended June 30, 2013 and 2012, respectively.

COMMUNITY MONTESSORI, INC.

Notes to Financial Statements

(8) Leases

The School leases certain items of electronic equipment under capital lease agreements.

At June 30, 2013, the cost and accumulated depreciation related to these assets were \$43,600 and \$31,114, respectively (\$43,600 and \$25,508, respectively in 2012). As of June 30, 2013 the School has future minimum lease obligations under such leases of \$6,749 due in fiscal year 2014.

The School also leases certain items of office equipment under operating leases. Future minimum lease obligations for non-cancellable operating leases with an initial lease term in excess of one year are as follows:

Year Ending June 30:	
2014	\$ 3,998
2015	3,998
2016	3,998
2017	2,999

(9) Related Party Transactions

The School purchased various supplies from a company whose owner is related to a key employee of the School. Total purchases for the years ended June 30, 2013 and 2012 were \$17,788 and \$14,534, respectively. There were also amounts owing to this vendor of \$2,206 at June 30, 2012.

(10) Retirement Plans

Retirement benefits for school employees are provided by the Indiana State Teachers' Retirement Fund ("TRF") and the Indiana Public Employees' Retirement Fund ("PERF"), both of which are multiple-employer defined benefit retirement plans governed by the State of Indiana and administered by the Indiana Public Retirement System ("INPRS") Board. Contribution requirements of plan members are established by the INPRS Board. For the years ended June 30, 2013 and 2012, the School contributed 7.5% of compensation for teaching faculty to TRF. The contribution to PERF for other employees was 6.75% of compensation until December 31, 2012, and 8.25% thereafter. Substantially all full-time employees are eligible to participate. Retirement plan expense was \$99,773 and \$92,569 for the years ended June 30, 2013 and 2012, respectively.

COMMUNITY MONTESSORI, INC.

Notes to Financial Statements

(11) Restricted Net Assets

Temporarily restricted net assets represent contributions that have been received but not expended for the identified purposes or have been donated for use in future periods. Temporarily restricted net assets as of June 30, 2013 and 2012 were available for the following purposes:

	<u>2013</u>	<u>2012</u>
Community activities	\$ 1,612	1,772
Teen technology computers	5,280	8,014
Scholarships	3,575	3,075
Teen support group.....	2,010	2,209
School functions.....	1,224	598
For use in subsequent periods	<u>56,000</u>	<u>112,000</u>
	<u>\$ 69,701</u>	<u>127,668</u>

During 2013 and 2012, net assets of \$62,966 and \$64,271, respectively, were released from restriction by incurring expenses satisfying the restricted purposes or due to the passage of time.

(12) Risks and Uncertainties

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

Like other public funded schools, the majority of revenues relate to legislation enacted by the State of Indiana or 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.

Financial instruments that potentially subject the School to concentrations of credit risk consist principally of receivables from the State of Indiana. In addition, deposits maintained at Stock Yards Bank & Trust generally exceed the FDIC insurance limit.

COMMUNITY MONTESSORI, INC.

Notes to Financial Statements

(13) Functional Expense Reporting

The costs of providing the educational activities are summarized below on a functional basis for the years ended June 30, 2013 and 2012. Certain expenses have been allocated among the programs and services benefited.

	<u>2013</u>		
	<u>Education</u>	<u>Administrative</u>	<u>Fundraising</u>
Salaries and wages.....	\$1,283,275	244,154	-
Employee benefits	320,592	47,362	-
Staff development and recruitment.....	5,223	-	-
Professional fees.....	63,140	24,925	-
Program expenses.....	11,813	-	-
Supplies	83,380	20,710	-
Travel	-	2,077	-
Dues, licenses, and subscriptions.....	-	64,294	-
Occupancy.....	120,791	-	-
Insurance	-	23,800	-
Minor equipment	74,615	-	-
Interest.....	347,803	-	-
Depreciation	294,992	-	-
Fundraising.....	-	-	44,589
Bad debts	-	2,740	-
Other.....	<u>32,377</u>	<u>26,279</u>	<u>-</u>
	<u>\$2,638,001</u>	<u>456,341</u>	<u>44,589</u>

COMMUNITY MONTESSORI, INC.

Notes to Financial Statements

(13) Functional Expense Reporting, Continued

	2012		
	<u>Education</u>	<u>Administrative</u>	<u>Fundraising</u>
Salaries and wages.....	\$1,232,523	237,031	-
Employee benefits	301,959	44,734	-
Staff development and recruitment.....	19,005	-	-
Professional fees.....	64,302	15,550	-
Program expenses.....	39,530	-	-
Supplies	71,415	-	-
Travel	-	5,733	-
Dues, licenses, and subscriptions.....	-	87,064	-
Occupancy	147,881	-	-
Insurance	-	22,479	-
Minor equipment.....	39,367	-	-
Interest.....	447,639	-	-
Depreciation	298,971	-	-
Fundraising.....	-	-	41,701
Bad debts	-	15,911	-
Other	<u>9,890</u>	<u>16,796</u>	<u>-</u>
	<u>\$2,672,482</u>	<u>445,298</u>	<u>41,701</u>

COMMUNITY MONTESSORI, INC.

Other Reports

Year Ended June 30, 2013

The report presented herein was prepared in addition to another official report prepared for the school as listed below:

Supplemental Audit Report of Community Montessori, Inc.

The Supplemental Audit Report contains the results of compliance testing required by the Indiana State Board of Accounts under its *Guidelines for the Audits of Charter Schools Performed by Private Examiners* pertaining to matters addressed in its *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*.