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December 10, 2015

Charter School Board
Damar Charter School, Inc.
d/b/a Damar Charter Academy
5125 Decatur Blvd., Suite D
Indianapolis, IN 46241

We have reviewed the Financial Statements and Independent Auditors' Report prepared by BKD, LLP, Independent Public Accountants, for the period July 1, 2014 to June 30, 2015. 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 the Damar Charter School, Inc. d/b/a Damar Charter School Academy, as of June 30, 2015, 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 Damar Charter School, Inc. d/b/a Damar Charter Academy 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.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

Damar Charter School, Inc.
d/b/a Damar Charter Academy
Auditor's Report and Financial Statements
June 30, 2015 and 2014

Damar Charter School, Inc.
d/b/a Damar Charter Academy
June 30, 2015 and 2014

Contents

Independent Auditor’s Report on Financial Statements and Supplementary Information	1
Financial Statements	
Statements of Financial Position	3
Statements of Activities.....	4
Statements of Cash Flows	6
Notes to Financial Statements	7
Supplementary Information	
Statements of Activities by Fund.....	15
Other Information	17

Independent Auditor's Report on Financial Statements and Supplementary Information

Board of Directors
Damar Charter School, Inc.
d/b/a Damar Charter Academy
Indianapolis, Indiana

We have audited the accompanying financial statements of Damar Charter School, Inc. d/b/a Damar Charter Academy, which comprise the statements of financial position as of June 30, 2015 and 2014, 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 audit 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 Damar Charter School, Inc. d/b/a Damar Charter Academy as of June 30, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The statements of activities by fund listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

BKD, LLP

Indianapolis, Indiana
October 28, 2015

Damar Charter School, Inc.
d/b/a Damar Charter Academy
Statements of Financial Position
June 30, 2015 and 2014

Assets

	2015	2014
Cash	\$ 752,834	\$ 417,214
Tuition and other receivables, net of allowance of \$583,128	2,428	2,433
Medicaid receivable	18,020	-
Grants receivable	-	31,413
Property and equipment, net	345,135	430,481
Total assets	\$ 1,118,417	\$ 881,541

Liabilities and Net Assets

Liabilities

Accounts payable - Damar Services, Inc.	\$ 283,143	\$ 305,529
Accrued expenses	5,451	2,736
Deferred rent expense	19,223	12,990
Note payable - Damar Services, Inc.	98,786	148,786
Total liabilities	406,603	470,041

Net Assets

Unrestricted	711,814	411,500
Total liabilities and net assets	\$ 1,118,417	\$ 881,541

**Damar Charter School, Inc.
d/b/a Damar Charter Academy**

**Statements of Activities
Years Ended June 30, 2015 and 2014**

	2015		
	Unrestricted	Temporarily Restricted	Total
Revenues, Gains and Other Support			
Contributions	\$ 11,483	\$ -	\$ 11,483
Grants	209,828	-	209,828
State basic grant (tuition support)	2,264,965	-	2,264,965
Medicaid	60,349	-	60,349
Other revenue	92,741	-	92,741
Net assets released from restrictions	-	-	-
Total revenues, gains and other support	<u>2,639,366</u>	<u>-</u>	<u>2,639,366</u>
Expenses			
Salaries and wages	1,168,004	-	1,168,004
Employee benefits	188,971	-	188,971
Payroll taxes	83,035	-	83,035
Professional services	261,514	-	261,514
Office supplies	9,567	-	9,567
Occupancy	364,115	-	364,115
Conference and meetings	19,600	-	19,600
Depreciation	112,160	-	112,160
Insurance	20,341	-	20,341
Educational supplies	-	-	-
Student transportation	36,500	-	36,500
Miscellaneous and other	72,705	-	72,705
Total expenses	<u>2,336,512</u>	<u>-</u>	<u>2,336,512</u>
Change in Net Assets Before Other Changes	302,854	-	302,854
Other Changes			
Gain on disposal of property and equipment	175	-	175
Interest expense	(2,715)	-	(2,715)
Change in Net Assets	300,314	-	300,314
Net Assets, Beginning of Year	<u>411,500</u>	<u>-</u>	<u>411,500</u>
Net Assets, End of Year	<u>\$ 711,814</u>	<u>\$ -</u>	<u>\$ 711,814</u>

2014		
Unrestricted	Temporarily Restricted	Total
\$ 11,052	\$ -	\$ 11,052
281,618	-	281,618
2,130,765	-	2,130,765
-	-	-
72,523	-	72,523
38,017	(38,017)	-
<u>2,533,975</u>	<u>(38,017)</u>	<u>2,495,958</u>
1,154,389	-	1,154,389
275,906	-	275,906
80,918	-	80,918
266,991	-	266,991
7,248	-	7,248
389,502	-	389,502
19,556	-	19,556
127,552	-	127,552
31,336	-	31,336
10,514	-	10,514
75,002	-	75,002
63,582	-	63,582
<u>2,502,496</u>	<u>-</u>	<u>2,502,496</u>
31,479	(38,017)	(6,538)
-	-	-
<u>(2,736)</u>	<u>-</u>	<u>(2,736)</u>
28,743	(38,017)	(9,274)
<u>382,757</u>	<u>38,017</u>	<u>420,774</u>
<u>\$ 411,500</u>	<u>\$ -</u>	<u>\$ 411,500</u>

Damar Charter School, Inc.
d/b/a Damar Charter Academy
Statements of Cash Flows
Years Ended June 30, 2015 and 2014

	2015	2014
Operating Activities		
Change in net assets	\$ 300,314	\$ (9,274)
Items not requiring cash		
Depreciation	112,160	127,552
Changes in		
Tuition receivable	5	(467)
Medicaid receivable	(18,020)	-
Grants receivable	31,413	63,726
Accounts payable	(22,386)	(11,756)
Accrued expenses	2,715	2,736
Deferred rent expense	6,233	12,990
Net cash provided by operating activities	412,434	185,507
Investing Activity - purchase of property and equipment	(26,814)	(76,104)
Financing Activity - payments on note payable	(50,000)	-
Increase in Cash	335,620	109,403
Cash, Beginning of Year	417,214	307,811
Cash, End of Year	\$ 752,834	\$ 417,214

Damar Charter School, Inc. d/b/a Damar Charter Academy

Notes to Financial Statements June 30, 2015 and 2014

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

On August 16, 2011, the Damar Charter School, Inc. d/b/a Damar Charter Academy (Academy) signed an agreement with The Mayor of Indianapolis to begin operations as a public charter school. The first day of school was August 17, 2011. The mission of the Academy is to provide students with autism and other developmental and intellectual challenges the opportunity to achieve to their highest academic potential while developing practical behavioral, communication and daily living skills toward improved community integration and success. The Academy utilizes best practice and research informed teaching and support strategies tailored specifically to each student as developed and reflected in an individual education plan.

Although open to all Indiana students, this Kindergarten through 12th grade public school predominantly has children with developmental disabilities or learning disabilities enrolled as students. The student population is a mix of Damar Service's residential clients and non-resident students. The Academy was formed as a 501(c)(3) under the Internal Revenue Service code.

Damar Services, Inc. (Damar Services) functions as the Academy's education management organization (EMO) under a management services agreement dated August 16, 2011 and which is coterminous with the Academy's charter. In addition to the contractual services provided under the EMO agreement, Damar Services voluntarily provides up to 20 additional staff every school day which facilitates additional support in the Academy's classrooms and increases the staff to student ratios. The additional staff provided by Damar Services is critical to the success of the Academy. The Academy has one employee, which is the President and Chief Executive Officer of Damar Services.

The Academy is governed by an independent board of directors whose members include five elected directors, three Damar Services board of directors and a Damar Services staff director.

The Academy's revenues and other support are derived principally from tuition support from the State of Indiana. This revenue is based upon a formula from the Department of Education for the number of students enrolled in the Academy. Additionally, the Academy receives grants and contributions from donors for the support of its activities.

Use of 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Damar Charter School, Inc.
d/b/a Damar Charter Academy

Notes to Financial Statements
June 30, 2015 and 2014

Cash

At June 30, 2015, the Academy's cash accounts exceed federally insured limits by approximately \$503,000.

Tuition Receivable

The tuition receivable balance primarily represents the unpaid amounts due from the State of Indiana for tuition support. At June 30, 2013, the State of Indiana forgave the Common School Loan and accordingly, the Academy reduced the corresponding basic tuition grant receivable. However, the State of Indiana made no provision to reimburse for the special education portion of the receivable. The State has acknowledged that the special education receivable is owed, but does not have a funding solution outside of an Indiana General Assembly approval. As a result, the Academy reduced the remaining tuition grant receivable to zero.

The allowance for doubtful accounts is determined by management based on the Academy's historical losses, specific customer circumstances and general economic conditions. Periodically, management reviews accounts receivable and adjusts the allowance based on current circumstances and charges off uncollectible receivables when all attempts to collect have failed.

The allowance for doubtful accounts was \$583,128 at June 30, 2015 and 2014, to recognize the State of Indiana may not pay the portion of 2013 tuition support that is due to the Academy.

Property and Equipment

Property and equipment are depreciated on a straight-line basis over the estimated useful life of each asset. The Academy provides for depreciation on the straight-line method at rates designed to depreciate the costs of assets over estimated useful lives as follows:

	Years
Equipment	3 - 5
Computers	3 - 5
Software	3 - 5

Damar Charter School, Inc.
d/b/a Damar Charter Academy

Notes to Financial Statements
June 30, 2015 and 2014

Long-Lived Asset Impairment

The Academy evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No asset impairment was recognized during the years ended June 30, 2015 and 2014.

Temporarily Restricted Net Assets

Temporarily restricted net assets are those whose use by the Academy has been limited by donors to a specific time period or purpose.

Contributions

Gifts of cash and other assets received without donor stipulations are reported as unrestricted revenue and net assets. Gifts received with a donor stipulation that limits their use are reported as temporarily or permanently restricted revenue and net assets. When a donor stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Gifts that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as temporarily restricted and then released from restriction.

Government Grants

Support funded by grants is recognized as the Academy performs the contracted services or incurs outlays eligible for reimbursement under the grant agreements. Grant activities and outlays are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be required.

Income Taxes

The Academy is exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of state law. However, the Academy is subject to federal income tax on any unrelated business taxable income. The Academy files tax returns in the U.S. federal jurisdiction. With few exceptions, the Academy is no longer subject to U.S. federal examinations by tax authorities for years before 2012.

Damar Charter School, Inc.
d/b/a Damar Charter Academy

Notes to Financial Statements
June 30, 2015 and 2014

Functional Allocation of Expenses

Certain costs have been allocated among the program and management and general categories based on the actual expenditures and cost allocations estimated by the Academy's personnel.

Subsequent Events

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

Note 2: Property and Equipment

Property and equipment at June 30 consists of:

	2015	2014
Equipment	\$ 541,070	\$ 514,820
Computers	124,192	123,629
Software	38,619	38,619
	<u>703,881</u>	<u>677,068</u>
Less accumulated depreciation and amortization	<u>(358,746)</u>	<u>(246,587)</u>
	<u><u>\$ 345,135</u></u>	<u><u>\$ 430,481</u></u>

Note 3: Note Payable

The Academy has a note payable to Damar Services that was issued in 2013 to cover costs of relocating to a new facility. At June 30, 2015 and 2014, the balance of the note was \$98,786 and \$148,786, respectively. The note bears interest of 2%. The note is due and payable on the earlier of June 30, 2018 or on demand, which may be made by Damar Services at any time. Payments on the note are due annually at June 30 in the amount of \$25,000 beginning on June 30, 2014 and continuing on each successive June 30 thereafter until the maturity date of which the remaining unpaid principal and accrued interest are due. The note is secured by substantially all assets of the Academy.

**Damar Charter School, Inc.
d/b/a Damar Charter Academy**

**Notes to Financial Statements
June 30, 2015 and 2014**

Note 4: Net Assets

Net Assets Released From Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors. These releases are attributable to expenses incurred for the Walton Family Foundation Grant. The Academy did not have any temporarily or permanently restricted net assets at June 30, 2015 or 2014.

	2015	2014
Assistive classroom technologies	\$ -	\$ 26,000
Computer and related equipment	-	4,936
Classroom furniture	-	5,000
Assessments	-	1,021
Curriculum	-	1,060
	\$ -	\$ 38,017

Note 5: Operating Leases

Rent and Lease Expense

In November 2012, the Academy leased approximately 20,000 square feet of new space from Damar Services to replace the previous 16,000 square feet. The initial term of this lease is set to expire on June 30, 2018 and the rent calculates to an effective lease per square foot of approximately \$9.76. Rent expense is recognized on the straight-line method and was \$191,095 and \$185,215 for the years ended June 30, 2015 and 2014, respectively. Deferred rent expense for the years ended June 30, 2015 and 2014 was \$19,223 and \$12,990, respectively, to recognize the difference between rental payments made and rent expense according to the straight-line method.

Damar Charter School, Inc.
d/b/a Damar Charter Academy
Notes to Financial Statements
June 30, 2015 and 2014

Additionally, the Academy utilizes vehicles, which are leased or owned by Damar Services. Under this arrangement, Damar Services charges the Academy a predetermined amount each year. The amount charged to the Academy for 2015 and 2014 was \$36,500 and \$77,020, respectively. The Academy also rents certain equipment from Damar Services which totaled \$12,331 and \$15,000 for 2015 and 2014, respectively. The office equipment and vehicle leases are annual leases.

Future minimum lease payments for the office space at June 30, 2015 is:

2016	\$ 179,724
2017	195,093
2018	<u>210,463</u>
	<u><u>\$ 585,280</u></u>

Note 6: Management Services Agreement

On August 16, 2011, the Academy and Damar Services signed a Charter School Service Contract. In effect, this contract authorizes Damar Services to provide all educational services to the Academy to include curriculum, instruction, employees, physical facilities, financial and all other facets required to run a public school. Damar Services assumes responsibility for the administration, operation and performance of the Academy, including all administrative services reasonably necessary for the operation of a charter school, as set forth in the Charter School Service Contract. Termination clauses for both the Academy and Damar Services are included in the contract.

The Academy and Damar Services have a management services agreement under which Damar Services provides management services for the Academy. In 2015 and 2014, the Academy paid \$122,000 and \$111,000, respectively, to Damar Services under this agreement. This amount paid under the agreement increases by \$11,000 each year to \$133,000 in 2016 and remains at that level for the remainder of the service agreement period. The agreement continues through the termination or expiration of the Academy, unless otherwise cancelled under the contract terms.

**Damar Charter School, Inc.
d/b/a Damar Charter Academy**

**Notes to Financial Statements
June 30, 2015 and 2014**

Contracted Services Detail

As part of the management services agreement, Damar Services provides a number of contractual services and facilities to the Academy, which are noted below:

	2015	2014
Vehicle lease	\$ 36,500	\$ 77,020
Cleaning services	-	6,000
Management agreement	122,000	111,000
Other equipment leases	-	15,000
Security	2,448	2,448
	\$ 160,948	\$ 211,468

Additionally, the Academy reimburses Damar Services for a variety of expenses which include but are not limited to all employee costs, insurance, supplies, transportation, professional services and other miscellaneous items. The school Superintendent is the only Academy employee and is uncompensated.

Total charges from Damar Services for contracted services and other operating expenses for the fiscal years ended June 30, 2015 and 2014 was \$2,324,312 and \$2,445,027, respectively.

At June 30, 2015 and 2014, the Academy had accounts payable totaling \$283,143 and \$305,529, respectively, and a note payable of \$98,786 and \$148,786 at June 30, 2015 and 2014, respectively, owed to Damar Services.

Note 7: Functional Expenses

Expenses by functional classifications are as follows:

	2015	2014
Program services	\$ 2,163,961	\$ 2,281,645
Management and general	172,551	220,851
	\$ 2,336,512	\$ 2,502,496

Damar Charter School, Inc.
d/b/a Damar Charter Academy

Notes to Financial Statements
June 30, 2015 and 2014

Note 8: Significant Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

Revenue, Grants and Other Support

Approximately 86% and 85% of revenue was received in 2015 and 2014, respectively, from the State of Indiana under the State Basic Grant for tuition support. Additionally, 87% and 90% of the total contribution revenue for the years ended June 30, 2015 and 2014, respectively, came from one donor.

Current Economic Conditions

In addition to serving as the Academy's EMO, Damar Services provides a significant number of students and staff to the school. Any reduction to the census at Damar Services may ultimately have an adverse effect on the Academy's enrollment and classroom staffing.

Supplementary Information

Damar Charter School, Inc.
d/b/a Damar Charter Academy
Statement of Activities by Fund
Year Ended June 30, 2015

	General Fund	Lunch Fund	Textbook Fund	School Administration Fund	E-Rate	Title I Fund	Title II Fund	Federal Special Ed Fund	Facilities Grant Fund	Performance Awards	Total
Revenues, Gains and Other Support											
Contributions	\$ 11,483	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,483
Grants	7,415	-	-	29,882	-	65,321	6,300	100,910	-	-	209,828
State basic grant	2,264,965	-	-	-	-	-	-	-	-	-	2,264,965
Medicaid	60,349	-	-	-	-	-	-	-	-	-	60,349
Other revenue	4,155	71,995	11,511	-	-	-	-	-	-	5,080	92,741
Transfers to (from) other funds	(191,768)	-	-	20,157	-	59,321	6,300	100,910	-	5,080	-
Total revenues, gains and other support	<u>2,156,599</u>	<u>71,995</u>	<u>11,511</u>	<u>50,039</u>	<u>-</u>	<u>124,642</u>	<u>12,600</u>	<u>201,820</u>	<u>-</u>	<u>10,160</u>	<u>2,639,366</u>
Expenses											
Salaries and wages	1,004,880	-	-	17,407	-	38,427	6,300	95,910	-	5,080	1,168,004
Employee benefits	180,971	-	-	-	-	3,000	-	5,000	-	-	188,971
Payroll taxes	83,035	-	-	-	-	-	-	-	-	-	83,035
Professional services	261,514	-	-	-	-	-	-	-	-	-	261,514
Office supplies	9,067	-	-	-	-	500	-	-	-	-	9,567
Occupancy	347,669	-	-	446	-	16,000	-	-	-	-	364,115
Conference and meetings	12,206	-	-	-	-	7,394	-	-	-	-	19,600
Depreciation	112,160	-	-	-	-	-	-	-	-	-	112,160
Insurance	20,341	-	-	-	-	-	-	-	-	-	20,341
Student transportation	36,500	-	-	-	-	-	-	-	-	-	36,500
Miscellaneous and other	2,657	70,048	-	-	-	-	-	-	-	-	72,705
Total expenses	<u>2,071,000</u>	<u>70,048</u>	<u>-</u>	<u>17,853</u>	<u>-</u>	<u>65,321</u>	<u>6,300</u>	<u>100,910</u>	<u>-</u>	<u>5,080</u>	<u>2,336,512</u>
Change in Net Assets Before Other Changes	85,599	1,947	11,511	32,186	-	59,321	6,300	100,910	-	5,080	302,854
Other Changes											
Gain on disposal on property and equipment	175	-	-	-	-	-	-	-	-	-	175
Interest expense	(2,715)	-	-	-	-	-	-	-	-	-	(2,715)
Change in Net Assets	83,059	1,947	11,511	32,186	-	59,321	6,300	100,910	-	5,080	300,314
Net Assets, Beginning of Year	48,665	(4,629)	23,018	56,546	8,499	81,203	6,633	37,817	153,748	-	411,500
Net Assets, End of Year	<u>\$ 131,724</u>	<u>\$ (2,682)</u>	<u>\$ 34,529</u>	<u>\$ 88,732</u>	<u>\$ 8,499</u>	<u>\$ 140,524</u>	<u>\$ 12,933</u>	<u>\$ 138,727</u>	<u>\$ 153,748</u>	<u>\$ 5,080</u>	<u>\$ 711,814</u>

Damar Charter School, Inc. d/b/a Damar Charter Academy

Statement of Activities by Fund Year Ended June 30, 2014

	General Fund	Lunch Fund	Textbook Fund	School Administration Fund	E-Rate	Title I Fund	Title II Fund	Federal Special Ed Fund	Facilities Grant Fund	Total
Revenues, Gains and Other Support										
Contributions	\$ 11,052	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,052
Grants	-	-	-	22,514	15,541	54,521	17,586	104,144	67,312	281,618
State basic grant	2,130,765	-	-	-	-	-	-	-	-	2,130,765
Other revenue	1,334	59,367	11,822	-	-	-	-	-	-	72,523
Transfers to (from) other funds	(95,606)	-	-	24,032	4,857	33,429	6,633	43,783	(17,128)	-
Total revenues, gains and other support	<u>2,047,545</u>	<u>59,367</u>	<u>11,822</u>	<u>46,546</u>	<u>20,398</u>	<u>87,950</u>	<u>24,219</u>	<u>147,927</u>	<u>50,184</u>	<u>2,495,958</u>
Expenses										
Salaries and wages	1,016,369	-	-	-	-	47,104	15,586	75,330	-	1,154,389
Employee benefits	272,906	-	-	-	-	-	-	3,000	-	275,906
Payroll taxes	80,918	-	-	-	-	-	-	-	-	80,918
Professional services	232,911	-	-	-	-	-	-	34,080	-	266,991
Office supplies	7,248	-	-	-	-	-	-	-	-	7,248
Occupancy	339,494	-	-	-	11,899	-	-	-	38,109	389,502
Conference and meetings	13,458	-	-	-	-	3,175	2,000	200	723	19,556
Depreciation	127,552	-	-	-	-	-	-	-	-	127,552
Insurance	31,336	-	-	-	-	-	-	-	-	31,336
Educational supplies	2,100	-	-	-	-	4,051	-	-	4,363	10,514
Student transportation	75,002	-	-	-	-	-	-	-	-	75,002
Miscellaneous and other	2,742	60,840	-	-	-	-	-	-	-	63,582
Total expenses	<u>2,202,036</u>	<u>60,840</u>	<u>-</u>	<u>-</u>	<u>11,899</u>	<u>54,330</u>	<u>17,586</u>	<u>112,610</u>	<u>43,195</u>	<u>2,502,496</u>
Change in Net Assets Before Other Changes	(154,491)	(1,473)	11,822	46,546	8,499	33,620	6,633	35,317	6,989	(6,538)
Other Changes										
Interest expense	(2,736)	-	-	-	-	-	-	-	-	(2,736)
Change in Net Assets	(157,227)	(1,473)	11,822	46,546	8,499	33,620	6,633	35,317	6,989	(9,274)
Net Assets, Beginning of Year	205,892	(3,156)	11,196	10,000	-	47,583	-	2,500	146,759	420,774
Net Assets, End of Year	<u>\$ 48,665</u>	<u>\$ (4,629)</u>	<u>\$ 23,018</u>	<u>\$ 56,546</u>	<u>\$ 8,499</u>	<u>\$ 81,203</u>	<u>\$ 6,633</u>	<u>\$ 37,817</u>	<u>\$ 153,748</u>	<u>\$ 411,500</u>

Other Information

Damar Charter School, Inc.
d/b/a Damar Charter Academy
Other Information

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

Supplemental Report of Damar Charter School, Inc.

The Supplemental 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.