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July 18, 2023

Charter School Board
Northern Rush County Schools, Inc.
d/b/a Mays Community Academy
929 East South Street
Mays, IN 46155

We have reviewed the audit report of Northern Rush County Schools, Inc. d/b/a Mays Community Academy which was opined upon by CliftonLarsonAllen LLP, Independent Public Accountants, for the period July 1, 2021 to June 30, 2022. Per the *Independent Auditors' Report* the financial statements included in the report present fairly the financial condition of Northern Rush County Schools, Inc. d/b/a Mays Community Academy as of June 30, 2022, and the results of its operations for the period then ended, on the basis of accounting described in the report.

We call your attention to the Emphasis of a Matter Regarding Going Concern paragraph included in the *Independent Auditor's Report* and further detailed in Note 1.

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

In addition to the report presented herein, a Supplemental Audit Report for Northern Rush County Schools, Inc. d/b/a Mays Community Academy, was prepared in accordance with the 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

Tammy R. White, CPA
Deputy State Examiner

NORTHERN RUSH COUNTY SCHOOLS, INCORPORATED
DBA: MAYS COMMUNITY ACADEMY

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEARS ENDED JUNE 30, 2022 AND 2021

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NORTHERN RUSH COUNTY SCHOOLS, INCORPORATED
DBA: MAYS COMMUNITY ACADEMY
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Northern Rush County Schools, Incorporated
dba: Mays Community Academy
Mays, Indiana

Report on the Audit Of the Financial Statements

Opinion

We have audited the accompanying financial statements of Northern Rush County Schools, Incorporated dba: Mays Community Academy, which comprise the statements of financial position as of June 30, 2022 and 2021, 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 financial statements referred to above present fairly, in all material respects, the financial position of Northern Rush County Schools, Incorporated dba: Mays Community Academy as of June 30, 2022 and 2021, and the changes in its net assets, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Northern Rush County Schools, Incorporated dba: Mays Community Academy and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of a Matter Regarding Going Concern

The accompanying financial statements have been prepared assuming that the entity will continue as a going concern. As discussed in Note 1 to the financial statements, the School has experienced significant decreases in enrollment for the previous School years, which has required the School to seek out additional borrowings. The decrease in enrollment significantly reduces revenue for operations and repayment on the additional borrowings. Management's evaluation of the events and conditions and management's plans regarding these matters also are described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

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Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Northern Rush County Schools, Incorporated dba: Mays Community Academy's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with the GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 that, individually or in aggregate, they would influence the judgement made by reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Northern Rush County Schools, Incorporated dba: Mays Community Academy'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Northern Rush County Schools, Incorporated dba: Mays Community Academy's ability to continue as a going concern for a reasonable period of time.

Board of Directors
Northern Rush County Schools, Incorporated
dba: Mays Community Academy

Report on Supplementary Information

The supplementary information is presented for the purposes of additional analysis and is 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Indianapolis, Indiana
March 31, 2023

NORTHERN RUSH COUNTY SCHOOLS, INCORPORATED
DBA: MAYS COMMUNITY ACADEMY
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

	2022	2021
ASSETS		
CURRENT ASSETS		
Cash	$ 147,034	$ 46,413
Grants Receivable	242,742	130,046
Total Current Assets	389,776	176,459
PROPERTY AND EQUIPMENT		
Land	88,400	88,400
Buildings and Improvements	783,331	621,588
Furniture and Equipment	296,829	279,804
Software and Textbooks	90,082	90,082
Vehicles	5,000	5,000
Less: Accumulated Depreciation	(405,192)	(349,013)
Property and Equipment, Net	858,450	735,861
OTHER ASSETS		
Security Deposit	3,900	3,900
Total Assets	$ 1,252,126	$ 916,220
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Lines of Credit	$ -	$ 386,653
Current Portion of Notes Payable	210,565	78,082
Accounts Payable and Accrued Expenses	136,402	120,716
Total Current Liabilities	346,967	585,451
LONG-TERM LIABILITIES		
Notes Payable, Net of Current Portion	467,810	266,464
Total Liabilities	814,777	851,915
NET ASSETS WITHOUT DONOR RESTRICTIONS	437,349	64,305
Total Liabilities and Net Assets	$ 1,252,126	$ 916,220

See accompanying Notes to Financial Statements.

NORTHERN RUSH COUNTY SCHOOLS, INCORPORATED
DBA: MAYS COMMUNITY ACADEMY
STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS
YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
REVENUE AND SUPPORT		
State Education Support	$ 1,342,220	$ 1,522,803
Grant Revenue	1,443,909	842,436
Student Fees	73,123	63,209
Contributions	2,087	7,336
Fundraising and Other Income	91,626	61,124
Gain on Extinguishment of Payroll Protection Program Loan	-	243,954
Total Revenue and Support	2,952,965	2,740,862
EXPENSES		
Program Services	1,944,476	2,001,569
Management and General	635,445	686,403
Total Expenses	2,579,921	2,687,972
CHANGE IN NET ASSETS	373,044	52,890
Net Assets - Beginning of Year	64,305	11,415
NET ASSETS - END OF YEAR	$ 437,349	$ 64,305

See accompanying Notes to Financial Statements.

NORTHERN RUSH COUNTY SCHOOLS, INCORPORATED
DBA: MAYS COMMUNITY ACADEMY
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2022 AND 2021

	2022			2021		
	Program Services	Management and General	Total	Program Services	Management and General	Total
Salaries and Wages	$ 942,578	$ 290,833	$ 1,233,411	$ 939,494	$ 305,275	$ 1,244,769
Employee Benefits	268,056	104,205	372,261	284,327	90,739	375,066
Staff Development	8,011	-	8,011	5,544	-	5,544
Professional Services	220,129	144,319	364,448	86,943	185,085	272,028
Repairs and Maintenance	-	15,545	15,545	-	13,711	13,711
Authorizer Oversight Fees	-	35,608	35,608	-	39,850	39,850
Food Costs	68,164	-	68,164	68,637	-	68,637
Transportation	188,946	466	189,412	207,397	1,281	208,678
Information Technology	46,178	-	46,178	79,474	-	79,474
Advertising	-	3,448	3,448	-	370	370
Classroom, Kitchen, and Office Supplies	87,376	4,763	92,139	208,286	12,519	220,805
Occupancy	55,260	-	55,260	53,133	-	53,133
Depreciation	56,179	-	56,179	58,328	-	58,328
Interest	-	26,321	26,321	-	25,507	25,507
Insurance	2,500	-	2,500	2,500	-	2,500
Other	1,099	9,937	11,036	7,506	12,066	19,572
Total Functional Expenses	$ 1,944,476	$ 635,445	$ 2,579,921	$ 2,001,569	$ 686,403	$ 2,687,972

See accompanying Notes to Financial Statements.

NORTHERN RUSH COUNTY SCHOOLS, INCORPORATED
DBA: MAYS COMMUNITY ACADEMY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 373,044	$ 52,890
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	56,179	58,328
Gain on Extinguishment of Payroll Protection Program Loan	-	(243,954)
Changes in Operating Assets and Liabilities:		
Grants Receivable	(112,696)	(18,721)
Accounts Payable and Accrued Expenses	15,686	(244)
Net Cash Provided (Used) by Operating Activities	332,213	(151,701)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(178,768)	(15,713)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Lines of Credit, Net	23,346	229,349
Repayment of Notes Payable	(76,170)	(74,033)
Net Cash Provided (Used) by Financing Activities	(52,824)	155,316
NET CHANGE IN CASH	100,621	(12,098)
Cash - Beginning of Year	46,413	58,511
CASH - END OF YEAR	$ 147,034	$ 46,413
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid for Interest	$ 26,321	$ 25,507
Refinance of Line of Credit to Note Payable	$ 409,999	$ -

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Northern Rush County Schools, Incorporated dba: Mays Community Academy (the School) is a public benefit nonprofit organization incorporated under the laws of the state of Indiana. The School is sponsored by Ball State University and operates a public charter school established under Indiana Code 20-24. The School served approximately 150 and 184 students during the years ended June 30, 2022 and 2021, respectively, in grades kindergarten through eight.

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 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 portion of the School's revenue is the product of cost reimbursement grants. Therefore, the School recognizes revenue under these grants in the amounts of costs and expenses at the time they are incurred. Amounts received prior to incurring qualifying expenditures are reported as deferred revenues in the statement of financial position. As of June 30, 2022 and 2021, the School does not have any conditional grants that have not been recognized as revenue in the statement of activities because conditions have not been met.

Revenue from student fees, fundraising, and other income is recognized when the control of the promised good or service is transferred to the student, in an amount that reflects the consideration expected to be entitled in exchange for those goods or services. Amounts received prior to the service is performed is reported as deferred revenue in the statement of financial position. As of June 30, 2022 and 2021, the School did not have any such deferred revenue.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions and Grants

The School receives income from contributions and grants that support certain school activities. Such revenue received and unconditional promises to give are measured at their fair value and are reported as an increase in net assets. The School reports gifts of cash and other assets and grants 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 purposes restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and change in net assets as net assets released from restriction. The School did not have any net assets with donor restrictions as of June 30, 2022 and 2021.

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. There were no cash equivalents at June 30, 2022 and 2021.

Grants Receivable

Grants receivable relate primarily to activities funded under federal programs. The School believes that it is operating in compliance with regulatory requirements and as such no allowance for doubtful accounts is deemed necessary.

Taxes on Income

Northern Rush County Schools, Incorporated has received a determination from the U.S. Internal Revenue Service 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 tax-exempt purpose. For the years ended June 30, 2022 and 2021, 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 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. Tax years ending after 2017 are open to audit for both federal and state purposes.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Purchases of 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 $500 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	7 to 40 Years
Furniture and Equipment	5 to 10 Years
Software and Textbooks	3 to 5 Years
Vehicles	10 Years

Impairment of Long-Lived Assets

On an ongoing basis, the School reviews its long-lived assets for impairment whenever events or circumstances indicate that the carrying amount may be overstated. The School recognizes impairment losses if the undiscounted cash flows expected to be generated are less than the carrying value of the related asset. If impaired, the assets are adjusted to fair value based on the undiscounted cash flows.

Going Concern Considerations

The accompanying financial statements have been prepared assuming the School will continue as a going concern. For the year ended June 30, 2022, the School saw a significant decrease in enrollment, resulting in a decrease of state education support of approximately $180,000. This required additional borrowings against the School's line of credit of approximately $33,000. Subsequent enrollment for the fall 2022 semester saw another significant decrease to 119 enrolled students. If this trend continues, these factors could threaten the School's ability to continue as a going concern.

The School's management is aware of the negative financial results presented in the previous paragraph and has taken the following measures to improve its finances. The Board and administration of the School have been deliberate and thoughtful in determining the optimal learning environment as it navigates through learning losses during COVID-19 lockdowns. Due to the COVID-19 crisis, significant emergency funding was available to the School, which was utilized during the year ended June 30, 2022. The School has also worked with its management company to develop a budget for fiscal year 2023 that will allow the School to meet its current and upcoming obligations and strengthen its net asset position. Furthermore, the School has also worked towards a 2023-2024 budget and plan that includes eliminating the inefficient 7th and 8th grades and reducing staffing levels to align with the changes in enrollment. The School has also refinanced the outstanding debt with a financial institution through October 2027 as further described in Note 2 to the financial statements. To further assist with cash flow, subsequent to year end the School entered into an agreement with Charter School Capital to purchase certain receivables of the School.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

The School evaluated subsequent events through March 31, 2023, 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 2 NOTES PAYABLE

Notes payable were comprised of the following at June 30:

Description	2022	2021
Note payable to FCN Bank with monthly installments of $3,298 including interest at 6.25% annum, maturing in July 2024. In October 2022, this was refinanced into the note below.	$ -	$ 110,796
Note payable (resulting from refinance of previous loan and lines of credit in October 2022) to FCN Bank with monthly installments of $7,057 including interest at 6.5% annum, maturing in October 2027.	487,125	-
Note payable to Indiana State Board of Education, payable $21,250 semi-annually (January 1 and July 1) plus interest at 1.00% per annum, maturing in July 2026.	191,250	233,750
Total	678,375	344,546
Less: Current Portion	(210,565)	(78,082)
Long-Term Portion	$ 467,810	$ 266,464

Principal maturities of notes payable are as follows for the years ending June 30:

Year Ending June 30,	Amount
2023	$ 210,565
2024	108,382
2025	112,795
2026	138,752
2027	80,025
Thereafter	27,856
Total	$ 678,375

NOTE 3 DEBT EXTINGUISHMENT

On April 15, 2020, the School received proceeds in the amount of $243,954 to fund payroll, rent, and utilities through the Paycheck Protection Program (the PPP Loan). The PPP Loan was formally forgiven by the U.S. Small Business Administration (SBA) on April 5, 2021. Accordingly, the School recognized a gain on the extinguishment of debt of $243,954 during the year ended June 30, 2021. This amount is included in the accompanying statement of activities.

The SBA may review funding eligibility and usage of funds in compliance with the program based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on the School's financial position.

NOTE 4 LINES OF CREDIT

During the year ended June 30, 2019, the School entered into two line of credit arrangements with FCN Bank. The first line of credit has a $300,000 borrowing capacity and incurred interest at 6.5% per annum, maturing October 2019. This was extended to October 2022 with an interest rate of 5%. The second line of credit has a $120,000 borrowing capacity and incurred interest at 6.5% per annum, maturing August 2019. This was extended to October 2022 with an interest rate of 4.5%. The balance of the lines of credit as of June 30, 2021 was $386,653, respectively. Subsequent to year-end, the two lines of credit were refinanced with the outstanding note payable into one note payable as noted in Note 2.

NOTE 5 RETIREMENT PLANS

The School provides retirement benefits covering substantially all full-time employees. Retirement benefits are provided by the Indiana State Teachers' Retirement Fund (TRF) and the Indiana Public Employees' Retirement Fund (PERF), both of which are cost-sharing 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 determined annually by the INPRS Board. For the years ended June 30, 2022 and 2021, the School contributed 5.5% of compensation for eligible teaching personnel to TRF and 11.2% for other employees to PERF. Should the School elect to withdraw from TRF or PERF, it could be subject to a withdrawal fee. The School's contributions represent an insignificant percentage of the total contributions received by TRF and PERF. As of June 30, 2021 (the latest year reported), TRF and PERF were approximately 95% and 83% funded, respectively. The School's total retirement expense was $52,348 and $43,396 for the years ended June 30, 2022 and 2021, respectively.

NOTE 6 COMMITMENTS

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. Payments under this charter agreement were $35,608 and $39,850 for the years ended June 30, 2022 and 2021, respectively. The charter remains in effect until June 30, 2023 and is renewable thereafter by mutual consent. Subsequent to year-end, the School withdrew the charter renewal application with Ball State University thus the current charter will end June 30, 2023 unless the School applies for charter authorization from a different authorizer.

The School contracted with Indiana Charters LLC, a for-profit organization incorporated in the state of Indiana, to perform data management, financial, administrative, and general operational support services. Expenses under this contract were $106,332 and $81,825 for the years ended June 30, 2022 and 2021, respectively.

NOTE 7 RISKS AND UNCERTAINTIES

The School provides educational instruction services to families residing in Rush and surrounding counties in 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. Any changes in state or federal legislation could significantly impact 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. At June 30, 2021, substantially all of the receivable balance was due from the state of Indiana. In addition, bank deposits are maintained primarily at FCN Bank, and are insured up to the Federal Deposit Insurance Corporation (FDIC) limit.

During the year ended June 30, 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the School, COVID-19 has impacted various parts of its operations and financial results, including an increase in nutrition and other grant funding. Management believes the School is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are ongoing and are still developing.

NOTE 8 LIQUIDITY

Under ASU 2016-14, the School is required to disclose the assets it has available at June 30, 2022 and 2021 to meet its cash needs for general expenditures within one year of the date of the statement of financial position. Financial assets for the School include cash and grants receivable which total $386,180 and $176,459 in 2022 and 2021, respectively.

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. In addition, the School has a $10,001 and $33,347 line of credit available as of June 30, 2022 and 2021, respectively.

NOTE 9 FUNCTIONAL EXPENSE REPORTING

The costs of providing the educational activities have been summarized on a functional basis in the statements of activities and change in net assets. Management of the School has 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 is required.

NOTE 10 RELATED PARTY TRANSACTIONS

The School contracts with a transportation company that is owned by the husband of the Board Treasurer. The School uses the transportation company for busing services and also employs two relatives of the Board Treasurer. Expenses under this relationship during the years ended June 30, 2022 and 2021 were $186,244 and $192,592, respectively, for transportation and $-0- and $10,769, respectively, for labor.

NORTHERN RUSH COUNTY SCHOOLS, INCORPORATED
DBA: MAYS COMMUNITY ACADEMY
OTHER REPORT
YEAR ENDED JUNE 30, 2022

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

Supplemental Audit Report of Northern Rush County Schools, Incorporated
dba: Mays Community Academy

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*.

NORTHERN RUSH COUNTY SCHOOLS, INCORPORATED
DBA: MAYS COMMUNITY ACADEMY
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2022
(SEE INDEPENDENT AUDITORS' REPORT)

	Mays Community Academy	Mays Community Academy Pre-K	Eliminations	Total
ASSETS				
CURRENT ASSETS				
Cash	$ (39,133)	$ 186,167	$ -	$ 147,034
Grants Receivable	242,742	-	-	242,742
Total Current Assets	203,609	186,167	-	389,776
PROPERTY AND EQUIPMENT				
Land	88,400	-	-	88,400
Buildings and Improvements	783,331	-	-	783,331
Furniture and Equipment	296,829	-	-	296,829
Software and Textbooks	90,082	-	-	90,082
Vehicles	5,000	-	-	5,000
Less: Accumulated Depreciation	(405,192)	-	-	(405,192)
Property and Equipment, Net	858,450	-	-	858,450
OTHER ASSETS				
Security Deposit	3,900	-	-	3,900
Total Assets	$ 1,065,959	$ 186,167	$ -	$ 1,252,126
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Lines of Credit	$ -	$ -	$ -	$ -
Current Portion of Notes Payable	210,565	-	-	210,565
Accounts Payable and Accrued Expenses	118,280	18,122	-	136,402
Total Current Liabilities	328,845	18,122	-	346,967
LONG-TERM LIABILITIES				
Notes Payable, Net of Current Portion	467,810	-	-	467,810
Total Liabilities	796,655	18,122	-	814,777
NET ASSETS WITHOUT DONOR RESTRICTIONS				
Undesignated	269,304	168,045	-	437,349
Total Liabilities and Net Assets	$ 1,065,959	$ 186,167	$ -	$ 1,252,126

NORTHERN RUSH COUNTY SCHOOLS, INCORPORATED
DBA: MAYS COMMUNITY ACADEMY
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022
(SEE INDEPENDENT AUDITORS' REPORT)

	Mays Community Academy	Mays Community Academy Pre-K	Total
REVENUE AND SUPPORT			
State Education Support	$ 1,342,220	$ -	$ 1,342,220
Grant Revenue	1,257,742	186,167	1,443,909
Student Fees	12,910	60,213	73,123
Contributions	2,087	-	2,087
Fundraising and Other Income	91,626	-	91,626
Total Revenue and Support	2,706,585	246,380	2,952,965
EXPENSES			
Program Services	1,883,133	61,343	1,944,476
Management and General	635,445	-	635,445
Total Expenses	2,518,578	61,343	2,579,921
CHANGE IN NET ASSETS	188,007	185,037	373,044
Net Assets - Beginning of Year	81,297	(16,992)	64,305
NET ASSETS (DEFICIT) - END OF YEAR	$ 269,304	$ 168,045	$ 437,349

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