

**KOOTENAI BRIDGE ACADEMY**  
**Coeur d' Alene, Idaho**

**Audited Financial Statements**

**For the Years Ended June 30, 2011 and 2010**

**KOOTENAI BRIDGE ACADEMY**  
**Coeur d' Alene, Idaho**

**Audited Financial Statements**  
**For the Years Ended June 30, 2011 and 2010**

**HAYDEN & ROSS, P.A.**  
**Certified Public Accountants**  
**Moscow, Idaho**

**KOOTENAI BRIDGE ACADEMY**  
**Coeur d' Alene, Idaho**

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# HAYDEN & ROSS, P.A.

## CERTIFIED PUBLIC ACCOUNTANTS

SINCE 1938

Jim Pilcher, CPA/PFS • Dave Jones, CPA/PFS • Brad Lewis, CPA/PFS • Cade Konen, CPA/PFS • Nathan Strong, CPA/PFS • Mark Watson, CPA

### INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Kootenai Bridge Academy  
Coeur d' Alene, Idaho 83814

We have audited the accompanying statements of financial position of the Kootenai Bridge Academy (an Idaho non-profit corporation) as of June 30, 2011 and 2010, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of Kootenai Bridge Academy's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Kootenai Bridge Academy as of June 30, 2011, and 2010 and the results of its operations for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

*Hayden & Ross, P.A.*

Moscow, Idaho  
August 26, 2011

**FINANCIAL SECTION**

**KOOTENAI BRIDGE ACADEMY**  
**Coeur d' Alene, Idaho**

**STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>		
Current Assets		
Cash	811,437	263,225
State support receivable	99,060	64,842
Other receivable	33,592	69,629
Total Current Assets	<u>944,089</u>	<u>397,696</u>
Fixed Assets		
Fixtures and equipment	146,096	136,630
Less accumulated depreciation	<u>(34,606)</u>	<u>(13,476)</u>
Net Fixed Assets	<u>111,490</u>	<u>123,154</u>
Total Assets	<u>\$ 1,055,579</u>	<u>520,850</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts payable	6,384	21,616
Salaries and benefits payable	61,157	41,425
Total Current Liabilities	<u>67,541</u>	<u>63,041</u>
Net Assets		
Unrestricted	<u>988,038</u>	<u>457,809</u>
Total Liabilities and Net Assets	<u>\$ 1,055,579</u>	<u>520,850</u>

The accompanying notes are an integral part of these financial statements.

**KOOTENAI BRIDGE ACADEMY**  
**Coeur d' Alene, Idaho**

**STATEMENTS OF ACTIVITIES**  
**For the Years Ended June 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>Revenue, Grants, and Other Support</b>		
Federal support	143,780	202,740
State support	1,136,384	655,390
Interest	4,650	1,894
Other local	101,257	100,948
Total Revenue, Grants and Other Support	<u>1,386,071</u>	<u>960,972</u>
 <b>Expense</b>		
Program (instructional)	439,048	280,564
Administrative (support)	394,042	335,484
Non-instructional	1,622	6,739
Depreciation	21,130	13,476
Total Expense	<u>855,842</u>	<u>636,263</u>
 Change in net assets - unrestricted	530,229	324,709
 Net assets - beginning of year	<u>457,809</u>	<u>133,100</u>
 Net assets - end of year	<u>\$ 988,038</u>	<u>457,809</u>

The accompanying notes are an integral part of these financial statements.

**KOOTENAI BRIDGE ACADEMY**  
**Coeur d' Alene, Idaho**

**STATEMENTS OF CASH FLOWS**  
**For the Years Ended June 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>Cash Flows from Operating Activities</b>		
Cash received from state support	1,102,166	590,548
Cash received from federal support	179,817	133,111
Cash received from interest	4,650	1,894
Other cash received	101,257	100,948
Cash paid to suppliers and employees	(830,212)	(559,746)
Net Cash Provided by Operating Activities	<u>557,678</u>	<u>266,755</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of fixed assets	<u>(9,466)</u>	<u>(111,997)</u>
<b>Net Increase in Cash</b>	548,212	154,758
<b>Cash - Beginning of Year</b>	<u>263,225</u>	<u>108,467</u>
<b>Cash - End of Year</b>	<u>\$ 811,437</u>	<u>263,225</u>
Reconciliation of Change in Net Assets to Net		
Cash Provided by Operating Activities:		
Change in net assets	530,229	324,709
Adjustments to reconcile change in net assets		
to net cash provided by operating activities:		
Depreciation and amortization	21,130	13,476
Decrease (increase) in state support receivable	(34,218)	(64,842)
Decrease (increase) in other receivable	36,037	(69,629)
Increase (decrease) in accounts payable	(15,232)	21,616
Increase (decrease) in salaries and benefits payable	<u>19,732</u>	<u>41,425</u>
Net Cash Provided by Operating Activities	<u>\$ 557,678</u>	<u>266,755</u>

The accompanying notes are an integral part of these financial statements.

**KOOTENAI BRIDGE ACADEMY**  
**Coeur d' Alene, Idaho**

**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2011 and 2010**

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**NOTE 1 - ORGANIZATION**

Kootenai Bridge Academy (the School) is a non-profit state-funded public school. The School serves High School Students 16-21 years of age who reside in the State of Idaho. The School was approved in October of 2008 by the Idaho State Charter Commission. The School is a Virtual Academy designed for the purpose of Credit Retrieval.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Restricted Support** - 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. When a donor restriction expires, either when a stipulated time restriction ends or a 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.

The School reports gifts of land, buildings and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used.

**Basis of Accounting** - The School uses the accrual basis of accounting. Revenues are recognized as earned, and expenses are recognized when incurred.

**Cash** - The School has no requirement to hold cash in separate accounts.

**Accounts Receivable** - No allowance for uncollectible accounts is calculated by the School since all receivables were deemed to be collectible.

**Income Tax Status** - The School is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code except for income, if any, derived from unrelated business.

**Fixed Assets** - The cost of fixed assets is depreciated over the estimated useful lives of the assets. The School has a capitalization threshold policy of \$1,000. Depreciation is computed on the straight-line method for financial reporting purposes. The useful lives of fixed assets for purposes of computing depreciation are 5 to 20 years for office furniture and equipment and 40 years for buildings. As of June 30, 2011 and 2010, the School had \$146,096 and \$136,630 of fixed assets in Fixtures and Equipment. Depreciation expense for the years ending June 30, 2011 and 2010 was \$34,606 and \$13,476, respectively.

**Use of Estimates** - The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses, and actual results may differ from estimated amounts.

**Statement of Cash Flows** - For purposes of the Statement of Cash Flows, the School considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

**Reports Required by the State** - The income statements required by the State included in the supplemental information report the unrestricted activity. The General Fund accounts for activities for general operations. The Special Revenue Funds account for the activities from the grants the School received. The School Plant Facility Fund accounts for activities related to the building facilities used by the School.

**Subsequent Events** – Subsequent events have been evaluated through August 26, 2011. This is the date the financial statement were available to be issued. The School has concluded that no subsequent events have occurred.

**NOTE 3 – MAJOR FUNDING SOURCE**

The School received a majority of its revenue from the Idaho Department of Education.

	<u>2011</u>	<u>% of Total Revenue</u>
Idaho Department of Education	\$1,136,384	82%
	<u>2010</u>	<u>% of Total Revenue</u>
Idaho Department of Education	\$655,390	68%

**NOTE 4 - EMPLOYEE’S RETIREMENT SYSTEM**

Public Employee Retirement System of Idaho (PERSI), The PERSI Base Plan, a cost sharing multiple-employer public retirement system, was created by the Idaho State Legislature. It is a defined benefit plan requiring that both the member and the employer contribute. The Plan provides benefits based on members’ years of service, age, and compensation. In addition, benefits are provided for disability, death, and survivors of eligible members or beneficiaries. The authority to establish and amend benefit provisions is established in Idaho Code. Designed as a mandatory system for eligible state and school district employees, the legislation provided for other political subdivisions to participate by contractual agreement with PERSI. After 5 years of credited service, members become fully vested in retirement benefits earned to date.

Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. For each month of credited service, the annual service retirement allowance is 2.0% of the average monthly salary for the highest consecutive 42 months. PERSI issues publicly available stand alone financial reports that include audited financial statements and required supplementary information. These reports may be obtained from PERSI’s website [www.persi.idaho.gov](http://www.persi.idaho.gov).

The actuarially determined contribution requirements of the School and its employees are established and may be amended by the PERSI Board of Trustees. For the year ended June 30, 2011 and 2010, the required contribution rate as a percentage of covered payroll for members was 6.23%. The employer rate as a percentage of covered payroll was 10.39%. The School's contributions required and paid were \$36,598 and \$19,639 for the year ended June 30, 2011 and 2010, respectively.

**NOTE 5 – CONCENTRATION OF CREDIT RISK**

Kootenai Bridge Academy maintains one checking account and two money market accounts at a single bank. The Federal Deposit Insurance Corporation (FDIC) insures up to \$250,000 at an institution for fiscal year-end 2011 and 2010. Cash at this institution exceeded federally insured limits in 2011. The amount in excess of the FDIC limit totaled \$419,269 and \$13,225 as of June 30, 2011 and 2010, respectively.

**SUPPLEMENTARY INFORMATION**

# HAYDEN & ROSS, P.A.

## CERTIFIED PUBLIC ACCOUNTANTS

SINCE 1938

Jim Pilcher, CPA/PFS • Dave Jones, CPA/PFS • Brad Lewis, CPA/PFS • Cade Konen, CPA/PFS • Nathan Strong, CPA/PFS • Mark Watson, CPA

### INDEPENDENT AUDITORS' REPORT ON ADDITIONAL INFORMATION

To the Board of Directors  
Kootenai Bridge Academy.  
Coeur d' Alene, Idaho 83814

Our report on our audit of the basic financial statements of the Kootenai Bridge Academy for the years ended June 30, 2011 and 2010 appears on Page 1. That audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The other additional information presented on pages 9 through 16 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Hayden & Ross, P.A.*

Moscow, Idaho  
August 26, 2011

**KOOTENAI BRIDGE ACADEMY**  
Coeur d' Alene, Idaho

**STATEMENT OF FUNCTIONAL EXPENSE**  
**For the Year Ended June 30, 2011**

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	<u>Program (Instructional)</u>	<u>Administrative (Support)</u>	<u>Non-Instruction</u>	<u>Total</u>
Salaries	241,986	190,198		432,184
Benefits	70,105	59,051		129,156
Purchased services	25,191	130,511	1,622	157,324
Supply-materials	95,014	10,995		106,009
Capital objects	6,752	3,287		10,039
Depreciation and amortization	21,130			21,130
Total Expense	<u>\$ 460,178</u>	<u>394,042</u>	<u>1,622</u>	<u>855,842</u>

KOOTENAI BRIDGE ACADEMY  
 Coeur d' Alene, Idaho

STATEMENT OF FUNCTIONAL EXPENSE  
 For the Year Ended June 30, 2010

	<u>Program (Instructional)</u>	<u>Administrative (Support)</u>	<u>Non-Instruction</u>	<u>Total</u>
Salaries	123,283	127,801		251,084
Benefits	43,401	47,545		90,946
Purchased services	27,036	137,344	3,180	167,560
Supply-materials	85,626	20,209	3,559	109,394
Capital objects	1,218	2,585		3,803
Depreciation and amortization	13,476			13,476
Total Expense	<u>\$ 294,040</u>	<u>335,484</u>	<u>6,739</u>	<u>636,263</u>

**KOOTENAI BRIDGE ACADEMY**  
**Coeur d' Alene, Idaho**

**SCHEDULE OF ASSETS, LIABILITIES, AND NET ASSETS**  
**June 30, 2011**

	GOVERNMENTAL FUND TYPES		ACCOUNT GROUPS	Totals (Memorandum Only)
	General	Special Revenue	General Fixed Assets	
<b>ASSETS AND OTHER DEBITS</b>				
Assets:				
Cash	661,739	149,698		811,437
State support program receivable	99,060			99,060
Other receivable	5,541	28,051		33,592
Property, equipment & amortization			146,096	146,096
Total assets and other debits	<u>\$ 766,340</u>	<u>177,749</u>	<u>146,096</u>	<u>1,090,185</u>
<b>LIABILITIES</b>				
Accounts Payable	5,128	1,256		6,384
Accrued payroll and benefits	61,157			61,157
Total liabilities	<u>66,285</u>	<u>1,256</u>	<u>0</u>	<u>67,541</u>
<b>EQUITY AND OTHER CREDITS</b>				
Investment in general fixed assets			146,096	146,096
Net Assets:				
Unreserved-undesignated	700,055	176,493		876,548
Total equity and other credits	<u>700,055</u>	<u>176,493</u>	<u>146,096</u>	<u>1,022,644</u>
Total liabilities, equity and other credits	<u>\$ 766,340</u>	<u>177,749</u>	<u>146,096</u>	<u>1,090,185</u>

See accountants' report.

**KOOTENAI BRIDGE ACADEMY**  
Coeur d' Alene, Idaho

**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET**  
**ASSETS - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2011**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Local:			
Interest	3,431		3,431
Other	728		728
Total local	<u>4,159</u>	<u>0</u>	<u>4,159</u>
State:			
Base support	1,008,598	913,192	95,406
Benefit support	71,294	69,306	1,988
Other state support	56,492		56,492
Total state	<u>1,136,384</u>	<u>982,498</u>	<u>153,886</u>
Federal:			
Other	27,438	0	27,438
Total federal	<u>27,438</u>	<u>0</u>	<u>27,438</u>
Total revenues	<u>1,167,981</u>	<u>982,498</u>	<u>185,483</u>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Salaries	225,944	238,867	12,923
Benefits	67,026	70,733	3,707
Purchased services	4,076	22,000	17,924
Supply-materials	70,771	50,374	(20,397)
Capital objects		17,000	17,000
Total instruction	<u>367,817</u>	<u>398,974</u>	<u>31,157</u>
Support:			
Salaries	190,198	207,079	16,881
Benefits	59,051	67,138	8,087
Purchased services	95,452	239,855	144,403
Supply-materials	6,390	120,116	113,726
Capital objects		46,000	46,000
Insurance		15,000	15,000
Total support	<u>351,091</u>	<u>695,188</u>	<u>344,097</u>
Total expenditures	<u>718,908</u>	<u>1,094,162</u>	<u>375,254</u>
Excess(deficit) of revenues over(under) expenditures	<u>449,073</u>	<u>(111,664)</u>	<u>560,737</u>
Change in net assets	449,073	<u>(111,664)</u>	<u>560,737</u>
Net Assets - Beginning of year	<u>250,982</u>		
Net Assets - End of year (Budget Basis)	700,055		
Adjustments to conform with GAAP:			
Capitalized capital objects	5,054		
Depreciation expense	(642)		
Net Assets - End of Year (GAAP)	<u>\$ 704,467</u>		

See accountants' report.

**KOOTENAI BRIDGE ACADEMY**  
**Coeur d' Alene, Idaho**

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2011**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>INSTRUCTION:</b>			
Secondary			
Salaries	177,962	201,676	23,714
Benefits	59,577	64,697	5,120
Purchased services	1,593	13,000	11,407
Supply-materials	70,688	38,374	(32,314)
Capital objects		17,000	17,000
Total Secondary	<u>309,820</u>	<u>334,747</u>	<u>24,927</u>
Exceptional Child			
Salaries	14,619	8,757	(5,862)
Benefits	1,118	709	(409)
Purchased services	2,483	3,500	1,017
Supply-materials	83	6,000	5,917
Total Exceptional Child	<u>18,303</u>	<u>18,966</u>	<u>663</u>
Summer School			
Salaries	33,363	28,434	(4,929)
Benefits	6,331	5,327	(1,004)
Purchased services		5,500	5,500
Supply-materials		6,000	6,000
Total Summer School	<u>39,694</u>	<u>45,261</u>	<u>5,567</u>
<b>TOTAL INSTRUCTION:</b>			
Salaries	225,944	238,867	12,923
Benefits	67,026	70,733	3,707
Purchased services	4,076	22,000	17,924
Supply-materials	70,771	50,374	(20,397)
Capital objects		17,000	17,000
Total Instruction	<u>\$ 367,817</u>	<u>398,974</u>	<u>31,157</u>

See accountants' report.

**KOOTENAI BRIDGE ACADEMY**  
**Coeur d' Alene, Idaho**

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2011**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>SUPPORT:</b>			
Attendance, Guidance, and Health			
Salaries	26,088	31,210	5,122
Benefits	1,996	2,527	531
Purchased services		9,000	9,000
Supply-materials	112	5,000	4,888
Capital objects		5,000	5,000
Total Attendance, Guidance, and Health	<u>28,196</u>	<u>52,737</u>	<u>24,541</u>
Instruction-Related Technology			
Purchased services		13,000	13,000
Supply-materials		77,000	77,000
Capital objects		13,000	13,000
Total Instruction-Related Technology	<u>0</u>	<u>103,000</u>	<u>103,000</u>
Board of Education			
Purchased services		2,000	2,000
Supply-materials		1,000	1,000
Total Board of Education	<u>0</u>	<u>3,000</u>	<u>3,000</u>
District Administration			
Purchased services	2,658	15,000	12,342
Supply-materials	605	4,000	3,395
Capital objects		3,000	3,000
Insurance		7,000	7,000
Total District Administration	<u>3,263</u>	<u>29,000</u>	<u>25,737</u>
School Administration Program			
Salaries	119,259	118,400	(859)
Benefits	43,519	42,288	(1,231)
Purchased services	7,770	15,000	7,230
Supply-materials	2,849	5,000	2,151
Total School Administration	<u>173,397</u>	<u>180,688</u>	<u>7,291</u>
Business Operation			
Salaries	44,851	57,469	12,618
Benefits	13,536	22,323	8,787
Purchased services	7,576	8,655	1,079
Supply-materials	392	6,000	5,608
Capital objects		5,500	5,500
Total Business Operation	<u>66,355</u>	<u>99,947</u>	<u>33,592</u>

**KOOTENAI BRIDGE ACADEMY**  
**Coeur d' Alene, Idaho**

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL**  
**For the Year Ended June 30, 2011**

	<u>Actual</u>	<u>Budget</u>	<b>Variance Favorable (Unfavorable)</b>
<b>SUPPORT: Continued</b>			
Administrative Technology			
Purchased services	4,839	18,000	13,161
Supply-materials	399		(399)
Total Administrative Technology	<u>5,238</u>	<u>18,000</u>	<u>12,762</u>
Custodial			
Purchased services	70,749	128,200	57,451
Supply-materials	424	9,116	8,692
Capital objects		2,000	2,000
Insurance		8,000	8,000
Total Custodial	<u>71,173</u>	<u>147,316</u>	<u>76,143</u>
Maintenance-Student Occupied			
Purchased services	703	10,000	9,297
Supply-materials	1,524	5,000	3,476
Capital objects		7,000	7,000
Total Maintenance - Student Occupied	<u>2,227</u>	<u>22,000</u>	<u>19,773</u>
Maintenance - Grounds			
Purchased services	442	10,000	9,558
Supply-materials	50	3,000	2,950
Total Maintenance - Grounds	<u>492</u>	<u>13,000</u>	<u>12,508</u>
Security			
Purchased services	715	11,000	10,285
Supply-materials	35	5,000	4,965
Capital objects		10,500	10,500
Total Security	<u>750</u>	<u>26,500</u>	<u>25,750</u>
<b>TOTAL SUPPORT:</b>			
Salaries	190,198	207,079	16,881
Benefits	59,051	67,138	8,087
Purchased services	95,452	239,855	144,403
Supply-materials	6,390	120,116	113,726
Capital objects		46,000	46,000
Insurance		15,000	15,000
Total Support	<u>\$ 351,091</u>	<u>695,188</u>	<u>344,097</u>

**KOOTENAI BRIDGE ACADEMY**  
**Coeur d' Alene, Idaho**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS - ALL SPECIAL REVENUE FUNDS**  
**For the Year Ended June 30, 2011**

	<u>Albertson's Grant</u>	<u>Title VI-B Fund</u>	<u>Charter High School</u>	<u>Total</u>
<b>REVENUES</b>				
Local:				
Interest	1,219			1,219
Other	100,000		529	100,529
Total local	<u>101,219</u>	<u>0</u>	<u>529</u>	<u>101,748</u>
Federal:				
Restricted	<u>0</u>	<u>24,107</u>	<u>92,235</u>	<u>116,342</u>
Total revenues	<u>101,219</u>	<u>24,107</u>	<u>92,764</u>	<u>218,090</u>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Salaries		16,042		16,042
Benefits		3,079		3,079
Purchased services	3,343		17,772	21,115
Supplies-materials	4,056	2,690	17,497	24,243
Capital Objects		2,296	4,456	6,752
Total instruction	<u>7,399</u>	<u>24,107</u>	<u>39,725</u>	<u>71,231</u>
School Administration				
Purchased services	1,000		34,059	35,059
Supplies-materials			3,673	3,673
Capital Objects			2,122	2,122
Total school administration	<u>1,000</u>	<u>0</u>	<u>39,854</u>	<u>40,854</u>
Business Operations				
Purchased services			1,622	1,622
Total Maintenance - Student Occupied	<u>0</u>	<u>0</u>	<u>1,622</u>	<u>1,622</u>
Buildings - Custodial				
Supplies-materials			932	932
Total Maintenance - Student Occupied	<u>0</u>	<u>0</u>	<u>932</u>	<u>932</u>
Maintenance - Grounds				
Capital Objects			1,165	1,165
Total Maintenance - Student Occupied	<u>0</u>	<u>0</u>	<u>1,165</u>	<u>1,165</u>
Capital Objects			9,466	9,466
Total expenditures	<u>8,399</u>	<u>24,107</u>	<u>92,764</u>	<u>125,270</u>
Excess of revenues over expenditures	92,820	0	0	92,820
Net assets-beginning of year	<u>83,673</u>	<u>0</u>	<u>0</u>	<u>83,673</u>
Net assets-end of year	176,493	0	0	176,493
Adjustments to conform with GAAP:				
Capitalized capital objects	5,660	3,481	131,901	141,042
Depreciation expense	<u>(2,722)</u>	<u>(210)</u>	<u>(31,032)</u>	<u>(33,964)</u>
Net Assets - End of Year (GAAP)	<u>\$ 179,431</u>	<u>3,271</u>	<u>100,869</u>	<u>283,571</u>

See accountants' report.