

SANDPOINT CHARTER SCHOOL, INC.

SANDPOINT, IDAHO

Audited Financial Statements

For the Years Ended June 30, 2012 and 2011

HAYDEN ROSS, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

SANDPOINT CHARTER SCHOOL, INC.

SANDPOINT, IDAHO

Audited Financial Statements

For the Years Ended June 30, 2012 and 2011



SANDPOINT CHARTER SCHOOL, INC.
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Sandpoint Charter School, Inc.
Sandpoint, Idaho 83864

We have audited the accompanying statements of financial position of the Sandpoint Charter School, Inc. as of June 30, 2012 and 2011, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Sandpoint Charter School, Inc.'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 Sandpoint Charter School, Inc. as of June 30, 2012, and 2011 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, PLLC

Moscow, Idaho
October 17, 2012

SANDPOINT CHARTER SCHOOL, INC.
Sandpoint, Idaho

STATEMENTS OF FINANCIAL POSITION
June 30, 2012 and 2011

	2012	2011
ASSETS		
Current Assets		
Cash	178,890	115,027
State support receivable	47,150	125,606
Other receivable	3,364	36,386
Prepaid expenses	14,234	9,944
Total Current Assets	243,638	286,963
Fixed Assets		
Land and buildings	4,869,870	4,831,846
Fixtures and equipment	71,310	71,310
Less accumulated depreciation	(599,709)	(471,760)
Net Fixed Assets	4,341,471	4,431,396
Total Assets	\$ 4,585,109	\$ 4,718,359
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	22,636	44,069
Salaries and benefits payable	171,968	157,207
Accrued interest	3,744	3,550
Current portion of long-term debt	97,965	96,141
Total Current Liabilities	296,313	300,967
Long-term liabilities, less current portion	3,444,444	3,532,672
Net Assets		
Unrestricted	787,620	843,343
Reserved for Debt Service	56,732	41,377
Total Net Assets	844,352	884,720
Total Liabilities and Net Assets	\$ 4,585,109	\$ 4,718,359

SANDPOINT CHARTER SCHOOL, INC.
Sandpoint, Idaho

STATEMENTS OF ACTIVITIES
For the Years Ended June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Revenue, Grants, and Other Support		
Federal support	41,347	370,562
State support	1,726,138	1,750,372
Interest	1,464	1,614
Other local	41,067	187,469
Total Revenue, Grants and Other Support	<u>1,810,016</u>	<u>2,310,017</u>
 Expense		
Program (instructional)	1,040,731	1,013,997
Administrative (support)	504,928	483,263
Non-instructional	13,423	18,312
Depreciation	127,949	125,585
Interest on long-term debt	163,353	163,632
Total Expense	<u>1,850,384</u>	<u>1,804,789</u>
 Change in net assets - unrestricted	(40,368)	505,228
 Net assets - beginning of year	<u>884,720</u>	<u>379,492</u>
 Net assets - end of year	<u>\$ 844,352</u>	<u>\$ 884,720</u>

SANDPOINT CHARTER SCHOOL, INC.

Sandpoint, Idaho

STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Cash Flows from Operating Activities		
Cash received from state support	1,804,594	1,645,924
Cash received from federal support	74,369	361,393
Cash received from interest	1,464	1,614
Other cash received	41,067	187,469
Cash paid for interest	(163,159)	(160,082)
Cash paid to suppliers and employees	(1,570,043)	(1,474,716)
Net Cash Provided by Operating Activities	<u>188,292</u>	<u>561,602</u>
Cash Flows from Investing Activities		
Purchase of fixed assets	<u>(38,024)</u>	<u>(474,412)</u>
Cash Flows from Financing Activities		
Cash from loan proceeds	-	2,200,000
Payment on construction line of credit	-	(2,200,000)
Payment on long-term debt and fees	(86,405)	(90,014)
Net Cash Provided by (Used in) Financing Activities	<u>(86,405)</u>	<u>(90,014)</u>
Net Increase (Decrease) in Cash	63,863	(2,824)
Cash - Beginning of Year	<u>115,027</u>	<u>117,851</u>
Cash - End of Year	<u>\$ 178,890</u>	<u>\$ 115,027</u>
Reconciliation of Change in Net Assets to Net		
Cash Provided by Operating Activities:		
Change in net assets	(40,368)	505,228
Adjustments to reconcile change in net assets		
to net cash provided by operating activities:		
Depreciation and amortization	127,949	125,585
Decrease (increase) in state support receivable	78,456	(104,448)
Decrease (increase) in other receivable	33,022	(9,169)
Decrease (increase) in prepaid expenses	(4,290)	(284)
Increase (decrease) in accrued interest	194	3,550
Increase (decrease) in accounts payable	(21,432)	25,934
Increase (decrease) in salaries and benefits payable	14,761	15,206
Net Cash Provided by Operating Activities	<u>\$ 188,292</u>	<u>\$ 561,602</u>

SANDPOINT CHARTER SCHOOL, INC.

Notes to the Financial Statements

June 30, 2012 and 2011

NOTE 1 ORGANIZATION

The Sandpoint Charter School (the School) is a non-profit state-funded public school. The school serves 6th through 12th grades. The school was approved in January 2001 by the Lake Pend Oreille School District Board of Trustees. The expansion to a high school was approved by the Lake Pend Oreille School District Board of Trustees in August of 2008. The school offers a rigorous educational curriculum emphasizing project based learning and high behavioral and academic standards. Student population has grown from 147 in 2008-09 to 280 students in 2011-12.

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’s Form 990, *Return of Organization Exempt from Income Tax*, for the years ending 2012, 2011, and 2010 are subject to examination by the IRS, generally for three years after they were filed.

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 \$5,000. 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 7 years for office furniture and equipment and 40 years for buildings. Depreciation expense for the years ending June 30, 2012 and 2011 was \$127,949 and \$125,585, 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 the date of the auditor’s report. This is the date the financial statement were available to be issued. The School has concluded that no subsequent events have occurred.

NOTE 3 Long-Term Debt

Long-term debt for the School as of June 30, 2012 and 2011 consists of the following:

	<u>2012</u>	<u>2011</u>
United States Department of Agriculture (USDA) secured by land, building, and equipment, payable at \$3,614 per month including interest at 4.5%. The note matures January 2029.	515,518	525,643
United States Department of Agriculture (USDA) secured by land, building, and equipment, payable at \$1,065 per month including interest at 4.5%. The note matures March 2039.	198,274	202,039

Panhandle State Bank (PSB) secured by land, building, and equipment, payable at \$4,594.54 per month including interest. Interest is computed at a variable rate referenced to the prime rate as reported in the *Wall Street Journal*. The interest rate to be applied to unpaid principal will be at a rate of 2.0% over the prime rate. The interest rate at June 30, 2012 was 3.25%. The note matures December 2028.

703,425 735,071

United States Department of Agriculture (USDA) secured by land, building, and equipment payable at \$8,118 per month including interest at 4.25%. The note matures July 2040.

1,595,697 1,624,622

Mountain West Bank (MWB) secured by land, building, and equipment, payable at \$3,408.90 per month including interest at 5.49%. The note matures February 2035.

529,495 541,438

Total Long-term Debt
Less Current Portion

3,542,409 3,628,813
(97,965) (96,141)

Net Long-term Debt

\$ 3,444,444 \$ 3,532,672

Future debt service is as follows:

Fiscal Year End June 30,

2013	97,965
2014	103,688
2015	108,045
2016	112,632
2017	117,399
2018 and thereafter	<u>3,002,680</u>
Total	<u>\$ 3,542,409</u>

NOTE 4 Major Funding Sources

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

	<u>2012</u>	<u>% of Total Revenue</u>
Idaho Department of Education	\$1,726,138	96%

	<u>2011</u>	<u>% of Total Revenue</u>
Idaho Department of Education	\$1,750,373	76%

NOTE 5 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.

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, 2012, 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 \$96,169, \$86,889 and \$77,900 for the years ended June 30, 2012, 2011, and 2010, respectively.

NOTE 6 Designated Net Assets

For the year ended June 30, 2007, the Idaho State Legislature levied a requirement for all school districts in the State of Idaho to spend a certain amount of funds on capital outlay and maintenance on student-occupied buildings. Per the State of Idaho's Department of Education, the School was required to spend \$59,743 in expenses relating to student-occupied buildings, based on the factor of 48,900 square feet multiplied by a factor of \$81.45 then multiplied again by 2% minus state fund distributions. At beginning of fiscal year-end June 30, 2012, the School had no credit in which it can apply to the current year requirement. The School spent the current year maintenance requirement therefore the credit remains the same. Therefore, the School does not have a designated balance this year.

NOTE 7 Concentration of Credit Risk

Sandpoint Charter School maintains three checking accounts at a single bank. The Federal Deposit Insurance Corporation (FDIC) insures up to \$250,000 at an institution for fiscal year-end 2012 and 2011. Cash at this institution did not exceed \$250,000.

NOTE 8 High School Building

As of fall 2012, Sandpoint Charter School has finished the 20,000 square feet of a new high school facility. Financing for the new facility was obtained through a United States Department of Agriculture Rural Development loan for \$1.55 million at 4.5% for 25 years and a loan from Mountain West Bank for \$550,000 at 5.49% for 25 years. The construction loan was completed in July 2010 and rolled over into the permanent mortgage. In addition, \$133,000 in unlimited grant funding was obtained from the USDA Rural Development program and \$200,000 from the JA and Kathryn Albertson Foundation. Total debt service for the new building is \$138,324 per year. This amount plus the existing debt service totals \$249,000 which represents approx. 16% of the School's 2012-13 projected budget.

NOTE 9 Reserved Net Assets

The United States Department of Agriculture (USDA) loaned monies to the Sandpoint Charter School, Inc. for the construction of the high school building. One of the requirements of the loans is a debt service reserve account be established and funded by the School at a rate of one-tenth of the annual payment per year until a total of one annual payment has been accumulated. As of June 30, 2012 and 2011, the reserve amounts required by the USDA are \$56,732 and \$41,377, respectively.

Supplementary Information

INDEPENDENT AUDITOR'S REPORT ON ADDITIONAL INFORMATION

To the Board of Directors
Sandpoint Charter School, Inc.
Sandpoint, Idaho 83864

We have audited the financial statements of Sandpoint Charter School, Inc. as of and for the year ended June 30, 2012, and have issued our report thereon dated October 17, 2012, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The schedule of functional expenses 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 statement 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.

Hayden Ross, PLLC

Moscow, Idaho
October 17, 2012

SANDPOINT CHARTER SCHOOL, INC.
Sandpoint, Idaho

STATEMENT OF FUNCTIONAL EXPENSE
For the Year Ended June 30, 2012

	<u>Program (Instructional)</u>	<u>Administrative (Support)</u>	<u>Non-Instruction</u>	<u>Total</u>
Salaries	766,858	192,284	-	959,142
Benefits	240,049	52,137	-	292,186
Purchased services	10,250	231,128	-	241,378
Supply-materials	23,574	29,378	-	52,952
Capital objects	-	-	13,423	13,423
Debt-service interest	-	163,353	-	163,353
Depreciation and amortization	127,949	-	-	127,949
 Total Expense	<u>\$ 1,168,680</u>	<u>\$ 668,280</u>	<u>\$ 13,423</u>	<u>\$ 1,850,383</u>

SANDPOINT CHARTER SCHOOL, INC.
Sandpoint, Idaho

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

	<u>Program (Instructional)</u>	<u>Administrative (Support)</u>	<u>Non-Instruction</u>	<u>Total</u>
Salaries	729,896	189,297	-	919,193
Benefits	238,509	46,038	-	284,547
Purchased services	6,045	205,588	-	211,633
Supply-materials	39,547	42,340	-	81,887
Capital objects	-	-	-	-
Insurance	-	-	18,312	18,312
Debt-service interest	-	163,632	-	163,632
Depreciation and amortization	125,585	-	-	125,585
Total Expense	<u>\$ 1,139,582</u>	<u>\$ 646,895</u>	<u>\$ 18,312</u>	<u>\$ 1,804,789</u>

SANDPOINT CHARTER SCHOOL, INC.
Sandpoint, Idaho

SCHEDULE OF ASSETS, LIABILITIES, AND NET ASSETS
June 30, 2012

	GOVERNMENTAL FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS		Totals (Memorandum Only)
	General	Special Revenue	Agency	General Fixed Assets	General Long-Term Debt	
ASSETS AND OTHER DEBITS						
Assets:						
Cash	178,890	-	7,736	-	-	186,626
State support program receivable	47,150	-	-	-	-	47,150
Other receivable	3,364	-	-	-	-	3,364
Property, equipment & amortization	-	-	-	4,941,180	-	4,941,180
Prepaid expenses	14,234	-	-	-	-	14,234
Other debits:						
Amount to be provided for retirement of general long-term debt	-	-	-	-	3,542,409	3,542,409
Total assets and other debits	<u>\$ 243,638</u>	<u>\$ -</u>	<u>\$ 7,736</u>	<u>\$ 4,941,180</u>	<u>\$ 3,542,409</u>	<u>\$ 8,734,963</u>
LIABILITIES						
Accounts Payable	22,636	-	-	-	-	22,636
Accrued interest	3,744	-	-	-	-	3,744
Due to general fund	-	-	7,736	-	-	7,736
Notes payable	-	-	-	-	3,542,409	3,542,409
Total liabilities	<u>198,348</u>	<u>-</u>	<u>7,736</u>	<u>-</u>	<u>3,542,409</u>	<u>3,748,493</u>
EQUITY AND OTHER CREDITS						
Investment in general fixed assets	-	-	-	4,941,180	-	4,941,180
Net Assets:						
Unreserved-undesignated	45,290	-	-	-	-	45,290
Total equity and other credits	<u>45,290</u>	<u>-</u>	<u>-</u>	<u>4,941,180</u>	<u>-</u>	<u>4,986,470</u>
Total liabilities, equity and other credits	<u>\$ 243,638</u>	<u>\$ -</u>	<u>\$ 7,736</u>	<u>\$ 4,941,180</u>	<u>\$ 3,542,409</u>	<u>\$ 8,734,963</u>

SANDPOINT CHARTER SCHOOL, INC.
Sandpoint, Idaho

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET
ASSETS - BUDGET AND ACTUAL
For the Year Ended June 30, 2012

	Actual	Budget	Variance Favorable (Unfavorable)
REVENUES			
Local:			
Interest	1,464	-	1,464
Other	29,914	-	29,914
Total local	31,378	-	31,378
State:			
Base support	1,457,758	1,681,801	(224,043)
Transportation	74,143	70,550	3,593
Benefit support	154,321	177,610	(23,289)
Other state support	23,439	-	23,439
Total state	1,709,661	1,929,961	(220,300)
Federal:			
Other	775	-	775
Total federal	775	-	775
Total revenues	1,741,814	1,929,961	(188,147)
EXPENDITURES			
Current:			
Instruction:			
Salaries	736,858	815,335	78,477
Benefits	240,049	237,117	(2,932)
Purchased services	2,500	9,666	7,166
Supply-materials	14,222	67,999	53,777
Capital objects	-	136,257	136,257
Debt Retirement	-	113,348	113,348
Insurance	-	5,221	5,221
Total instruction	993,629	1,384,943	391,314
Support:			
Salaries	192,284	191,129	(1,155)
Benefits	52,137	54,273	2,136
Purchased services	229,524	181,144	(48,380)
Supply-materials	27,578	29,508	1,930
Total support	501,523	456,054	(45,469)
Capital objects	6,880	-	(6,880)
Total expenditures	1,502,032	1,840,997	338,965
Excess(deficit) of revenues over(under) expenditures	239,782	88,964	150,818
Other financing sources (uses):			
Transfer out	(276,629)	-	(276,629)
Total other financing sources (uses)	(276,629)	-	(276,629)
Change in net assets	(36,847)	\$ 88,964	\$ (125,811)
Net Assets - Beginning of year	82,137		
Net Assets - End of year (Budget Basis)	45,290		
Adjustments to conform with GAAP:			
Capitalized capital objects	71,310		
Depreciation expense	(61,135)		
Net Assets - End of Year (GAAP)	\$ 55,465		

SANDPOINT CHARTER SCHOOL, INC.

Sandpoint, Idaho

**GENERAL FUND
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET AND ACTUAL
For the Year Ended June 30, 2012**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
INSTRUCTION:			
Secondary			
Salaries	736,858	815,335	78,477
Benefits	240,049	237,117	(2,932)
Purchased services	2,500	9,666	7,166
Supply-materials	14,222	67,999	53,777
Capital Objects	-	136,257	136,257
Debt Retirement	-	113,348	113,348
Insurance	-	5,221	5,221
Total Secondary	<u>993,629</u>	<u>1,384,943</u>	<u>391,314</u>
TOTAL INSTRUCTION:			
Salaries	736,858	815,335	78,477
Benefits	240,049	237,117	(2,932)
Purchased services	2,500	9,666	7,166
Supply-materials	14,222	67,999	53,777
Capital Objects	-	136,257	136,257
Debt Retirement	-	113,348	113,348
Insurance	-	5,221	5,221
Total Instruction	<u>\$ 993,629</u>	<u>\$ 1,384,943</u>	<u>\$ 391,314</u>
SUPPORT:			
Special Services Program			
Purchased services	7,636	-	(7,636)
Total Special Services Program	<u>7,636</u>	<u>-</u>	<u>(7,636)</u>
Instructional Improvement			
Purchased services	1,317	-	(1,317)
Total Instructional Improvement	<u>1,317</u>	<u>-</u>	<u>(1,317)</u>
School administration			
Salaries	150,398	152,518	2,120
Benefits	42,609	43,662	1,053
Purchased Services	53,355	43,116	(10,239)
Supply-materials	16,174	14,112	(2,062)
Total School Administration	<u>262,536</u>	<u>253,408</u>	<u>(9,128)</u>
Custodial			
Salaries	23,037	38,611	15,574
Benefits	7,800	10,611	2,811
Purchased services	69,550	57,625	(11,925)
Supply-materials	11,404	15,396	3,992
Total Custodial	<u>111,791</u>	<u>122,243</u>	<u>10,452</u>
Maintenance - Buildings and Equipment			
Salaries	18,849	-	(18,849)
Benefits	1,728	-	(1,728)
Total Maintenance - Buildings and Equipment	<u>20,577</u>	<u>-</u>	<u>(20,577)</u>
Maintenance - Grounds			
Purchased services	7,914	9,853	1,939
Total Maintenance - Grounds	<u>7,914</u>	<u>9,853</u>	<u>1,939</u>
Transportation			
Purchased services	89,752	70,550	(19,202)
Total Transportation	<u>89,752</u>	<u>70,550</u>	<u>(19,202)</u>
TOTAL SUPPORT:			
Salaries	192,284	191,129	(1,155)
Benefits	52,137	54,273	2,136
Purchased services	229,524	181,144	(40,744)
Supply-materials	27,578	29,508	1,930
Total Support	<u>\$ 501,523</u>	<u>\$ 456,054</u>	<u>\$ (37,833)</u>

SANDPOINT CHARTER SCHOOL, INC.
Sandpoint, Idaho

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET
ASSETS - ALL SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2012**

	State Technology Grant	Driver's Education	IDEA Part B School-Age	Miscellaneous Grant	Total
REVENUES					
Federal:					
Restricted	-		40,572	-	40,572
State:					
Other Support	8,727	7,750	-	-	16,477
Total revenues	8,727	7,750	40,572	-	57,049
EXPENDITURES					
Current:					
Instruction:					
Salaries	-	-	30,000	-	30,000
Purchased Services	-	7,750	-	-	7,750
Supplies-materials	-	-	9,352	-	9,352
Total instruction	-	7,750	39,352	-	47,102
Purchased Services	384	-	1,220	-	1,604
Supplies-materials	1,800	-	-	-	1,800
Total School Administration	2,184	-	1,220	-	3,404
Capital Objects	6,543	-	-	-	6,543
Total expenditures	8,727	7,750	40,572	-	57,049
Change in net assets	-	-	-	-	-
Net assets-beginning of year	-	-	-	-	-
Net assets-end of year	-	-	-	-	-
Adjustments to conform with GAAP:					
Capitalized capital objects	-	-	-	7,158	7,158
Depreciation expense	-	-	-	(2,862)	(2,862)
Net Assets - End of Year (GAAP)	\$ -	-	-	4,296	4,296

SANDPOINT CHARTER SCHOOL, INC.
Sandpoint, Idaho

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
NET ASSETS - SCHOOL PLANT FACILITY FUND
For the Year Ended June 30, 2012**

REVENUES

Local:

Other

11,153

Total Revenues

11,153

EXPENDITURES

Capital objects

38,024

Debt service principal

86,405

Debt service interest

163,353

Total expenditures

287,782

Excess (deficiency) of revenues
over(under) expenditures

(276,629)

Other financing sources (uses):

Proceeds from loan

Transfer in

276,629

Total other financing sources (uses)

276,629

Change in net assets

-

Net assets-beginning of year

-

Net assets-end of year (budget basis)

-

Adjustments to conform with GAAP:

Capitalized capital objects

4,862,712

Loan proceeds

(3,960,000)

Principal payments

417,592

Depreciation expense

(535,712)

Net assets - end of year (GAAP)

\$ 784,592