



James Accounting & Tax Practice, P.A.

10749 SW 104 STREET • MIAMI, FL 33176
TEL: (305) 595-2886 • FAX: (305) 595-2898
WWW.JAMESACCOUNTING.COM

RECEIVED
SEP 18 2007

AUDITOR GENERAL

[Handwritten signature]

LAWRENCE ACADEMY INC
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2007
Table of Contents

Introductory Summary	1
The financial Statements	
Report of the Independent Auditor	2
Management's Discussion and Analysis	3
Government wide Financial Statements	
Statement of Net Assets	4
Statement of Activities & changes in Net Assets	5
Fund Financial Statements	
Balance Sheet	6
Reconciliation of Fund Balance Sheet with Statement of Net Assets	7
Statement of Revenues, Expenditures and Changes in Fund Balance	8
Reconciliation of Statement of Revenues, Expenditures and Changes In Fund Balance with Statement of Activities	9
Note to the Financial Statements	10-12
Budgetary Comparison	13
Changes in Capital Asset Balances	14
Management letter	15-16
Report of the Independent Auditor on Compliance and Internal Control Over Financial reporting	17
Audit Report Submittal Checklist	18-21

Lawrence Academy Inc
Comprehensive Annual Financial Report
Year Ended June 30, 2007

Introductory Summary

School's Name and Address

Lawrence Academy Inc
777 W. Palm Drive
Florida City, FL 33034

Director

Dr. Keitha Burnett

Governing Board

Sophia Santiesteban – Chairperson
Lula Pearson – Vice-chairperson
Lynda Raheem –/Treasurer
Althea King - Secretary
Christina Garcia – Board Member



Report of Independent Auditor

To The Board of Directors
Lawrence Academy, Inc
777 W. Palm Drive
Florida City, FL 33177

We have audited the accompanying government wide and fund financial statements as listed in the table of contents of Lawrence Academy Inc. as of and for the year ended June 30, 2007. These statements are the responsibility of management; our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, and Government Auditing Standards issued by the Comptroller General of the United States, as they relate to financial audits. These standards require that we plan and perform the audit to obtain reasonable assurance about whether these statements are free from material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the statements. An audit also includes assessing the accounting principles used, and significant estimates made by management, and examining the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements mentioned in the first paragraph, present fairly, in all material respects, the financial position of Lawrence Academy as of June 30, 2007, and the changes in its net assets and fund balances for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated August 27, 2007, on our consideration of Lawrence Academy's internal control over financial reporting, and our test of its compliance with certain provisions of laws, regulation, contracts and grants. This report is an integral part of the audit performed in accordance with Government Auditing Standards should, and be read in conjunction with this report in considering the results of our audit.

The accompanying required supplementary information (introductory summary and management's discussion & analysis on pages 1 & 3 as well as the budgetary comparison and schedule of tangible personal property on pages 13-14) as of June 30, 2007, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board and the State of Florida. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in cursive script, appearing to read "Verna A. James".

Verna A. James
Certified Public Accountant
Miami, Florida
August 27, 2007

Lawrence Academy Inc
Management's Discussion and Analysis
Year ended June 30, 2007

Lawrence Academy increased enrollment during the 2006/2007 school year as follows:

	2006/2007	2005/2006
Grade 6	47	40
Grade 7	45	42
Grade 8	44	0
Total	136	82

Approximately 90% of the students receive free/reduced lunch. The 2006-2007 school year was a difficult transition period. Lawrence Academy's student population had increased from 82 to 136, and there were many budgetary adjustments that needed to be made in a short time-frame to meet the needs of the population, faculty, and staff. Lawrence Academy school grade went down two letter grades and as a result, Lawrence Academy used a large portion of the budget surplus to have summer school for remediation and teacher training (2007). Lawrence Academy continues to search for an optimal level of maximizing its funds on budget items that will directly increase test scores. In other words, we understand the importance of finding out what type of personnel and resources will maximize student output.

For the 2006-2007 school year, Lawrence Academy used most of its' Title I funds for after-school and Saturday tutoring which included the staff, supplies, and supplementary materials.

Lawrence Academy collected \$40.00 school fees from students that include their t-shirt, agenda book, science fee, and computer technology fee.

Lawrence Academy recently received its own tax exemption. This was a problem during the 2006-2007 school year. In many instances, the 504(c) 3 was not enough to receive tax exemption. For many vendors, there is a process of registration and/or a tax exemption in which we did not have at the time. Lawrence Academy is in the process of completing applications to various vendors to ensure tax exemption.

Also, Lawrence Academy could receive a tax exemption from its lease, but the landlord has opted not to file for an exemption. This is one of the major issues that the Governing Board will address for the 2007-2008 school year.

Lawrence Academy Inc
Statement of Net Assets
June 30, 2007

ASSETS	June 30, 2007	June 30, 2006
	\$	\$
CURRENT ASSETS:		
Cash	144,770	44,267
Prepaid Equipment	<u>9,325</u>	<u>-</u>
TOTAL CURRENT ASSETS	<u>154,095</u>	<u>44,267</u>
 PROPERTY AND EQUIPMENT:		
Furniture, Fixtures, and Equipment (Note 4)	143,861	127,716
Accumulated Depreciation	<u>(48,688)</u>	<u>(19,905)</u>
TOTAL PROPERTY AND EQUIPMENT	<u>95,173</u>	<u>107,811</u>
 Total Assets	 <u>249,268</u>	 <u>152,078</u>
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Salaries, Benefits & Payroll Taxes Payable	35,609	13,811
Other accrued liabilities	<u>11,084</u>	<u>7,940</u>
TOTAL CURRENT LIABILITIES	<u>46,693</u>	<u>21,751</u>
 NET ASSETS		
Unrestricted (Note 2)	<u>202,575</u>	<u>130,327</u>
TOTAL NET ASSETS	<u>202,575</u>	<u>130,327</u>
 Total Liabilities and Net Assets	 <u>249,268</u>	 <u>152,078</u>

Lawrence Academy Inc
Statement of Activities and Changes in Net assets
Year ended June 30, 2007

	Y/e June 30, 2007	Y/e June 30, 2006
REVENUES	\$	\$
Grants Gifts & Bequests (Note 5)	873,132	672,798
Student Fees	<u>14,975</u>	<u>3,592</u>
Gross Revenue	888,107	676,390
EXPENSES		
Salaries	336,565	200,828
Employee Benefits	37,253	35,157
Purchased Services	217,669	157,717
Energy Services	8,800	-
Materials & Supplies	142,782	92,478
Other Expenses	<u>72,790</u>	<u>59,883</u>
Total Expenses	815,859	546,063
CHANGE IN NET ASSETS	72,248	130,327
NET ASSET AT THE BEGINNING OF YEAR	<u>130,327</u>	<u>-</u>
NET ASSETS AT THE END OF YEAR	<u><u>202,575</u></u>	<u><u>130,327</u></u>

Lawrence Academy Inc
General Fund Balance Sheet
Year Ended June 30, 2006

ASSETS	June 30, 2007	June 30, 2006
	\$	\$
CURRENT ASSETS:		
Cash and Cash Equivalents	144,770	44,267
Prepaid Equipment	<u>9,325</u>	<u>-</u>
TOTAL CURRENT ASSETS	<u>154,095</u>	<u>44,267</u>
Total Assets	<u>154,095</u>	<u>44,267</u>
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Salaries, Benefits & Payroll Taxes Payable	35,609	13,811
Other accrued liabilities	<u>11,084</u>	<u>7,940</u>
TOTAL CURRENT LIABILITIES	46,693	21,751
General fund	<u>107,402</u>	<u>22,516</u>
Total Liabilities and fund balances	<u>154,095</u>	<u>44,267</u>

Lawrence Academy Inc

Reconciliation of the Government Funds Balance Sheet to the Statement Of Net Assets As of Year Ended June 30, 2007

	June 30, 2007 \$	June 30, 2006 \$
Total Fund Balances - Governmental Funds	107,402	22,516
<p>Amounts reported for governmental activities in the statement of net assets are different because:</p>		
Capital assets used in <i>governmental activities</i> are not financial resources and therefore are not reported in the funds.	95,173	107,811
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Internal service funds are used by management to charge the costs of certain activities such as insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	0	0
Liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds.	0	0
Total Net Assets - Governmental Activities	<u>\$ 202,575</u>	<u>\$ 130,327</u>

Lawrence Academy Inc
Statement of Revenues, Expenditures, and Changes in Fund Balances
Year ended June 30, 2007

	Y/e June 30, 2007	Y/e June 30, 2006
	\$	\$
Revenues	General Fund	General Fund
Capital Development Grant	28,756	300,000
State Grant	844,376	372,798
Student Fees	14,975	3,592
	888,107	676,390
Expenditures		
Salaries	336,565	200,828
Employee Benefits	37,253	35,157
Purchased Services	217,669	157,717
Energy Services	8,800	
Materials & Supplies	142,782	92,478
Other Expenses	44,007	39,978
Furniture, Fixtures, and Equipment	16,145	127,716
	803,221	653,874
Net Change in fund balance	84,886	22,516
Fund balance at beginning of the year	22,516	-
Fund balance at the end of the year	107,402	22,516

Lawrence Academy Inc

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.

For the Year Ended June 30, 2007

	Y/e June 30, 2007	Y/e June 30, 2006
	\$	\$
Net Change in Fund Balances - Total Governmental Funds	84,886	22,516
<p>Amounts reported for <i>governmental activities</i> in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capital outlays in the current period.</p>	16,145	127,716
<p>The statement of activities reflects only the gain/loss on the sale of assets, whereas the governmental funds include all proceeds from these sales. Thus, the change in net assets differs from the change in fund balances by the cost of assets sold.</p>	0	0
<p>Revenues reported in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
<p>Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which proceeds exceeded repayments in the current period.</p>	0	0
<p>Expenses in the statement of activities that do not require the use of current financial resources are not reported in the governmental funds.</p>	(28,783)	(19,905)
<p>Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The net revenue (expense) of internal service funds is reported with governmental activities.</p>		
Change in Net Assets of Governmental Activities	72,248	130,327

Lawrence Academy, Inc.
Year Ended June 30, 2007

NOTE –1 NATURE OF ACTIVITIES:

Lawrence Academy, Inc. was incorporated on November 10, 2004 as a non-for-profit charter school under the laws of the state of Florida. The organization’s primary goal is to build character for tomorrow’s leaders for middle-grade students by cultivating a rigorous and challenging academic environment.

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

Basis of Accounting

The government-wide financial statements of Lawrence Academy Inc. are reported using the economic resource measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (current and non-current) are included in the statement of net assets, and the statement of activities present increases (revenues) and decreases (expenditures) in total net assets. Under the accrual basis of accounting, revenues are recognized when earned and expenses recognized when the liability is incurred. These financial statements accordingly, reflect all significant receivables, payables and other liabilities.

Fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Current financial resources measurement focus means the focus is on financial resources resulting in the fund balance sheet excluding capital assets and long term liabilities. Modified accrual basis of accounting means that items of revenue and expenses are accrued when they become measurable and collectible within the current period.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property and equipment

The organization capitalizes all expenditures for fixed assets in excess of \$500. Depreciation is computed using the straight line method over the estimated useful life of the asset.

Revenue Recognition

The organization’s revenue is derived from local governmental. Grant revenue is recognized based on the amount of grant expenses incurred in accordance with budgeted items provided in the grant contract. Grants awarded for specific purposes other than general operations of the organization are deemed to be earned when the organization has incurred expenses in compliance with specific restrictions.

Lawrence Academy, Inc.
Year Ended June 30, 2007
Notes to financial statement

NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

Basis of Accounting cont'd

Net Assets

Net assets represent the difference between assets and liabilities, and are reported as restricted when there are limitations imposed on their use either by way of legislation or external restrictions imposed by creditors, grantors or laws and regulations of other governments.

Income Tax

Lawrence Academy Inc. is a not-for-profit organization exempt from federal income tax under Internal Revenue Code 501 (c) (3). Accordingly, no provision for federal income taxes has been made.

NOTE 3 - RELATED PARTY TRANSACTIONS

There are no related party transactions.

NOTE 4 – FURNITURE & EQUIPMENT

The principal categories of furniture and equipment as of June 30, 2007 are as follows:

	<u>June 30, 2007</u>	<u>June 30, 2006</u>
	\$	\$
Computer Equipment	42,530	42,530
Furniture & Equipment	81,519	65,374
Fixed Equipment	19,812	19,812
Less Accumulated Depreciation	(48,688)	(19,905)
Furniture & Equipment - Net	95,173	107,811

NOTE 5 – GRANT SOURCES

Below is a schedule of sources of grant for the year ended:

	<u>June 30, 2007</u>	<u>June 30, 2006</u>
	\$	\$
2005-2008 Public Charter School Planning program Design & Implementation Project	29,900	300,000
State Teacher Lead Funds	1,250	-
Title 1 Funds	55,300	-
Florida Education Finance Program	786,682	372,798
Total	873,132	672,798

Lawrence Academy, Inc.
Year Ended June 30, 2007
Notes to financial statement

NOTE 6 – CONTINGENCIES:

Grantor Audits

Costs reflected in the accompanying financial statements relating to government funded programs are subject to audit by the Grantor Agency. The possible disallowance by the Grantor of any item charged to the program cannot be determined at this time. No provision has been made in these financial statements for any liability that may result.

NOTE 7 – LEASE EXPENSES

The organization has entered into a five year lease for the premises occupied by the school. To facilitate the school's expansion, the lease provides for the lessor to make more square footage available upon request. At this time the school has requested and the lessor is preparing an additional 6000 square feet of space scheduled to be available for the start of the 2007/2008 school year. Accordingly, lease commitments are as follows:

	<u>As of June</u> <u>30, 2007</u>	<u>As of June</u> <u>30, 2006</u>
	\$	\$
Year ended June 30, 2007		90,000
Year ending June 30, 2008	198,000	198,000
Year ending June 30, 2009	198,000	198,000
Year ending June 30, 2010	16,500	16,500
Total	<u>412,500</u>	<u>502,500</u>

Lawrence Academy Inc

Budget Comparison

Year ended June 30, 2007

	<u>General Fund</u>		Variance-Favorable (Unfavorable)
	Annual Budget	Ytd Actual	
	\$	\$	\$
REVENUES			
Federal Direct		-	-
Federal Through State	62,730	85,200	22,470
State Sources	672,000	787,932	115,932
Local Sources	10,000	14,975	4,975
Total Revenues	<u>744,730</u>	<u>888,107</u>	<u>143,377</u>
EXPENDITURES			
Current:			
Instruction	259,000	245,849	13,151
Pupil Personnel Services	-	-	-
Instructional Media Services	-	-	-
Instruction and Curriculum Development Services	-	-	-
Instructional Staff Training Services	-	-	-
Board		-	-
General Administration	187,672	145,266	42,406
School Administration	98,000	191,688	(93,688)
Facilities Acquisition and Construction	117,000	90,550	26,450
Fiscal Services		84	(84)
Food Services	64,800	59,653	5,147
Central Services		-	-
Pupil Transportation Services	32,400	34,575	(2,175)
Operation of Plant		-	-
Maintenance of Plant	14,400	19,411	(5,011)
Community Services	-	-	-
Capital Outlay:			
Facilities Acquisition and Construction	-	-	-
Other Capital Outlay	5,000	16,145	(11,145)
Debt Service: (Function 9200)			
Redemption of Principal	-	-	-
Interest	-	-	-
Total Expenditures	<u>778,272</u>	<u>803,221</u>	<u>(24,949)</u>

Lawrence Academy Inc

Changes in capital asset balances for the year ended June 30, 2007

	<u>Balance July 1, 2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2007</u>
Land	-	-	-	-
Improve. Other than Buildings (Non-Deprec.)	-	-	-	-
Buildings and Improvements	19,811	-	-	19,811
Furniture, Fixtures, and Equipment	<u>107,905</u>	<u>16,145</u>	-	<u>124,050</u>
	<u>127,716</u>	<u>16,145</u>	-	<u>143,861</u>
Less: Accumulated Depreciation	<u>19,905</u>	<u>28,783</u>	-	<u>48,688</u>
Total	<u>107,811</u>	<u>(12,638)</u>	-	<u>95,173</u>

Itemized Additions

Description	Location	Qty	Unit Price	Cost
Cart	Cafeteria	2	323	646
Cabinet	Science room	2	302	679
LCD Projector	Office	1	759	759
Projector with Cart	individual classroom	3	213	639
Book truck	Storage	3	189	569
Portable Lab	Science room	2	952	953
Desks	Room 112,114	36	91	3,277
Cafeteria Tables	Cafeteria	33	92	3,039
Chairs	Cafeteria	150	24	3,573
Lockers	Hallway	3	548	2,010
Total				<u>16,145</u>

Dr. Keitha Burnett
Director
Lawrence Academy
751 West Palm Drive
Florida City FL 33034

Dear Dr. Burnett:

The following matters, which we believe require some change, came to our attention during the audit of the financial statements for Lawrence Academy for the year ended June 30, 2007. Also indicated below are your responses to each matter raised.

Cancellation of Invoices and other supporting documents

This item was discussed during the previous audit, and we note that a paid stamp was acquired and is being used to stamp the purchase order. We believe that it is also necessary to stamp the invoice and any other supporting documents as well.

Management's response

In future all documents supporting a payment will be impressed with the paid stamp.

Coding of transactions

We noted a number of transaction coded to the incorrect account, and inquiries have indicated that the primary reason for this is that the invoices and or the purchase order that includes the details are not provided to the outside accountant preparing your financial statements.

Management's response

In future all documents supporting a payment will be made available to the outside accountant.

Evidence of receipt of equipment and supplies

We noted that there is no written procedure to verify that supplies and equipment have been received prior to payment.

Management's response

In future the person receiving equipment and supplies will be required to sign the packing slip or other delivery document to detail what has been received. Such evidence of receipt of goods will be required before payments are made.

Cash Receipts

We noted that there was no efficient way to verify deposits with cash receipts.

Management's response

Beginning immediately, an excel spreadsheet will be prepared for each cash deposit. The spreadsheet will detail different categories of collections and be traceable to the written receipts.

Board Stewardship

It is necessary for the board's approval of the following items to be noted in the minutes:

- The budget

- The quarterly financial statements

- Items that exceed the budget by a material amount

- The pay rate including any supplementary pay

Management's response

In future, approval of the above mentioned items will be noted in the minutes.

Sincerely,



Verna James

Certified Public Accountant

August 27, 2007

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Lawrence Academy, Inc
Florida City, FL 33177

We have audited the financial statements of Lawrence Academy, Inc. as of and for the year ended June 30, 2007 and have issued our report thereon dated August 27, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government auditing standards issued by the Comptroller General of the United States.

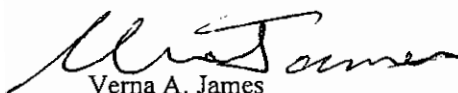
Compliance

As part of obtaining reasonable assurance about whether the financial statements of Lawrence Academy, Inc are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The result of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements, and not to provide assurance on the internal control over financial reporting. Our consideration of internal control over financial reporting would not necessarily disclose all matters in the internal control reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control elements does not reduce to a relatively low level, the risk that misstatements in amounts that would be material in relation to the financial statements being audited, may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we considered to be material weaknesses, or were worthy of comment or recommendation.

This report is intended solely for the Board of Directors, management, and grantor agencies, and is not intended to be and should not be used by anyone other than these specified parties.



Verna A. James
Certified Public Accountant
Miami Florida
August 27, 2007

AUDITOR GENERAL
DISTRICT SCHOOL BOARD AND CHARTER SCHOOL
AUDIT REPORT SUBMITTAL CHECKLIST
(SECTION 11.45(3) (a), FLORIDA STATUTES
(To be submitted with the 2006-2007 fiscal year audit report)

DSB/Charter School Entity Name: **Lawrence Academy Charter School**

DSB/ Charter School Address: **777 West Palm Drive Florida City, Florida 33034**

DSB/Charter School E-Mail ADDRESS: **kdburnett@dadaschools.net**

DSB/Charter School Contact Person:

Name : **Dr. Keitha Burnett**

Title : **Director**

Phone Number: **305-247-4800**

CPA or Other (if applicable):

Name: **Verna James**

Address: **10749 SW 104 ST, MIAMI FL 33176**

Phone Number: **305-595-2886**

Fiscal Year Audited: **2006/07**

Date Auditor Delivered Audit Report to the DSB or Charter School: **August 31, 2007**

Does the audit report include the following items required by Sections 10.806(2) and 10.856(2), Rules of the Auditor General:

Yes Financial statements, as described in Sections 10.805(3) and 10.855(4), Rules of the Auditor General (as applicable), together with related notes to financial statements?

Yes The auditor's report on the financial statement?

Yes The auditor's report on compliance and internal control?

N/A Any other auditor's reports and related financial information required pursuant to the Federal Single Audit Act Amendments of 1996, OMB Circular A-133, or other applicable Federal Law?

Yes The management letter defined in sections 10.804(1)(d) and 10.854(1)(d), Rules of the Auditor General?

Yes The written statement of explanation or rebuttal required by Sections 10.807(1) and 10.857(1), Rules of the Auditor General?

In addition to the above, have the following requirements been complied with:

Yes No Are two copies of the audit report being submitted as required by Sections 10.807(3) and 10.857(3), Rules of the Auditor General?

Yes No Was the audit report submitted within 45 days after the completion of the audit, but no later than 12 months after the end of the fiscal year? NOTE: There are no provisions in the statutes for any extensions for filling the audit report.

This checklist should accompany the audit report. It is suggested that you retain a copy of the checklist for your files. Do not hesitate to contact this office if assistance or clarification is needed regarding reporting requirements. Our address, telephone, and fax numbers are as follows:

Auditor General's Office
Claude Pepper Building, Room 412E
111 West Madison Street
Tallahassee, Florida 32399-1450
Telephone: (850) 487-9039
Suncom: 277-9039
Fax : (850) 414-7488
Fax-Suncom : 994-7488
Contact Person: David Martin

The following information should be included in the audit by the organizations submitting their

annual external audit. For charter schools, the Auditor General of the State of Florida has issued rules that must be complied with (chapter 10.850).

- Yes 1. The name and address of the school.
- Yes 2. The name of the principal running the school.
- Yes 3. Current list of the Board of Directors of the company:
- N/A 4. If the school is operated by a management company:
- a. Name of the company
 - b. Address
 - c. List of principal officials
 - d. Contractual arrangement with the company, such as length of contract, terms total fees paid for the year, etc. (This information should be included in the footnotes to the financial statements)
- Yes 5. The financial statements must include comparative totals for the prior year.
- Yes 6. The financial statements must comply with GASB 34 requirements if applicable.
- Yes 7. In the footnotes to the financial statements, the following should be disclosed:
- a. Total school enrollment and grade configuration. If separate facilities are in operation, disclose name, address, and the enrollment and grade configuration at each facility.
 - N/A b. Full disclosure of related party transactions, which should include the related party's name and address, disclosure of the address, and disclosure of the transaction, particularly if it is a loan that needs to be repaid (principal and interest paid and unpaid) If the debt is in arrears, disclosure of arrangements made to satisfy the debt.
 - N/A c. Full disclosure of any other debt in arrears, particularly as they relate to the payment of withholding/social security taxes. Arrangements made to pay the debt(s)
 - Yes d. For charter schools, full disclosure in the notes or as a separate schedule in the audit of the tangible personal property purchased with public funds. (It is a current contractual requirement for charter schools; however we recommend that it be part of the audit).
 - N/A e. If there is a cash deficit position or significant losses shown in the financial statements, full disclosure as to how the school plans to keep operating. The current assets should be sufficient to cover the current liabilities. The issue is whether sufficient resources would be available to maintain the school open. This issue may be addressed in the management letter.
 - N/A f. Any disclosure of events subsequent to the balance sheet date that the auditor believes are important to the readers of the financial statements (e.g. significant contractual arrangements and financing or refinancing of debt, payment of past due taxes, etc.).
- N/A 8. If the audit is not submitted within the contractually required deadline, the management letter must comment on it with the appropriate response from the organization as to how it is going to be remedied in future audit submittals.
- N/A 9. If there are Management Letter findings, each finding must include a response by the organization. If there were prior audit findings, the current audit must include the status of action taken, i.e., whether the recommendation was fully implemented and, if not, when (dates) it will be fully implemented. Note that quarterly reports may be required on a case-by-case basis depending on the severity or lack of resolution of the issues noted in the Management Letter.
10. Please enter the following information about the Certified Public Accountant issuing the audit report:
- CPA's Name Verna James

CPA'Address 10749 SW 104 ST, Miami FL 33176

License No. AC0032641

Status Current/active

Expiration Date December 31, 2008