

**OXFORD ACADEMY  
OF MIAMI, INC.**  
(a Component Unit of the School  
Board of Miami-Dade County, Florida)

**Financial Statements and  
Supplemental Information**

**June 30, 2014**

**OXFORD ACADEMY OF MIAMI, INC.**

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June 30, 2014

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C O M P A N Y

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

9300 South Dadeland Boulevard, Suite 600, Miami, Florida 33156  
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## Independent Auditor's Report

To the Board of Directors of  
Oxford Academy of Miami, Inc.  
Miami, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of Oxford Academy of Miami, Inc. (the "Academy") a component unit of the School Board of Miami-Dade County, Florida, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express opinions 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Academy, as of June 30, 2014, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **PARTNERS:**

JORGE N. DE LA TORRE, CPA • LAWRENCE KABAT, CPA • ERIC J. LEVENTHAL, CPA  
MICHAEL SCHERTZER, CPA • JEFFREY TARABOULOS, CPA, CFE • ROBERT TARABOULOS, CPA

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**Other Matters**

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the statement of revenues, expenditures and change in fund balance – budget to actual on pages 18 and 19 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by *Government Auditing Standards***

In accordance with Government Auditing Standards, we have also issued our report dated August 29, 2014, on our consideration of the Academy's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit with *Government Auditing Standards* in considering the Academy's internal control over financial reporting and compliance.

KABAT, SCHERTZER, DE LA TORRE, TARABOULOS & CO.

August 29, 2014  
Miami, Florida

**PARTNERS:**

JORGE N. DE LA TORRE, CPA • LAWRENCE KABAT, CPA • ERIC J. LEVENTHAL, CPA  
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**Report on Internal Control Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements Performed in  
Accordance with *Government Auditing Standards***

To the Board of Directors of  
Oxford Academy of Miami, Inc.  
Miami, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Oxford Academy of Miami, Inc. (the “Academy”), a component unit of the School Board of Miami-Dade County, Florida, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Academy’s basic financial statements, and have issued our report thereon dated August 29, 2014.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Academy's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Academy’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Academy’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**PARTNERS:**

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**Compliance and Other Matters**

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*KABAT, SCHERTZER, DE LA TORRE, TARABOULOS & Co.*

August 29, 2014  
Miami, Florida

**PARTNERS:**

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**OXFORD ACADEMY OF MIAMI, INC.**

Statement of Net Position

June 30, 2014

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	<u>Government Activities</u>
<b>ASSETS:</b>	
Cash	\$ 3,915
Accounts receivable, net	9,747
Deposits	<u>20,196</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>33,858</u></b>
<b>LIABILITIES AND NET POSITION</b>	
<b>CURRENT LIABILITIES:</b>	
Accounts payable	\$ 80,180
Accrued expenses	95,767
Note payable - due within one year	<u>10,000</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>185,947</b>
NOTE PAYABLE - DUE IN MORE THAN ONE YEAR	<u>16,768</u>
<b>TOTAL LIABILITIES</b>	<b><u>202,715</u></b>
<b>NET POSITION:</b>	
Unrestricted net position	<u>(168,857)</u>
<b>TOTAL NET POSITION</b>	<b><u>(168,857)</u></b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ <u>33,858</u></b>

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

**OXFORD ACADEMY OF MIAMI, INC.**  
Statement of Activities and Change in Net Position  
June 30, 2014

<b>FUNCTIONS</b>	<b>2014</b>				<b>Government Activities</b>
	<b>Expenses</b>	<b>Program Revenues</b>			<b>Net Revenue (Expense) and Change in Net Position</b>
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	
<b>Governmental Activities:</b>					
Instruction	\$ 1,054,198	-	-	-	\$ (1,054,198)
Pupil Personnel Services	25,844	-	-	-	(25,844)
Instructional Media Services	12,390	-	-	-	(12,390)
Instruction and Curriculum Development Services	6,445	-	-	-	(6,445)
Instructional Staff Training Services	2,268	-	-	-	(2,268)
General Administration	27,123	-	-	-	(27,123)
School Administration	3,789	-	-	-	(3,789)
Food Services	101,697	87,688	-	-	(14,009)
Central Services	5,988	-	-	-	(5,988)
Pupil Transportation Services	12,649	-	-	-	(12,649)
Operation of Plant	450,664	-	-	99,214	(351,450)
Maintenance of Plant	5,397	-	-	-	(5,397)
Community Services	28,788	-	-	-	(28,788)
<b>Total Governmental Activities</b>	<b>\$ 1,737,240</b>	<b>\$ 87,688</b>	<b>-</b>	<b>\$ 99,214</b>	<b>\$ (1,550,338)</b>
					1,471,457
					(78,881)
					(89,976)
					\$ (168,857)

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

**OXFORD ACADEMY OF MIAMI, INC.**

Statement of Cash Flows

For the Period Ended June 30, 2014

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	<u>2014</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Change in net position	\$ (78,881)
Changes in operating assets and liabilities:	
Increase in accounts receivable	(9,747)
Decrease in deposits	9,263
Increase in accounts payable	70,230
Increase in accrued expenses	<u>16,004</u>
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 6,869
 <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>	
Repayment of notes payable	<u>(2,000)</u>
 NET CASH USED IN OPERATING ACTIVITIES	 (2,000)
 NET CHANGE IN CASH	 4,869
 CASH - BEGINNING	 <u>(955)</u>
 CASH - ENDING	 \$ <u><u>3,914</u></u>

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

**OXFORD ACADEMY OF MIAMI, INC.**

Balance Sheet - Governmental Fund

June 30, 2014

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	<u>2014</u>		
	<u>General Fund</u>	<u>Capital Project Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>			
Cash	\$ 3,915	\$ -	\$ 3,915
Accounts receivable, net	-	9,747	9,747
Deposits	<u>20,196</u>	<u>-</u>	<u>20,196</u>
 TOTAL ASSETS	 \$ <u>24,111</u>	 \$ <u>9,747</u>	 \$ <u>33,858</u>
 <b>LIABILITIES AND FUND BALANCE</b>			
<b>LIABILITIES:</b>			
Accounts payable	\$ 80,180	\$ -	\$ 80,180
Accrued expenses	<u>95,767</u>	<u>-</u>	<u>95,767</u>
 TOTAL LIABILITIES	 <u>175,947</u>	 <u>-</u>	 <u>175,947</u>
 <b>FUND BALANCES:</b>			
Nonspendable for deposits	20,196	-	20,196
Unassigned	<u>(172,032)</u>	<u>9,747</u>	<u>(162,285)</u>
 TOTAL FUND BALANCES	 <u>(151,836)</u>	 <u>9,747</u>	 <u>(142,089)</u>
 <b>TOTAL LIABILITIES AND FUND BALANCE:</b>	 \$ <u>24,111</u>	 \$ <u>9,747</u>	 \$ <u>33,858</u>

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

**OXFORD ACADEMY OF MIAMI, INC.**

Statement of Revenues, Expenditures and Change in Fund Balances - Governmental Fund

For the Period Ended June 30, 2014

	<b>2014</b>		
	<b>General Fund</b>	<b>Capital Project Fund</b>	<b>Total</b>
<b>REVENUES:</b>			
State Sources	\$ 1,374,595	\$ -	\$ 1,374,595
Local sources	<u>184,551</u>	<u>99,214</u>	<u>283,765</u>
<b>TOTAL REVENUES</b>	<u><b>1,559,146</b></u>	<u><b>99,214</b></u>	<u><b>1,658,360</b></u>
<b>EXPENDITURES:</b>			
Instruction	1,054,198	-	1,054,198
Pupil Personnel Services	25,844	-	25,844
Instructional Media Services	12,390	-	12,390
Instruction and Curriculum Development Services	6,445	-	6,445
Instructional Staff Training Services	2,268	-	2,268
General Administration	27,123	-	27,123
School Administration	3,789	-	3,789
Food Services	101,697	-	101,697
Central Services	5,988	-	5,988
Pupil Transportation Services	12,649	-	12,649
Operation of Plant	361,197	89,467	450,664
Maintenance of Plant	5,397	-	5,397
Community Services	<u>28,788</u>	<u>-</u>	<u>28,788</u>
<b>TOTAL EXPENDITURES</b>	<u><b>1,647,773</b></u>	<u><b>89,467</b></u>	<u><b>1,737,240</b></u>
Net change in fund balances before other sources	(88,627)	9,747	(78,880)
<b>OTHER SOURCES:</b>			
Repayment of notes payable	<u>(2,000)</u>	<u>-</u>	<u>(2,000)</u>
Net change in fund balances	(90,627)	9,747	(80,880)
Fund Balances - Beginning	\$ <u>(61,209)</u>	\$ <u>-</u>	\$ <u>(61,209)</u>
Fund Balances - Ending	<u><u>\$ (151,836)</u></u>	<u><u>\$ 9,747</u></u>	<u><u>\$ (142,089)</u></u>

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

**OXFORD ACADEMY OF MIAMI, INC.**

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position

June 30, 2014

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	<u>2014</u>
Total Fund Balances - Governmental Fund, page 8	\$ (142,089)
Liabilities not payable with current available resources and are not reported as fund liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the governmental-wide statements.	<u>(26,768)</u>
Unrestricted Net Position of Governmental Activities, page 5	\$ <u>(168,857)</u>

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

**OXFORD ACADEMY OF MIAMI, INC.**

Reconciliation of the Statement of Revenues, Expenditures and Change in Fund Balances -  
Governmental Fund to the Statement of Activities and Change in Net Position

June 30, 2014

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	<u>2014</u>
Net change in Fund Balances - Governmental Fund, page 8	\$ (80,880)
Repayment of debt principal is a expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position	<u>2,000</u>
Change in Net Position of Governmental Activities, page 5	\$ <u><u>(78,880)</u></u>

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

# OXFORD ACADEMY OF MIAMI, INC.

## Notes to the Financial Statements

June 30, 2014

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### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Organization

Oxford Academy of Miami, Inc. (“Academy”) is a not-for-profit corporation, organized pursuant to Florida Statutes Chapter 617, in June 2004, to provide rich, diverse and meaningful learning experience for the students of Miami-Dade County from kindergarten to sixth grade. The governing body of the Academy is the Board of Directors which is comprised of 4 members.

#### Reporting Entity

The financial reporting entity consists of the following:

- The Academy
- Organizations for which the primary government is financially accountable
- Other organizations that, because of the nature and significance of their relationship with the primary government, may not be excluded from the financial reporting entity

Management has determined that no component units exist for which the Academy is financially accountable; however, the Academy is a component unit of the School Board of Miami-Dade County, Florida.

#### Government-Wide and Financial Statements

The government-wide financial statements include the statement of net position and the statements of activities. These statements report financial information for the Academy as a whole.

The statement of activities report the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include positions of a fund or summarize more than one fund to capture the expense and program revenues associated with a Board functional activity. Program revenues include: (1) charges for services which report fees and other charges and (2) operating grants and contributions which finance annual operating activities including restricted investment income. These revenues are subject to externally imposed restrictions to these programs uses.

# OXFORD ACADEMY OF MIAMI, INC.

## Notes to the Financial Statements

June 30, 2014

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### Fund Financial Statements

Fund financial statements are provided for governmental fund. Major individual governmental funds are reported in separate columns.

- General Fund – The General Fund is the general operating fund. It is used to account for all current financial resources except those required to be accounted for in another fund of the Academy.
- Capital Project Fund – The Capital Project Fund is used to account for the state capital outlay funding that is legally restricted to expenditures for particular purposes.

### Measure Focus, Basis of Accounting and Financial Statement Presentation

The financial statements of the Academy are prepared in accordance with generally accepted accounting principles (GAAP). The reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The government-wide financial statements apply Financial Accounting standards Board (FASB) pronouncements and Accounting principles Board (APB) opinion issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Academy considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred.

Major revenues sources susceptible to accrual include: intergovernmental revenues, and interest income.

## OXFORD ACADEMY OF MIAMI, INC.

### Notes to the Financial Statements

June 30, 2014

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#### Cash

Cash includes highly liquid investments with original maturities of three months or less. The Company maintains deposits, with major financial institutions, that, from time to time, may exceed federally insured limits. As of June 30, 2014, there were no deposits in excess of federally insured limits.

#### Net position

Net position is classified in three categories. The general meaning of each is as follows:

- Net investment in capital assets - represents the difference between the cost of capital assets, less accumulated depreciation reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets.
- Restricted – consists of net position with constraints placed on their use either by 1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - indicates that portion of net position that can be used for future operations.

#### Fund Balance

The Academy has implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*. This statement provides more clearly defined fund balance classifications to report on the nature and extent to which the Academy is bound to have constraints on the specific purposes for which amounts in those funds can be spent.

The following classifications describe the relative strength of the spending constraints:

- Nonspendable – amounts that are not in spendable form (such as prepaid items and deposits) or are legally or contractually required to be maintained intact.
- Restricted – amounts constrained to specific purposes by external providers (such as grantors) or imposed by law through constitutional provisions, or by enabling legislation.
- Committed – amounts constrained to specific purposes by formal action of the Academy itself, using its highest level of decision making authority (i.e., the School Board) through Resolution. To be reported as committed, amounts cannot be used for any other purpose unless the School Board takes the same highest level action (i.e., Resolution) to remove or change the constraint.

# OXFORD ACADEMY OF MIAMI, INC.

## Notes to the Financial Statements

June 30, 2014

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### Fund Balance (continued)

- Assigned – amounts the Academy intends to use for a specific purpose but are neither restricted nor committed. Assignments can be made by the Executive Committee or by an official or body which the School Board delegated the authority at their direction.
- Unassigned – amounts that have not been assigned to other funds and that have not been restricted, committed or assigned to specific purposes within the General Fund.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the Academy considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned or unassigned fund balances are available, the Academy considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the School Board or its delegated official or body has provided otherwise in its commitment or assignment actions.

### Capital Assets, Depreciation and Amortization

The Academy's property, equipment, and infrastructure with useful lives of more than one year are stated at historical cost and comprehensively reported in the government-wide financial statements.

The Academy generally capitalizes assets with cost of \$750 or more as outlay occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extends the useful lives are expensed. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operation. For the period ended June 30, 2014, the Academy did not record any capital assets.

### Income Taxes

The Academy qualifies as a tax-exempt organization under the Internal Revenue Service Code Section 501(c)(3), and is, therefore, exempt from income tax. Accordingly, no tax provision has been made in the accompanying financial statements.

### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

# OXFORD ACADEMY OF MIAMI, INC.

## Notes to the Financial Statements

June 30, 2014

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### Subsequent Events

Management has evaluated subsequent events through August 29, 2014, the date when the financial statements were available to be issued.

### **NOTE B – NOTE PAYABLE**

During the year ended June 30, 2012, the Academy obtained a revolving line of credit from a private lender in the amount of \$100,000 to cover operating expenses. The revolving line of credit is interest free and due upon maturity on August 1, 2015. As of June 30, 2014, the outstanding balance was \$26,768.

Commencing September 15, 2014, the Academy entered into an installment agreement with the lender which provides for a \$1,000 per month payment, interest free, until the principal is completely repaid. Such installment agreement extends the original maturity date of the note.

### **NOTE C – SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA**

The Academy has an agreement with the School Board of Miami-Dade County, Florida, to operate a Charter Academy. The Academy receives funding from the School Board of Miami-Dade County, Florida, based on the projected number of full time equivalent (FTE) students. The term of contract is for five years ending June 30, 2015, with an option to review for an additional five years.

### **NOTE D – CONTINGENCIES**

The Academy receives funding through the School Board of Miami-Dade County, Florida that is based in part on a computation of the number of full time equivalent (“FTE”) students enrolled. The accuracy of data compiled supporting the FTE count is subject to audit, and if found to be in error, could result in refunds or in decreased in future funding allocations. It is the opinion of management that the amount of revenue which may be remitted back due to errors in the FTE count, if any, will not be material to the financial position of the Academy. In addition, the continued operation of the Academy is depended upon an agreement with the School Board of Miami-Dade County, Florida.

### **NOTE E – LEASES**

#### **Operating Lease**

The Academy leases its administrative and classroom space under an operating lease, which expires on June 30, 2015, from a company which is owned by the founder of the Academy. The rental expense was \$378,983 for the year ended June 30, 2014.

**OXFORD ACADEMY OF MIAMI, INC.**

Notes to the Financial Statements

June 30, 2014

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**Operating Lease** *(continued)*

Subsequent to June 30, 2014, the Academy entered into a lease amendment with its landlord and modified the terms of the original lease agreement. The lease amendment provides for a reduction in its annual rental expense to \$120,000 plus certain utilities and expires on June 30, 2015.

**NOTE F – OTHER INFORMATION**

Oxford Academy of Miami, Inc. is located at 10870 SW 113<sup>th</sup> Place, Miami, FL 33176. The Academy's principal is Mrs. Maydelyn Beceiro, and the Board of Directors is as follows:

Mr. Henry Marquez  
Mrs. Rebecca Fox  
Mr. Steven Richman  
Mrs. Lisbeth Alvarez

The following information about the Certified Public Accountant issuing the audit report:

CPA's Name:	Kabat, Schertzer, De La Torre, Taraboulos & Co.
CPA's Address:	9300 South Dadeland Boulevard; Suite 600 Miami, Florida 33156

## **OXFORD ACADEMY OF MIAMI, INC.**

### Management's Discussion and Analysis

June 30, 2014

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

As the management of Oxford Academy of Miami, Inc. (the "Academy"), we offer readers of the "Academy's" financial statements this narrative overview, in layman's terms, of the financial activities for the fiscal year ended June 30, 2014 to (a) assist the reader in focusing on significant financial issues, (b) provide an overview and analysis of the Academy's financial activities, (c) identify changes in the Academy's financial position, and (d) identify material deviations from the approved budget. Because the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events and conditions, it should be considered in conjunction with the basic financial statements.

- The significant portion of revenue is provided by the School Board of Miami-Dade County, Florida and is based on the number of enrolled full time equivalent students. In the current fiscal year, the Academy's enrollment increased therefore, creating an increase in revenue.
- The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the component unit financial statements.
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This financial report is designed to provide a general overview of the Academy's finances for all those with an interest in the Academy's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Academy's principal, Mrs. Maydelyn Beceiro, at 10870 Southwest 113th Place, Miami, FL 33176.

## **Supplemental Information**

**OXFORD ACADEMY OF MIAMI, INC.**

## Statement of Revenues, Expenditures and Change in Fund Balances - Budget to Actual

For the Period Ended June 30, 2014

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	<u>Actual</u>	<u>Original Budget</u>	<u>Revised Budget</u>
<b>REVENUES:</b>			
State Sources	\$ 1,374,595	\$ 1,372,353	\$ 1,527,078
Local sources	<u>283,765</u>	<u>118,500</u>	<u>146,000</u>
 TOTAL REVENUES	 <u>1,658,360</u>	 <u>1,490,853</u>	 <u>1,673,078</u>
 <b>EXPENDITURES:</b>			
Instruction	1,054,198	956,147	1,001,947
Pupil Personnel Services	25,844	12,000	15,000
Instructional Media Services	12,390	2,210	6,500
Instruction and Curriculum Development Services	6,445	9,889	8,200
Instructional Staff Training Services	2,268	500	2,000
General Administration	27,123	8,000	8,350
School Administration	3,789	1,564	4,500
Food Services	101,697	60,000	120,000
Central Services	5,988	3,100	3,100
Pupil Transportation Services	12,649	8,576	-
Operation of Plant	450,664	393,070	407,150
Maintenance of Plant	5,397	3,500	3,750
Community Services	<u>28,788</u>	<u>20,000</u>	<u>26,000</u>
 TOTAL EXPENDITURES	 <u>1,737,240</u>	 <u>1,478,556</u>	 <u>1,606,497</u>
 Net change in fund balances	 <u>\$ (78,880)</u>	 <u>\$ 12,297</u>	 <u>\$ 66,581</u>

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

KABAT · SCHERTZER  
DE LA TORRE · TARABOULOS  
— & —  
C O M P A N Y

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

9300 South Dadeland Boulevard, Suite 600, Miami, Florida 33156  
Telephone (305) 670-3370 Fax (305) 670-3390

## MANAGEMENT LETTER

The Board of Directors of  
Oxford Academy of Miami, Inc.  
Miami, Florida

We have audited the financial statements of Oxford Academy of Miami, Inc. as of and for the year ended June 30, 2014 and have issued our report thereon dated August 29, 2014.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and *Non-Profit Organizations*. We have issued our Independent Auditors Report on Internal Control over Financial Reporting and Compliance and Other matters and Independent Auditors Report on Compliance with requirements Applicable to each Major Federal Program and on Internal Control over Compliance. Disclosures in those reports, which are dated August 30, 2014, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.850, Rules of the Auditor General, which governs the conduct of charter school and similar entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditor's reports or schedule:

- Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial report. In connection with our preceding audit, we did not have any findings which require corrective actions.
- Section 10.854(1)(e)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have such recommendations in the current year.
- Section 10.854(1)(e)4., Rules of the Auditor General, requires that we address violations of provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.

**KABAT · SCHERTZER  
DE LA TORRE · TARABOULOS**  
— & —  
**C O M P A N Y**

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**MANAGEMENT LETTER** *(Continued)*

- Section 10.854(1)(e)5., Rules of the Auditor General, provides that the auditor may, based on professional judgment, report the following matters that have an inconsequential effect on the financial statements considering both quantitative and qualitative factors: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, and (2) deficiencies in internal control that are not significant deficiencies. In connection with our audit, we did not have any such findings.
- Section 10.854(1)(e)6., Rules of the Auditor General, requires the name or official title of the school. The official title of the school is Oxford Academy of Miami, Inc.
- Section 10.854(1)(e)2., Rules of the Auditor General, requires a statement be included as to whether or not the school has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the Academy did not meet any of the conditions described in Section 218.503(1), Florida Statutes.
- Pursuant to sections 10.854(1)(3)7.a. and 10.855(10), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the Academy's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by management.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of management, and the Florida Auditor general, and is not intended to be and should not be used by anyone other than these specific parties.

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We appreciate the outstanding cooperation from your staff that our personnel received during the audit of the Academy's financial statements.

Very truly yours,

*KABAT, SCHERTZER, DE LA TORRE, TARABOULOS & CO.*

Kabat, Schertzer, De La Torre, Taraboulos & Co  
August 29, 2014