

OXFORD ACADEMY OF MIAMI, INC.
MIAMI, FLORIDA
(A COMPONENT UNIT OF THE SCHOOL BOARD
OF MIAMI-DADE COUNTY, FLORIDA)

BASIC FINANCIAL STATEMENTS, INDEPENDENT
AUDITORS' REPORT AND SUPPLEMENTAL
INFORMATION

JUNE 30, 2015

OXFORD ACADEMY OF MIAMI, INC.
BASIC FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION
JUNE 30, 2015

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OXFORD ACADEMY OF MIAMI, INC.

11155 SW 112th Ave,
Miami, FL 33176
(305) 271-9000

2014-2015

BOARD OF DIRECTORS

Dr. Rebecca Fox
Mr. Steven Richman
Ms. Marla Rios

ACADEMY ADMINISTRATION

Mrs. Maydelyn Beceiro, Principal

INDEPENDENT AUDITORS' REPORT

Board of Directors
Oxford Academy of Greater 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 District School Board of Miami-Dade County, as of and for the year ended June 30, 2015, 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.

Auditor's 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, 2015, 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.

Subsequent Event

As discussed in Note 9 to the financial statements, these financial statements reflect the Academy's final year of operations. Subsequent to year-end, the Academy closed its facilities. Our opinion is not modified with respect to that matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 9 and budgetary comparison information on pages 24 through 26 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 Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Academy's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2015, on our consideration of the Academy's internal control over financial reporting and on 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Academy's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
October 21, 2015

Management's Discussion and Analysis
Oxford Academy of Miami, Inc.
June 30, 2015

The corporate officers of Oxford Academy of Miami, Inc. (the "Academy") have prepared this narrative overview and analysis of the Academy's financial activities for the fiscal year ended June 30, 2015.

FINANCIAL HIGHLIGHTS

1. The 2014-2015 School year was the Academy's final year of operations.
2. At year-end, the Academy had current assets of \$16,516.
3. There were no capital assets as of June 30, 2015.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Academy's basic financial statements. The Academy's financial statements for the year ended June 30, 2015 are presented in accordance with GASB Codification Section 2200. The financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the Academy's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the Academy's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. The difference is reported as *net position*. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the Academy is improving or deteriorating.

The *Statement of Activities* presents information on how the Academy's net position changed during the fiscal year. All changes in net assets are reported as soon as the underlying event resulting in the change occurs, without regard to the timing of related cash flows. Accordingly, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 11 – 12 of this report.

Fund Financial Statements

A "fund" is a collection of related accounts grouped to maintain control over resources that have been segregated for specific activities, projects, or objectives. The Academy, like other state and local governments, uses fund accounting to ensure and report compliance with finance-related legal requirements.

All of the funds of the Academy are governmental funds. *Governmental Funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements.

Governmental Fund financial statements, however, focus on *near-term* inflows and outflows of spendable resources, as well as on the balances of spendable resources which are available at the end of the fiscal year. Such information may be used to evaluate a government's requirements for near-term financing.

Prior to the start of the Academy's fiscal year, the Board of the Academy adopts an annual budget for its general and special revenue fund. A budgetary comparison statement has been provided for the Academy's governmental funds to demonstrate compliance with the Academy's budget. The basic governmental fund financial statements can be found on pages 13 – 16 of this report.

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 17 – 23 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, over time net position may serve as a useful indicator of an Academy's financial position. A summary of the Academy's net position as of June 30, 2015 and 2014 follows:

	Assets	<u>2015</u>	<u>2014</u>
Cash		\$ 16,346	\$ 3,915
Due from governmental agencies & accounts receivable		170	9,747
Deposits receivable		-	20,196
Total Assets		<u>\$ 16,516</u>	<u>\$ 33,858</u>
Liabilities and Net Position			
Accounts and wages payable and accrued liabilities		\$ 9,354	\$ 175,947
Note payables		73,252	26,768
Total Liabilities		<u>82,606</u>	<u>\$ 202,715</u>
Unrestricted		<u>(66,090)</u>	<u>(168,857)</u>
Total Net Position		<u>(66,090)</u>	<u>\$ (168,857)</u>
Total Liabilities and Net Position		<u>\$ 16,516</u>	<u>\$ 33,858</u>

At June 30, 2015, the Academy's total assets were \$16,516 and total liabilities were \$82,606. The fiscal year ended June 30, 2015, was the Academy's final year of operations. At June 30, 2015, the Academy reported a deficit in net position of \$66,090.

A summary and analysis of the Academy's revenues and expenses for the years ended June 30, 2015 and 2014 follows:

REVENUES	<u>2015</u>	<u>2014</u>
Program Revenues		
Federal through state	\$ -	\$ -
State capital outlay funding	36,983	99,214
Charges for services	3,818	87,688
General Revenues		
FEFP nonspecific revenue	817,447	1,374,595
Fundraising & other revenue	19,919	96,863
Total Revenues	<u>\$ 878,167</u>	<u>\$ 1,658,360</u>
EXPENSES		
Instructional services	\$ 372,982	\$ 1,054,198
Instructional support services	324	8,713
Instructional media services	-	12,390
General administration	84,614	27,123
School administration	90,600	3,789
Fiscal services	3,212	-
Food services	42,470	101,697
Central services	1,266	5,988
Pupil transportation services	218	12,649
Pupil personnel services	8,349	25,844
Operation of plant	161,068	450,664
Maintenance of plant	10,297	5,397
Community services	-	28,788
Total Expenses	<u>\$ 775,400</u>	<u>\$ 1,737,240</u>
Change in Net Position	102,767	(78,880)
Net Position at Beginning of Year	<u>(168,857)</u>	<u>(127,702)</u>
Net Position at End of Year	<u>\$ (66,090)</u>	<u>\$ (206,582)</u>

The Academy's total revenues for the year ended June 30, 2015, were \$878,167 while its total expenses were \$775,400. This was the Academy's final year of operations. The Academy experienced a large decrease in students from the prior school year. As such, instructional employees were significantly reduced as well.

ACADEMY LOCATION

The Academy operates in the Miami area located at 11155 SW 112th Ave., Miami, FL 33176.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND

As noted earlier, the Academy uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

GOVERNMENTAL FUNDS

The focus of the Academy's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Academy's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the fiscal year, the Academy's governmental funds reported a combined ending fund balance deficit of \$66,090 and a positive net change in fund balance of \$102,767 in its final year of Academy operations.

CAPITAL ASSETS

The Academy's did not have any amounts invested in capital assets, as of June 30, 2015.

GENERAL FUND BUDGET ANALYSIS

Prior to the start of the Academy's fiscal year, the Board of the Academy adopted an annual budget. A budgetary comparison statement has been provided for the governmental funds to demonstrate compliance with the Academy's budget.

	All Governmental Funds		
	Original Budget	Final Budget	Actual
REVENUES			
State passed through local	\$ 833,871	\$ 833,871	\$ 817,447
State capital outlay funding	-	-	36,983
Federal lunch program	-	-	-
Charges for services and other grants	-	-	3,818
Other income	127,112	127,112	19,919
TOTAL REVENUES	<u>\$ 960,983</u>	<u>\$ 960,983</u>	<u>\$ 878,167</u>
EXPENDITURES			
Instruction	\$ 445,368	\$ 445,368	\$ 372,982
Instructional support services	6,077	6,077	324
School board	16,468	16,468	-
General administrative	-	-	84,614
School administration	148,521	148,521	90,600
Facilities acquisition & construction	-	-	-
Fiscal services	3,660	3,660	3,212
Food services	106,298	106,298	42,470
Central services	-	-	1,266
Pupil transportation services	-	-	218
Pupil personnel services	-	-	8,349
Operation of plant	199,478	199,478	161,068
Maintenance of plant	10,000	10,000	10,297
TOTAL EXPENDITURES	<u>\$ 935,870</u>	<u>\$ 935,870</u>	<u>\$ 775,400</u>
Net change in fund balance	<u>\$ 25,113</u>	<u>\$ 25,113</u>	<u>\$ 102,767</u>

REQUESTS FOR INFORMATION

This financial report is intended to provide a general overview of the finances of the Academy. Requests for additional information may be addressed to Mr. Juan Carlos Quintana of S.M.A.R.T. Management, LLC located at 7990 Southwest 117th Avenue #210, Miami, Florida 33183.

OXFORD ACADEMY OF MIAMI, INC.
STATEMENT OF NET POSITION
JUNE 30, 2015

	<u>Governmental Activities</u>
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 16,346
Accounts receivable	170
TOTAL CURRENT ASSETS	<u>16,516</u>
 TOTAL ASSETS	 <u>\$ 16,516</u>
LIABILITIES AND NET POSITION (DEFICIT)	
LIABILITIES	
Accounts payable and accrued liabilities	\$ 750
Wages payable	8,604
Note payables	73,252
TOTAL LIABILITIES	<u>82,606</u>
NET POSITION (DEFICIT)	
Unrestricted	<u>(66,090)</u>
TOTAL NET POSITION (DEFICIT)	<u>(66,090)</u>
 TOTAL LIABILITIES AND NET POSITION	 <u>\$ 16,516</u>

The accompanying notes are an integral part of this financial statement.

OXFORD ACADEMY OF MIAMI, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

Functions	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
Instruction	372,982	\$ -	\$ -	\$ -
Instructional support services	324	-	-	(324)
General administrative	84,614	-	-	(84,614)
School administration	90,600	-	-	(90,600)
Fiscal services	3,212	-	-	(3,212)
Food services	42,470	3,818	-	(38,652)
Central services	1,266	-	-	(1,266)
Pupil transportation services	218	-	-	(218)
Pupil personnel services	8,349	-	-	(8,349)
Operation of plant	161,068	-	-	36,983
Maintenance of plant	10,297	-	-	(10,297)
Total Governmental Activities	\$ 775,400	\$ 3,818	\$ -	\$ 36,983

GENERAL REVENUES:

Government grants not restricted to specific programs	817,447
Miscellaneous revenue	19,919
Total general revenues	837,366
Change in Net Position	102,767
NET DEFICIT - BEGINNING	(168,857)
NET DEFICIT - ENDING	\$ (66,090)

The accompanying notes are an integral part of this financial statement.

OXFORD ACADEMY OF MIAMI, INC.
BALANCE SHEET- GOVERNMENTAL FUNDS
JUNE 30, 2015

	<u>Governmental Fund</u>
ASSETS	
Cash and cash equivalents	\$ 16,346
Accounts receivable	170
TOTAL ASSETS	<u>\$ 16,516</u>
LIABILITIES AND FUND BALANCES (DEFICIT)	
LIABILITIES	
Accounts payable and accrued liabilities	\$ 750
Wages payable	8,604
Notes payable	73,252
TOTAL LIABILITIES	<u>82,606</u>
FUND BALANCE (DEFICIT)	
Nonspendable	
Deposit receivable and other assets	-
Unassigned	(66,090)
TOTAL FUND BALANCE (DEFICIT)	<u>(66,090)</u>
TOTAL LIABILITIES AND FUND BALANCE (DEFICIT)	<u>\$ 16,516</u>

The accompanying notes are an integral part of this financial statement.

OXFORD ACADEMY OF MIAMI, INC.

**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2015**

Total Fund Balance (Deficit) - Governmental Funds \$ (66,090)

Amounts reported for governmental activities in the statement of net position are the same. There are no reconciling items.

Total Net Position (Deficit) - Governmental Activities \$ (66,090)

The accompanying notes are an integral part of this financial statement.

OXFORD ACADEMY OF MIAMI, INC.
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Governmental Funds	Capital Projects Fund	Total Governmental
REVENUES			
State passed through local	\$ 817,447	\$ -	\$ 817,447
State capital outlay funding	-	36,983	36,983
Charges for services	3,818	-	3,818
Other income	19,919	-	19,919
TOTAL REVENUES	\$ 841,184	\$ 36,983	\$ 878,167
EXPENDITURES			
Current:			
Instruction	\$ 372,982	\$ -	\$ 372,982
Instructional support services	324	-	324
General administrative	84,614	-	84,614
School administration	90,600	-	90,600
Fiscal services	3,212	-	3,212
Food services	42,470	-	42,470
Central services	1,266	-	1,266
Pupil transportation services	218	-	218
Pupil personnel services	8,349	-	8,349
Operation of plant	114,338	46,730	161,068
Maintenance of plant	10,297	-	10,297
TOTAL EXPENDITURES	\$ 728,670	\$ 46,730	\$ 775,400
Net change in fund balance	112,514	(9,747)	102,767
Fund balance (Deficit) at beginning of year, as adjusted	(178,604)	9,747	(168,857)
Fund balance (Deficit) at end of year	<u>\$ (66,090)</u>	<u>\$ -</u>	<u>\$ (66,090)</u>

The accompanying notes are an integral part of this financial statement.

OXFORD ACADEMY OF MIAMI, INC.
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

Change in Fund Balance - Governmental Funds \$ 102,767

Amounts reported for governmental activities in the statement of activities are the same. There are no reconciling items.

Change in Net Position of Governmental Activities \$ 102,767

The accompanying notes are an integral part of this financial statement.

**OXFORD ACADEMY OF MIAMI, INC.
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

NOTE 1 – ORGANIZATION AND OPERATIONS

Reporting Entity

Oxford Academy of Miami, Inc. (the “Academy”) a component unit of the School Board of Miami-Dade County, Florida is a not-for-profit corporation, organized pursuant to Chapter 617, Florida Statutes, the Florida Not For Profit Corporation Act, and Section 1002.33, Florida Statutes. The governing body of the Academy is the Board of Directors which is comprised of four members.

The general operating authority of Oxford Academy of Miami, Inc. (the “Academy”) is contained in Section 1002.33, Florida Statutes. The Academy operates under a charter of the sponsoring School district, the District School Board of Miami-Dade County, Florida (the “School Board”). The current charter is effective until June 30, 2015. The charter was not renewed for an additional term (see NOTE 9).

These financial statements are for the year ended June 30, 2015, when 123 students were enrolled in grades Kindergarten through 8th grade.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Based on the guidance provided in the American Institute of Certified Public Accountants Audit and Accounting Guide – Audits per State and Local Governments and provisions of Florida Statutes, the Academy is presented as a governmental organization for financial statement reporting purposes.

Government-wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information for the Academy as a whole. Both statements report only governmental activities as the Academy does not engage in any business type activities.

The statement of activities reports 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 portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, (2) operating grants and contributions which finance annual operating activities, and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. Other revenue sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements

Fund financial statements are provided for governmental funds. The operations of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures. Major individual governmental funds, namely, the general, special revenue and capital project funds are reported as separate columns in the fund financial statements:

General Fund – is the Academy’s primary operating fund. It accounts for all financial resources not accounted for and reported in another fund.

OXFORD ACADEMY OF MIAMI, INC.
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Projects Fund – used to account for financial resources used for the acquisition or construction of major capital facilities and for the proceeds and related expenditures of charter school capital outlay funding.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The financial statements of Oxford Academy of Miami, Inc., (the “Academy”) are prepared in accordance with generally accepted accounting principles (GAAP). The Academy’s reporting entity applies all relevant Governmental Accounting Standards Board (GASB) *Codification of Accounting and Financial Reporting Guidelines*.

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenues from non-exchange transactions are reported according to Governmental Accounting Standards Board (GASB) Codification Section 1600.111 and Section N50 “*Accounting and Financial Reporting for Non-Exchange Transactions*”. On the accrual basis, revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

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. Measurable means the amount of the transaction can be determined. 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 90 days of the end of the fiscal year. Florida Education Finance Program (FEFP) revenues are recognized when received. A one-year availability period is used for revenue recognition for all other governmental fund revenues. When grant terms provide that the expenditure of funds is the prime factor for determining eligibility for federal, state, and other grant funds, revenue is recognized at the time the expenditure is made. Expenditures are recorded when the related fund liability is incurred, except for long-term debt principal and interest which are reported as expenditures in the year due.

Budgetary Basis Accounting

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., salaries, purchased services, and capital outlay).

Cash and Cash Equivalents

The Academy’s cash is considered to be cash on hand and demand deposits, with original maturities of three months or less.

Accounts receivable

Accounts receivable consists of amounts owed for charter school capital outlay funding. Any bad debts are expensed in the subsequent period when they are determined to be uncollectible.

Compensated Absences

The Academy grants a specific number of days of sick/personal leave. Full-time employees are eligible for one day per month to up to ten days of active work during the ten-month period (a “benefit year”). In the event that available time is not used by the end of the benefit year, employees may “rollover” all unused days for use in future benefit years. There is an opportunity to “cash out” unused sick days; however, the employees may only cash out if they have used three days or less of their sick leave in that benefit year. Employees may not cash out more than ten days per Academy year and are required to always maintain a minimum of twenty-one unused days. The cash value is eighty percent of their current daily rate. There is no termination payment for accumulated unused sick days.

OXFORD ACADEMY OF MIAMI, INC.
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

GASB Codification Section C60, *Accounting for Compensated Absences*, provides that compensated absences that are contingent on a specific event that is outside the control of the employer and employee should be accounted for in the period those events take place. Accordingly, these financial statements do not include an accrual for compensated absences available to be used in future benefit years.

The Academy also provides certain days to be used for specific personal matters such as family death and jury duty. Because the use of such days is contingent upon those events taking place and such events are out of the control of both the employer and the employee, there is no accrual for such days.

Government-wide Fund Net Assets

Government-wide fund net assets are divided into three components:

- Net investment in capital assets – consists of the historical cost capital assets less accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition or improvement of those assets plus deferred outflows of resources less deferred inflows of resources. The net investment in capital assets for the year ending June 30, 2015 was \$0.
- Restricted net assets – consists of net assets with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments less related liabilities and deferred inflows of resources. The restricted net position for the year ending June 30, 2015 was \$0.
- Unrestricted – all other net position is reported in this category.

Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

- Nonspendable – fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned). At June 30, 2015, the Academy had \$0 in nonspendable fund balance.
- Restricted – fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. At June 30, 2015, there is no restricted fund balance.
- Committed – fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Academy's Board of Directors. At June 30, 2015, there is no committed fund balance.
- Assigned – fund balance classification are intended to be used by the Academy's management for specific purposes but do not meet the criteria to be classified as restricted or committed. At June 30, 2015, there is no assigned fund balance.
- Unassigned – fund balance is the residual classification for the Academy's general fund and includes all spendable amounts not contained in the other classifications.

Order of Fund Balance Spending Policy

The Academy's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance at the end of the fiscal year by adjusting journal entries. First Non-spendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then any remaining fund balance amounts for the non-general funds are classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purposes amounts exceed the positive fund balance for the non-general fund. As of June 30, 2015, there are no minimum fund balance requirements for any of the Academy's funds.

OXFORD ACADEMY OF MIAMI, INC.
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Sources

Revenues for operations will be received primarily from the District School Board of Miami-Dade County (the "School Board") pursuant to the funding provisions included in the Academy's charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the Academy will report the number of full-time equivalent (FTE) students and related data to the School Board. Under the provisions of Section 1011.62, Florida Statutes, the School Board reports the number of the full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the Academy is adjusted during the year to reflect the revised calculations by the FDOE under the Florida Education Finance Program and the actual weighted full-time equivalent students reported by the Academy during the designated full-time equivalent student survey periods. In addition, the Academy receives an annual allocation of charter school capital outlay funds for leasing of Academy facilities.

The Academy may also receive federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to and approved by various granting agencies. For federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred. Any excess amounts are recorded as deferred revenues until expensed. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

Income Taxes

The Academy is a division of a nonprofit corporation. The Academy qualifies as a tax exempt organization under the Internal Revenue 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 U.S. 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 reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Academy has evaluated subsequent events and transactions for potential recognition or disclosure through October 2015, which is the date the financial statements were available to be issued.

NOTE 3 – TRANSACTIONS WITH MANAGEMENT COMPANY

The Academy entered into an agreement with S.M.A.R.T. Management LLC to provide professional management and consulting services to the Academy. In its capacity as the management company, S.M.A.R.T. Management LLC manages the finances and operations and makes recommendations to the Academy's independent board of directors which make the final determinations regarding policies and contracts.

In providing management services to the Academy, officers of the management company may not serve as members of the Board of Directors of the Academy. The agreement began on July 1, 2014. During the year-ended June 30, 2015, the Academy incurred management fees of \$25,000. At June 30, 2015, the Academy had no amounts payable to the management company.

OXFORD ACADEMY OF MIAMI, INC.
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 4 – DEPOSITS POLICY AND CREDIT RISK

It is the Academy's policy to maintain its cash and cash equivalents in major banks and in high grade investments.

As of June 30, 2015, the carrying amount of the Academy's operating cash deposit accounts was \$16,346 and the bank balance totaled \$31,433. As of June 30, 2015, balances held in financial institutions did not exceed the Federal Depository Insurance Corporation (FDIC) limit.

NOTE 5 –NOTES PAYABLE

During prior and current year, the Academy entered into note payable arrangements with several vendors, as they were unable to immediately pay amounts owed for services performed related to the Academy's operations. Subsequent to year-end, the Academy ceased operations (see NOTE 9) and is unable to make necessary payments on these balances. Notes payable for the year ended June 30, 2015 totaled \$73,252.

NOTE 6 – GRANTS

In the normal course of operations, the Academy receives grant funds from various federal, state and local agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not reflected in these financial statements.

NOTE 7 – RISK MANAGEMENT

The Academy is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions and natural disasters for which the Academy carries commercial insurance. Settlement amounts have not exceeded insurance coverage in the past. In addition, there were no reductions in insurance coverage from those in the prior year. The Academy does not sponsor a public entity risk pool and has had no settlements that have exceeded their insurance coverage.

NOTE 8 – PRIOR PERIOD FUND BALANCE ADJUSTMENT

In the prior year, the Academy entered into a note payable arrangement with a vendor in the amount of \$26,768. The issuance of this note payable should have been reflected in the Statement of Revenues, Expenditures, and Changes in Fund Balance, reducing the Academy's fund balance. As a result, the beginning fund balance was decreased by \$26,768 to account for the issuance of the note payable.

Fund balance (Deficit) as previously reported, June 30, 2014	\$	(142,089)
Issuance of note payable		(26,768)
Fund balance (Deficit) at June 30, 2014, as adjusted	\$	<u>(168,857)</u>

NOTE 9 – SUBSEQUENT EVENT

The Academy's current charter is effective through June 30, 2015 and was not renewed subsequent to year-end. As a result, the Academy closed its facilities and ceased operations. Therefore, there are no future commitments and contingencies disclosed.

REQUIRED SUPPLEMENTAL INFORMATION

OXFORD ACADEMY OF MIAMI, INC.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2015

	General Fund		
	Original Budget	Final Budget	Actual
REVENUES			
State passed through local	\$ 833,871	\$ 833,871	\$ 817,447
Charges for services and other grants	-	-	3,818
Other income	127,112	127,112	19,919
TOTAL REVENUES	\$ 960,983	\$ 960,983	\$ 841,184
EXPENDITURES			
Instruction	\$ 445,368	\$ 445,368	\$ 372,982
Instructional support services	6,077	6,077	324
School board	16,468	16,468	-
General administrative	-	-	84,614
School administration	111,538	111,538	90,600
Facilities acquisition & construction	-	-	-
Fiscal services	3,660	3,660	3,212
Food services	106,298	106,298	42,470
Central services	-	-	1,266
Pupil transportation services	-	-	218
Pupil personnel services	-	-	8,349
Operation of plant	199,478	199,478	114,338
Maintenance of plant	10,000	10,000	10,297
TOTAL EXPENDITURES	\$ 898,887	\$ 898,887	\$ 728,670
Change in fund balance before other financing sources	62,096	62,096	112,514
Other financing sources	-	-	-
Net change in fund balance	\$ 62,096	\$ 62,096	\$ 112,514

See accompanying note to the required supplemental information.

OXFORD ACADEMY OF MIAMI, INC.
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Capital Projects Funds		
	Original Budget	Final Budget	Actual
REVENUES			
State capital outlay funding	\$ 36,983	\$ 36,983	\$ 36,983
TOTAL REVENUE	<u>\$ 36,983</u>	<u>\$ 36,983</u>	<u>\$ 36,983</u>
EXPENDITURES			
Operation of plant	\$ 36,983	\$ 36,983	\$ 46,730
TOTAL EXPENDITURES	<u>\$ 36,983</u>	<u>\$ 36,983</u>	<u>\$ 46,730</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,747)</u>

See accompanying note to the required supplemental information.

OXFORD ACADEMY OF MIAMI, INC.
NOTE TO REQUIRED SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2015

NOTE A – BUDGETARY INFORMATION

Budgetary basis of accounting

The Academy's annual budget is adopted for the entire operations at the combined governmental level and may be amended by the Board. The budget presented for the year ended June 30, 2015, has been amended according to Board procedures. During the fiscal year, expenditures were controlled at the fund level.

Although budgets are adopted for the entire operation, budgetary comparisons have been presented for the general, capital projects, and special revenue funds for which a legally adopted budget exists.

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., salaries, purchased services, and capital outlay).

INDEPENDENT AUDITORS' 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*

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 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"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements, and have issued our report thereon dated October 21, 2015.

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.

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.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
October 21, 2015

MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of Oxford Academy of Miami, Inc. (the "Academy"), a non-major component unit of the District School Board of Miami-Dade County, Florida, as of and for the fiscal year ended June 30, 2015, and have issued our report thereon dated October 21, 2015.

Auditor's Responsibility

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; and Chapter 10.850, Rules of the Auditor General.

Other Reports and Schedules

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in that report, which is dated September 1, 2015, should be considered in conjunction with this management letter.

Prior Audit Findings

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 audit report. There were no findings or recommendations made in the preceding audit report. The preceding audit was performed by a separate firm.

Official Title

Section 10.854(1)(e)5, Rules of the Auditor General, requires the name or official title of the entity. The official title of the entity is Oxford Academy of Miami, Inc.

Financial Condition

Sections 10.854(1)(e)2., Rules of the Auditor General, requires that we report the results of our determination 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, it was noted the year ended June 30, 2015 was the Academy's final year of operations. Therefore, as of June 30, 2015, the Academy had met the conditions described in Section 218.503(1).

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the School. 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 same. In connection with our audit, it was noted the year ended June 30, 2015 was the Academy's final year of operations.

Transparency

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require that we apply appropriate procedures to determine whether the Academy maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the Academy did not maintain on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

Other Matters

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 any such recommendations.

Section 10.854(1)(e)4., Rules of the Auditor General, requires that we address noncompliance with 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 which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Directors, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
October 21, 2015