

**OXFORD ACADEMY
OF MIAMI, INC.**

**Component Unit
Financial Statements**

June 30, 2009

OXFORD ACADEMY OF MIAMI, INC.

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June 30, 2009

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Stuart Sutta & Co PA

Certified Public Accountants

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Report of Independent Certified Public Accountants

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

We have audited the accompanying statement of net assets of the Oxford Academy of Miami, Inc. (the "Academy") as of June 30, 2009 and the related statement of activities and changes in net assets and cash flows for the period then ended. These financial statements are the responsibility of the Academy's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The Academy did not disclose the management's discussion and analysis and the budgetary comparison information as part of the supplementary information. In our opinion, disclosure of this information is required by accounting principles generally accepted in the United States of America.

In our opinion, except for the omission of the information discussed in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Oxford Academy of Miami, Inc at June 30, 2009, and the results of its operations and its cash flows for the period 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 our report dated August 31, 2009 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 grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting 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 the audit performed in accordance with *Government Auditing Standards* and should not be considered in assessing the results of our audit.



August 31, 2009
Miami, Florida

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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 of the
Oxford Academy of Miami, Inc.
Miami, Florida

We have audited the basic financial statements of Oxford Academy of Miami, Inc. (the "Academy") as of and for the period ended June 30, 2009, and have issued our report thereon dated August 31, 2009. We conducted our audit in accordance with generally accepted auditing standards 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 Academy's financial statements are free of 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 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*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Institution's 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 internal control over financial reporting. Our consideration of internal control over financial reporting would not necessarily disclose all matters in internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of internal control components 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 internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the board of directors, management, the State of Florida office of the Auditor General, and the School Board of Miami-Dade County, Florida and is not intended to be and should not be used by anyone other than these specified parties.



August 31, 2009
Miami, Florida

OXFORD ACADEMY OF MIAMI, INC.

Statement of Net Assets

June 30, 2009

Assets	2008
Cash	\$ 9,949
Grant receivable	12,560
Vendor deposits	<u>3,653</u>
Total Assets	<u><u>26,162</u></u>
 Liabilities and Net Assets	
Accounts payable and accrued expenses	\$ <u>23,652</u>
Total liabilities	\$ <u><u>23,652</u></u>
 Net Assets	
Unrestricted net assets	\$ <u>2,510</u>
Total net assets	<u>2,510</u>
Total Liabilities and Net Assets	\$ <u><u>26,162</u></u>

Read accompanying notes to financial statements.

OXFORD ACADEMY OF MIAMI, INC.
 Statements of Activities and Changes in Net Assets
 For the Period Ended June 30, 2009

	2008
General Revenues:	
FEFP fees	\$ 680,185
Other	159,905
	840,090
 Governmental Activities:	
Instructional services	466,882
Instructional support services	10,711
Board administration	11,900
School administration	10,281
Facilities administration	129,467
Food services	20,304
Operation of plant	66,808
Maintenance services	10,895
Community services	6,395
	733,643
Change in net assets	106,447
Beginning	\$ <u>(103,937)</u>
Ending	\$ <u><u>2,510</u></u>

Read accompanying notes to financial statements.

OXFORD ACADEMY OF MIAMI, INC.

Statement of Cash Flows

For the Period Ended June 30, 2009

	<u>2008</u>
Cash flows from operating activities:	
Change in net assets	\$ 106,447
Gain on the forgiveness of loan payable	(38,300)
Changes in operating assets and liabilities:	
Increase in grant receivable	(12,560)
Increase in vendor deposits	(500)
Decrease in accounts payable and accrued expenses	<u>(47,140)</u>
Net cash provided by operating activities	7,947
Change in cash	7,947
Cash at beginning of year	<u>2,002</u>
Cash at end of year	<u><u>\$ 9,949</u></u>

Read accompanying notes to financial statements.

OXFORD ACADEMY OF MIAMI, INC.

Reconciliation of the Balance Sheet of Governmental Fund to the Statement of Net Assets

June 30, 2009

	<u>2008</u>
Total Fund Balance - Total Governmental Fund	\$ 2,510
No reconciling items	<u>-</u>
Unrestricted net assets	<u>\$ 2,510</u>

Read accompanying notes to financial statements.

OXFORD ACADEMY OF MIAMI, INC.

Notes to the Financial Statements

June 30, 2009

1. NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Oxford Academy of Miami, Inc. (“Academy”) was organized in Miami-Dade County, Florida, in June 2004, to provide rich, diverse and meaningful learning experience for the students of Miami-Dade County from kindergarten to fifth grade.

The legal authority for the Academy is Section 228.056(7) Florida Statutes.

Reporting Entity

The financial reporting entity consists of the following:

- The primary government
- 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

There are no component units; however, the Academy is a component unit of School Board of Miami-Dade County, Florida.

Government-Wide and Financial Statements

Government-wide Financial Statements

The government-wide financial statements include the statement of net assets 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.

Read accompanying Report of Independent Certified Public Accountants.

OXFORD ACADEMY OF MIAMI, INC.

Notes to the Financial Statements

June 30, 2009

Fund Financial Statements

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

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.

Major Fund

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 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.

OXFORD ACADEMY OF MIAMI, INC.

Notes to the Financial Statements

June 30, 2009

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 year ended June 30, 2009, the Academy did not have any capital assets.

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.

NOTE B – 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, 2010, with an option to review for an additional fifteen years.

NOTE C – 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.

OXFORD ACADEMY OF MIAMI, INC.

Notes to the Financial Statements

June 30, 2009

NOTE D – RISK MANAGEMENT

The Academy is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the Academy carries commercial insurance.

NOTE E – REALTED PARTY TRANSACTION

1- Operating Lease

The Academy leases its administrative and classroom space under operating leases, which expires on July 31, 2010, with an option of renewal additional five years from a company which is owned by the ex-president (the "Landlord") of the Academy. In a prior year, the Landlord agreed to restructure the lease agreement and reduce the amount of leaseable space under similar terms. The rent will increase about 3% to 5% per annum and the rental expense was \$129,467 for the year ended June 30, 2009.

Future minimum lease payments are as follows:

June 30, 2010	<u>\$ 130,000</u>
Total	<u>\$ 130,000</u>

2- Note Payable

On June 1, 2006, the Academy borrowed funds in the amount of \$40,100 from its ex-president for financing the Academy's operation. As of June 30, 2009, the outstanding balance is \$0.

NOTE F – OTHER INFORMATION

Oxford Academy of Miami, Inc. is located at 10870 SW 113th Place, Miami, FL 33176. The Academy's principal is Mrs. Angela Klinedinst, and the Board of Directors is as follows:

Thomas Sherry
Ursula Vaccaro

OXFORD ACADEMY OF MIAMI, INC.

Notes to the Financial Statements

June 30, 2009

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

CPA's Name:	Stuart Sutta & Co. PA
CPA's Address:	8284 SW 196 Terrace Miami, Florida 33189

NOTE G – DEFICIT FUND BALANCE

At June 30, 2009, the general fund did not have a deficit balance.

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Management Letter

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

In planning and performing our audit of the financial statements of Oxford Academy of Miami, Inc. (the "Academy") for the period ended June 30, 2009 we considered the Academy's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

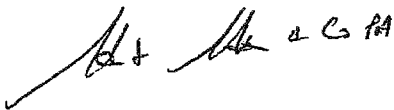
We are pleased to note that the recommendations included in last year's letter have been considered by management and have been adopted.

This letter is intended solely for the information and use of the board of directors, management, the State of Florida office of the Auditor General, and the School Board of Miami-Dade County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

* * *

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

Very truly yours,



Stuart Sutta & Co PA