

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory
Statement of Net Position
June 30, 2014

ASSETS

Current Assets:

Cash	\$ 1,448,298
Receivables	
Due from Other Governments	67,632
Other	75,015
Prepaid Expenditures	14,489
Total Current Assets	<u>1,605,434</u>

Noncurrent Assets:

Capital Assets	
Land	3,172,430
Building and Improvements	5,770,204
Furniture, Fixtures, and Equipment	34,782
Less: Accumulated Depreciation	(145,939)
	<u>8,831,477</u>

Donated Assets Held for Sale	12,703
Web Site	894
Total Noncurrent Assets	<u>8,845,074</u>

Total Assets	<u>10,450,508</u>
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LIABILITIES

Current Liabilities:

Accounts Payable	5,243
Accrued Liabilities	282,048
Total Current Liabilities	<u>287,291</u>

Noncurrent Liabilities:

Bond Payable	10,610,000
Total Noncurrent Liabilities	<u>10,610,000</u>

Total Liabilities	<u>10,897,291</u>
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NET POSITION

Net Investment in Capital Assets	(1,778,523)
Restricted	187,093
Unrestricted	1,144,647
Total Net Position	<u>\$ (446,783)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory
Statement of Activities
For The Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 2,574,053	22,254	520,910	-	(2,030,889)
Support Services:					
Students	143,564	-	-	-	(143,564)
Instruction	55,736	-	-	-	(55,736)
General Administration	60,076	-	-	-	(60,076)
School Administration	303,090	-	-	-	(303,090)
Central Services	135,392	-	-	-	(135,392)
Operation & Maintenance of Plant	668,710	-	-	-	(668,710)
Student Transportation	232,750	-	-	-	(232,750)
Facilities Materials, Supplies & Other Services	516,691	-	-	874,682	357,991
Total Governmental Activities	\$ 4,690,062	22,254	520,910	874,682	(3,272,216)
		General Revenues:			
					\$ 3,506,341
					<u>3,506,341</u>
		Change in Net Position			234,125
		Net Position, Beginning as Previously Stated			(355,246)
		Prior Period Adjustment			<u>(325,662)</u>
		Net Position, as Restated			(680,908)
		Net Position, Ending			<u>\$ (446,783)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory
Balance Sheets - Governmental Funds
June 30, 2014

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Entitlement IDEA-B 24106	Teacher/ Principal Training 24154
ASSETS					
Cash and Cash Equivalents	\$ 143,300	83,147	64,645	-	-
Accounts Receivable					
Due from Government	-	-	-	13,535	9,804
Due from Other Funds	180,192	-	-	-	-
Other	-	-	-	-	-
Prepaid Expenditures	13,298	-	-	-	-
Total Assets	\$ 336,790	83,147	64,645	13,535	9,804
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	-	-	-	-
Accrued Expenses	280,067	-	-	1,341	-
Due to Other Funds	-	-	-	28,144	9,804
Total Liabilities	280,067	-	-	29,485	9,804
Fund Balances (Deficit)					
Fund Balance:					
Restricted for:					
Instruction	-	-	64,645	-	-
Student Transportation	-	83,147	-	-	-
Capital Outlay	-	-	-	-	-
Assigned to:					
Subsequent Years Expenditures and Other Programs	56,723	-	-	(15,950)	-
Total Fund Balance (Deficit)	56,723	83,147	64,645	(15,950)	-
Total Liabilities and Fund Balances (Deficit)	\$ 336,790	83,147	64,645	13,535	9,804

The accompanying notes are an integral part of these financial statements

Technology for Education 27117	GO Bonds Instructional Materials 27171	Next Generation Assessments 27185	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	Foundation	Total
281	-	-	-	25,423	1,131,502	1,448,298
-	21,967	22,326	-	-	-	67,632
-	-	-	-	-	-	180,192
-	-	-	-	-	75,015	75,015
-	-	-	-	-	1,191	14,489
<u>281</u>	<u>21,967</u>	<u>22,326</u>	<u>-</u>	<u>25,423</u>	<u>1,207,708</u>	<u>1,785,626</u>
-	-	-	-	-	5,243	5,243
-	-	-	-	-	640	282,048
-	21,967	22,326	97,951	-	-	180,192
-	21,967	22,326	97,951	-	5,883	467,483
281	-	-	-	-	-	64,926
-	-	-	-	-	-	83,147
-	-	-	-	25,423	-	25,423
-	-	-	(97,951)	-	1,201,825	1,144,647
<u>281</u>	<u>-</u>	<u>-</u>	<u>(97,951)</u>	<u>25,423</u>	<u>1,201,825</u>	<u>1,318,143</u>
<u>281</u>	<u>21,967</u>	<u>22,326</u>	<u>-</u>	<u>25,423</u>	<u>1,207,708</u>	<u>1,785,626</u>

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory
 Reconciliation of the Balance Sheet- Governmental Funds to the Statement of Net Position
 June 30, 2014

Fund Balances - Total Governmental Funds **\$ 1,318,143**

Amounts reported for governmental activities in the Statement of Net Position are different because:

Certain assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Other Assets	13,597	
Capital Assets	8,977,416	
Accumulated Depreciation	<u>(145,939)</u>	
		8,845,074

Long-term liabilities are not due in the current period and, therefore, are not reported in the funds.

Long Term Bonds Payable	<u>(10,610,000)</u>	
		<u>(10,610,000)</u>

Net Position-Total Governmental Activities **\$ (446,783)**

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Governmental Funds
For The Year Ended June 30, 2014

	Operational 11000	Pupil Transportation 13000	Instructional Materials 14000	Entitlement IDEA-B 24106	Teacher/ Principal Training 24154
Revenues:					
Property Taxes	\$ -	-	-	-	-
State Grant	3,506,341	253,769	48,348	-	-
Federal Grant	-	-	-	61,198	9,804
Charges for Services	22,254	-	-	-	-
Miscellaneous	103,498	-	-	-	-
Total Revenues	<u>3,632,093</u>	<u>253,769</u>	<u>48,348</u>	<u>61,198</u>	<u>9,804</u>
Expenditures:					
Current:					
Instruction	2,350,229	-	11,913	45,544	9,804
Support Services:					
Students	136,301	-	-	7,263	-
Instruction	33,410	-	-	-	-
General Administration	31,908	-	-	-	-
School Administration	278,749	-	-	24,341	-
Central Services	135,392	-	-	-	-
Operation & Maintenance of Plant	560,444	-	-	-	-
Student Transportation	-	232,750	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service					
Interest	-	-	-	-	-
Total Expenditures	<u>3,526,433</u>	<u>232,750</u>	<u>11,913</u>	<u>77,148</u>	<u>9,804</u>
<i>Excess (Deficiency) of Revenues</i>					
<i>Over (Under) Expenditures</i>	<u>105,660</u>	<u>21,019</u>	<u>36,435</u>	<u>(15,950)</u>	<u>-</u>
Net Changes in Fund Balances	<u>105,660</u>	<u>21,019</u>	<u>36,435</u>	<u>(15,950)</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year	<u>(48,937)</u>	<u>62,128</u>	<u>28,210</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit) - End of Year	<u>\$ 56,723</u>	<u>83,147</u>	<u>64,645</u>	<u>(15,950)</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements

Technology for Education 27117	GO Bonds Instructional Materials 27171	Next Generation Assessments 27185	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	Foundation	Total
-	-	-	-	150,310	-	150,310
-	-	-	293,853	-	-	4,102,311
-	21,967	22,326	-	-	-	115,295
-	-	-	-	-	-	22,254
-	-	-	-	-	430,519	534,017
-	21,967	22,326	293,853	150,310	430,519	4,924,187
-	21,967	-	-	-	-	2,439,457
-	-	-	-	-	-	143,564
-	-	22,326	-	-	-	55,736
-	-	-	-	-	28,168	60,076
-	-	-	-	-	-	303,090
-	-	-	-	-	-	135,392
-	-	-	-	-	108,266	668,710
-	-	-	-	-	-	232,750
-	-	-	391,804	124,887	-	516,691
-	-	-	-	-	661,518	661,518
-	21,967	22,326	391,804	124,887	797,952	5,216,984
-	-	-	(97,951)	25,423	(367,433)	(292,797)
-	-	-	(97,951)	25,423	(367,433)	(292,797)
281	-	-	-	-	1,569,258	1,610,940
281	-	-	(97,951)	25,423	1,201,825	1,318,143

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities
 For The Year Ended June 30, 2014

Net Change in Fund Balances-Total Governmental Funds **\$ (292,797)**

Amounts reported for governmental activities in the Statement of Activities
 are different because:

Expenditures to purchase or build capital assets, pay for interest on debt, and amortization on long term assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlay exceeds depreciation for the period

Bond Interest Expense	661,518	
Depreciation Expense	(134,596)	
	526,922	
Change in Net Position-Total Governmental Activities		\$ 234,125

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2014

	<u>Agency Funds</u>
ASSETS	
Cash in Bank	<u>\$ 16,657</u>
Total Assets	<u><u>\$ 16,657</u></u>
LIABILITIES	
Deposits Held for Others	<u>\$ 16,657</u>
Total Liabilities	<u><u>\$ 16,657</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory
Schedule of Changes in Assets and Liabilities - Agency Funds
For The Year Ended June 30, 2014

	<u>Balance July 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2014</u>
ASSETS				
Cash in Bank	\$ 54,270	78,843	116,456	16,657
Total Assets	<u>\$ 54,270</u>	<u>78,843</u>	<u>116,456</u>	<u>16,657</u>
 LIABILITIES				
Deposits Held for Others	\$ 54,270	78,843	116,456	16,657
Total Liabilities	<u>\$ 54,270</u>	<u>78,843</u>	<u>116,456</u>	<u>16,657</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Capital Assets. Capital assets, which include property, plant, and equipment, are reported in the applicable governmental-wide financial statements. Cottonwood Classical Preparatory School (CCPS) defines capital assets as assets with an initial, individual cost of more than \$5,000 and an initial useful life extending beyond a single reporting period. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant, and equipment of CCPS are depreciated using the straight line method over the following estimated useful lives:

Furniture, Fixtures and equipment	5-10 years
Land and Land Improvements	15 years
Buildings and Improvements	5-40 years

NOTE 2. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2014 follows:

	Balance		Deletions	Balance
	<u>June 30, 2013</u>	<u>Additions</u>	<u>/Reclass</u>	<u>June 30, 2014</u>
<i>Capital Assets not being depreciated:</i>				
Land	\$ 3,167,743	-	-	3,167,743
Land Improvements	4,687	-	-	4,687
<i>Total</i>	<u>3,172,430</u>	-	-	<u>3,172,430</u>
<i>Capital Assets being Depreciated:</i>				
Furniture, Fixtures and equipment	41,922	4,304	11,444	34,782
Buildings and improvements	5,440,804	329,400	-	5,770,204
<i>Total</i>	<u>5,482,726</u>	<u>333,704</u>	<u>11,444</u>	<u>5,804,986</u>
<i>Less: Accumulated Depreciation</i>	(11,343)	(134,596)	-	(145,939)
<i>Total</i>	<u>5,471,383</u>	<u>199,108</u>	<u>11,444</u>	<u>5,659,047</u>
Net Fixed Assets	<u>\$ 8,643,813</u>	<u>199,108</u>	<u>11,444</u>	<u>8,831,477</u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2014

NOTE 2. CAPITAL ASSETS (CONTINUED)

Depreciation expensed for the year ended June 30, 2014 was expensed to the following functions:

Capital Outlay	\$	<u>134,596</u>
Total	\$	<u><u>134,596</u></u>

NOTE 3. LONG-TERM DEBT

Revenue Bonds are secured by pledges of certain revenues and assets. On December 1, 2012 the Cottonwood Classical Preparatory School, pursuant to a lease purchase agreement with Cottonwood Classical Foundation, Inc. and indenture of trust, issued its Educational Facility Revenue Bonds Series 2012A in the aggregate principal amount of \$10,250,000 and \$360,000 Taxable Educational Facility Revenue Bonds Series 2012B for the purpose of financing the acquisition and renovation of an existing building, of an approximately 47,161 square foot charter school facility. The School pledges, transfers, and grants a security interest in and assigns to the Wells Fargo Bank, N.A. to secure the payment of lease payments in accordance with the terms and provisions of the lease, all funds, monies, grants, or other distributions received by the School from the State of New Mexico with respect to the Equalization Guarantee funding. State Leasing or account established by the school, but specifically excluding State funding under the Charter School Act which is specifically dedicated to the payment of expenses of the Charter School which do not include payment amounts due under the Lease and all such operating expenses of the School required under State or federal laws to provide educational program expenditures. The total bond payable as of Jun 30, 2014 is as follows:

Series 2012A Education Facility Revenue Bond; Interest rate 5.25% due in quarterly installments; Maturing December 1, 2022	\$	1,200,000
Series 2012A Education Facility Revenue Bond; Interest rate 6.00% due in quarterly installments; Maturing December 1, 2032		3,220,000
Series 2012A Education Facility Revenue Bond; Interest rate 6.25% due in quarterly installments; Maturing December 1, 2042		5,830,000
Series 2012B Taxable Education Facility Revenue Bond; Interest rate 5.5% due in quarterly installments; Maturing December 1, 2017		<u>360,000</u>
Total bonds payable	\$	<u><u>10,610,000</u></u>

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2014

NOTE 3. LONG-TERM DEBT (CONTINUED)

The aggregate amounts of principal maturities and interest of Educational Facility Revenue bonds payable are as follows:

	Principal	Interest	Total
2015	\$ 80,000	640,375	720,375
2016	165,000	635,975	800,975
2017	175,000	626,900	801,900
2018	185,000	617,462	802,462
2019	195,000	607,712	802,712
Thereafter	9,810,000	9,028,826	18,838,826
Total	<u>\$ 10,610,000</u>	<u>12,157,250</u>	<u>22,767,250</u>

NOTE 4. DEFICIENT FUND BALANCE

The following funds had deficient fund balances at June 30, 2014:

Entitlement IDEA-B (24106)	\$ (15,950)
Public School Capital Outlay (31200)	(97,951)

NOTE 5. RELATED PARTIES

Cottonwood Classical Preparatory School has created a Foundation which donates various funds to the school and entered revenue bonds to construct a building for the school. The Foundation is considered a component unit of the School and is presented as a blended component unit.

The Director of Operations' son is employed at the school.

The Business Manager of the school is also the CEO of the Vigil Group.

**STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory School
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2014**

NOTE 6. PRIOR PERIOD ADJUSTMENTS

The Foundation maintains its books on a full accrual basis and included long term assets and liabilities in its trial balance. In order to get the records in a format that was presentable for modified accrual, a prior period adjustment was needed to reflect the net effect of the removal of the long term accounts. In addition, in the current year, the Foundation errantly capitalized bond issuance costs that were incurred in the prior year upon issuance of the original debt. The net effect of these adjustments was a reduction of fund balance in the amount of \$325,662.

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory
Schedule of Budgetary Comparisons - Budgetary Basis
Operational 11000
For The Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State Grant	\$ 3,446,932	3,506,343	3,506,341	(2)
Charges for Services	-	22,654	22,640	(14)
Miscellaneous	-	103,500	103,498	(2)
Total Revenues	<u>3,446,932</u>	<u>3,632,497</u>	<u>3,632,479</u>	<u>(18)</u>
Expenditures:				
Current:				
Instruction	2,293,602	2,435,371	2,350,229	85,142
Support Services:				
Students	89,794	137,421	136,301	1,120
Instruction	20,000	33,710	33,410	300
General Administration	25,000	33,896	31,908	1,988
School Administration	285,455	284,570	278,749	5,821
Central Services	143,973	136,073	135,392	681
Operation & Maintenance of Plant	589,108	571,456	560,444	11,012
Total Expenditures	<u>3,446,932</u>	<u>3,632,497</u>	<u>3,526,433</u>	<u>106,064</u>
<i>Excess of Revenues Over Expenditures</i>	<u>-</u>	<u>-</u>	<u>106,046</u>	<u>106,046</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>106,046</u>	<u>106,046</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>154,840</u>	<u>154,840</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>260,886</u>	<u>260,886</u>
Reconciliation to GAAP Basis:				
Adjustments to Revenues			<u>(386)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 105,660</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory
Schedule of Budgetary Comparisons - Budgetary Basis
Pupil Transportation 13000
For The Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State Grant	\$ 219,983	253,768	253,769	1
Total Revenues	<u>219,983</u>	<u>253,768</u>	<u>253,769</u>	<u>1</u>
Expenditures:				
Current:				
Student Transportation	219,983	315,896	294,879	21,017
Total Expenditures	<u>219,983</u>	<u>315,896</u>	<u>294,879</u>	<u>21,017</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>(62,128)</u>	<u>(41,110)</u>	<u>21,018</u>
Other Financing Sources (Uses):				
Designated Cash	-	62,128	-	(62,128)
Total Other Financing Sources (Uses):	<u>-</u>	<u>62,128</u>	<u>-</u>	<u>(62,128)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(41,110)</u>	<u>(41,110)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>124,257</u>	<u>124,257</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>83,147</u>	<u>83,147</u>
Reconciliation to GAAP Basis:				
Adjustments to Expenditures			\$ 62,129	
NET CHANGE IN FUND BALANCE			<u>\$ 21,019</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory
Schedule of Budgetary Comparisons - Budgetary Basis
Instructional Materials 14000
For The Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			<u>Variance Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State Grant	\$ 28,979	28,979	48,348	19,369
Total Revenues	<u>28,979</u>	<u>28,979</u>	<u>48,348</u>	<u>19,369</u>
Expenditures:				
Current:				
Instruction	59,117	57,189	11,913	45,276
Total Expenditures	<u>59,117</u>	<u>57,189</u>	<u>11,913</u>	<u>45,276</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>(30,138)</u>	<u>(28,210)</u>	<u>36,435</u>	<u>64,645</u>
Other Financing Sources (Uses):				
Designated Cash	-	28,210	-	(28,210)
Total Other Financing Sources (Uses):	<u>-</u>	<u>28,210</u>	<u>-</u>	<u>(28,210)</u>
Net Changes in Fund Balances	<u>(30,138)</u>	<u>-</u>	<u>36,435</u>	<u>36,435</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>28,210</u>	<u>28,210</u>
Cash or Fund Balances - End of Year	<u>\$ (30,138)</u>	<u>-</u>	<u>64,645</u>	<u>64,645</u>
Reconciliation to GAAP Basis:				
Adjustments to Revenues			-	
Adjustments to expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 36,435</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory
Schedule of Budgetary Comparisons - Budgetary Basis
Entitlement IDEA-B 24106
For The Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal Grant	\$ -	124,729	65,684	(59,045)
Total Revenues	<u>-</u>	<u>124,729</u>	<u>65,684</u>	<u>(59,045)</u>
Expenditures:				
Current:				
Instruction	-	80,308	45,544	34,764
Support Services:				
Students	-	13,086	7,263	5,823
School Administration	-	31,335	24,341	6,994
Total Expenditures	<u>-</u>	<u>124,729</u>	<u>77,148</u>	<u>47,581</u>
(Deficiency) of Revenues				
(Under) Expenditures	-	-	(11,464)	(11,464)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(11,464)</u>	<u>(11,464)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(11,464)</u>	<u>(11,464)</u>
Reconciliation to GAAP Basis:				
Adjustments to Revenues			(4,486)	
NET CHANGE IN FUND BALANCE			<u>\$ (15,950)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory
Schedule of Budgetary Comparisons - Budgetary Basis
Teacher/ Principal Training 24154
For The Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Federal grant	\$ 14,042	14,042	2,498	(11,544)
Total Revenues	<u>14,042</u>	<u>14,042</u>	<u>2,498</u>	<u>(11,544)</u>
Expenditures:				
Current:				
Instruction	14,042	14,042	9,804	4,238
Total Expenditures	<u>14,042</u>	<u>14,042</u>	<u>9,804</u>	<u>4,238</u>
<i>Excess (Deficiency) of Revenues Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(7,306)</u>	<u>(7,306)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(7,306)</u>	<u>(7,306)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(7,306)</u>	<u>(7,306)</u>
Reconciliation to GAAP Basis:				
Adjustments to Revenues			<u>7,306</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory
Schedule of Budgetary Comparisons - Budgetary Basis
Technology for Education 27117
For The Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Property Taxes	\$ -	-	-	-
Local & County Grant	-	-	-	-
State Grant	-	-	-	-
Federal Grant	-	-	-	-
Charges for Services	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
Instruction	-	-	-	-
Support Services:				
Students	-	-	-	-
Instruction	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Central Services	-	-	-	-
Operation & Maintenance of Plant	-	-	-	-
Student Transportation	-	-	-	-
Other Support Services Operations	-	-	-	-
Food Services Operations	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (Deficiency) of Revenues</i>				
<i>Over (Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>281</u>	<u>281</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>281</u>	<u>281</u>
Reconciliation to GAAP Basis:				
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory
Schedule of Budgetary Comparisons - Budgetary Basis
GO Bonds Instructional Materials 27171
For The Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State Grant	\$ 26,868	26,868	-	(26,868)
Total Revenues	<u>26,868</u>	<u>26,868</u>	<u>-</u>	<u>(26,868)</u>
Expenditures:				
Current:				
Instruction	26,868	26,868	21,967	4,901
Total Expenditures	<u>26,868</u>	<u>26,868</u>	<u>21,967</u>	<u>4,901</u>
(Deficiency) of Revenues (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(21,967)</u>	<u>(21,967)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(21,967)</u>	<u>(21,967)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(21,967)</u>	<u>(21,967)</u>
Reconciliation to GAAP Basis:				
Adjustments to Revenues			<u>21,967</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory
Schedule of Budgetary Comparisons - Budgetary Basis
Next Generation Assessments 27185
For The Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State Grant	\$ -	22,406	-	(22,406)
Total Revenues	<u>-</u>	<u>22,406</u>	<u>-</u>	<u>(22,406)</u>
Expenditures:				
Current:				
Instruction	-	22,406	22,326	80
Total Expenditures	<u>-</u>	<u>22,406</u>	<u>22,326</u>	<u>80</u>
<i>(Deficiency) of Revenues</i>				
<i>(Under) Expenditures</i>	<u>-</u>	<u>-</u>	<u>(22,326)</u>	<u>(22,326)</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(22,326)</u>	<u>(22,326)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(22,326)</u>	<u>(22,326)</u>
Reconciliation to GAAP Basis:				
Adjustments to Revenues			<u>22,326</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory
Schedule of Budgetary Comparisons - Budgetary Basis
Public School Capital Outlay 31200
For The Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
State Grant	\$ -	391,804	293,853	(97,951)
Total Revenues	<u>-</u>	<u>391,804</u>	<u>293,853</u>	<u>(97,951)</u>
Expenditures:				
Current:				
Capital Outlay	-	391,804	391,804	-
Total Expenditures	<u>-</u>	<u>391,804</u>	<u>391,804</u>	<u>-</u>
(Deficiency) of Revenues				
(Under) Expenditures	-	-	(97,951)	(97,951)
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>(97,951)</u>	<u>(97,951)</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>-</u>	<u>(97,951)</u>	<u>(97,951)</u>
Reconciliation to GAAP Basis:				
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ (97,951)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory
Schedule of Budgetary Comparisons - Budgetary Basis
Capital Improvements SB-9 31700
For The Year Ended June 30, 2014

	<u>Budgeted Amounts</u>			Variance Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	
Revenues:				
Property Taxes	\$ -	-	150,310	150,310
Local & County Grant	158,177	158,177	-	(158,177)
State Grant	26,670	26,670	-	(26,670)
Total Revenues	<u>184,847</u>	<u>184,847</u>	<u>150,310</u>	<u>(34,537)</u>
Expenditures:				
Current:				
Support Services:				
General Administration	1,582	-	-	-
Capital Outlay	183,265	183,265	124,887	58,378
Total Expenditures	<u>184,847</u>	<u>183,265</u>	<u>124,887</u>	<u>58,378</u>
<i>Excess of Revenues Over Expenditures</i>	<u>-</u>	<u>1,582</u>	<u>25,423</u>	<u>23,841</u>
Net Changes in Fund Balances	<u>-</u>	<u>1,582</u>	<u>25,423</u>	<u>23,841</u>
Cash or Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash or Fund Balances - End of Year	<u>\$ -</u>	<u>1,582</u>	<u>25,423</u>	<u>23,841</u>
Reconciliation to GAAP Basis:				
Adjustments to Revenues			-	
Adjustments to Expenditures			-	
NET CHANGE IN FUND BALANCE			<u>\$ 25,423</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory
Schedule of Collateral Pledged by Depository
For Public Funds
June 30, 2014

<u>Name of Depository</u>	<u>Security Type</u>	<u>CUSIP/ Security Number</u>	<u>Maturity Date</u>	<u>Fair Value June 30, 2014</u>
Wells Fargo	FNMA FNMS 4.000%	3138W9K66	8/1/2043	\$ 108,325
				<u>\$ 108,325</u>

Total cash in bank per Schedule of Cash Accounts (Less: Foundation):	\$ 410,005
Less: FDIC coverage:	<u>(250,000)</u>
Uninsured Public Funds:	160,005
Collateral Requirement:	80,003
Pledged Collateral Held by Pledging Financial Institution:	<u>108,325</u>
Balance Over-Collateralized:	<u>\$ 28,323</u>
 Balance uninsured and uncollateralized at June 30, 2014:	 <u>\$ 51,680</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 PUBLIC EDUCATION DEPARTMENT
 Cottonwood Classical Preparatory
 Schedule of Cash Accounts
 June 30, 2014

Bank Account Type	Wells Fargo Bank
Checking - Operational Account	\$ 410,005
Checking - Activity Account	-
Checking - Foundation	1,114,845
	1,524,850
Total on Deposit	1,524,850
Reconciling Items	(59,895)
	(59,895)
Reconciled Balance June 30, 2014	1,464,955
	1,464,955
Less Agency Funds	(16,657)
	(16,657)
Total Cash	\$ 1,448,298

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
Cottonwood Classical Preparatory
Cash Reconciliation
June 30, 2014

	Operational Account 11000	Transportation Account 13000	Instructional Materials 14000
Cash, June 30, 2013	\$ 154,840	124,257	28,210
Add:			
2013-14 revenues	<u>3,632,479</u>	<u>253,769</u>	<u>48,348</u>
Total Cash Available	3,787,319	378,026	76,558
Less:			
2013-14 Expenditures	(3,526,433)	(294,879)	(11,913)
Receivables/Payables	-	-	-
Outstanding Loans	<u>-</u>	<u>-</u>	<u>-</u>
Cash June 30, 2014	<u>260,886</u>	<u>83,147</u>	<u>64,645</u>
Fund Balance Reconciliations to GAAP Basis:			
Audit Reclassifications to Cash	(117,586)	-	-
Cash per Books	<u>143,300</u>	<u>83,147</u>	<u>64,645</u>
Fund Balance (Deficit) Reconciliation to GAAP Basis:			
Modified Accrual Adjustments	(86,577)	-	-
Fund Balance (Deficit), Modified Accrual Basis	<u>\$ 56,723</u>	<u>83,147</u>	<u>64,645</u>

*Foundation is not required to be reported to PED, and is therefore not included in the cash report

Activity Account 23000	Federal Flowthrough 24000	State Flowthrough 27000	Public School Capital Outlay 31200	Capital Improvements SB-9 31700	Total
54,270	-	433	-	-	362,010
78,843	68,182	-	293,853	150,310	4,525,784
133,113	68,182	433	293,853	150,310	4,887,794
(116,456)	(86,952)	(44,293)	(391,804)	(124,887)	(4,597,617)
-	-	(152)	-	-	(152)
-	-	-	-	-	-
16,657	(18,770)	(44,012)	(97,951)	25,423	290,025
-	18,770	44,293	97,951	-	43,428
16,657	-	281	-	25,423	333,453
				* Foundation:	1,131,502
				Less: Activity Funds per Schedule of Changes in Assets and Liabilities - Agency Fund:	(16,657)
				Total cash per books:	\$ 1,448,298
(16,657)	(15,950)	-	(97,951)	-	(217,135)
-	(15,950)	281	(97,951)	25,423	116,318
				* Foundation:	1,201,825
				Total Fund Balance (Deficit), Modified Accrual Basis:	\$ 1,318,143