

BREAKTHROUGH MONTESSORI PUBLIC CHARTER SCHOOL

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

JUNE 30, 2017 AND 2016

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Independent Auditor's Report

To the Board of Trustees
Breakthrough Montessori Public Charter School
Washington, DC

Report on the Financial Statements

We have audited the accompanying financial statements of Breakthrough Montessori Public Charter School (a nonprofit organization), which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities, functional expenses, and cash flows for the year ended June 30, 2017, and the related notes to the financial statements.

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 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 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 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

Breakthrough Montessori Public Charter School
Independent Auditor's Report
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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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Breakthrough Montessori Public Charter School as of June 30, 2017 and 2016, and the changes in its net assets and its cash flows for the year ended June 30, 2017 in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2017, on our consideration of Breakthrough Montessori Public Charter School'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Breakthrough Montessori Public Charter School's 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 Breakthrough Montessori Public Charter School's internal control over financial reporting and compliance.

Disclaimer of Opinion on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The schedules on pages 15 and 16 are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Jane Warner & McQuade PA

November 29, 2017
Washington, DC

BREAKTHROUGH MONTESSORI PUBLIC CHARTER SCHOOL
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2017 AND 2016

<u>ASSETS</u>		
	2017	2016
CURRENT ASSETS		
Cash	\$ 559,356	\$ 153,484
Grants receivable	5,353	376,941
Accounts receivable	52,376	13,488
Prepaid expenses	2,423	3,486
Total Current Assets	619,508	547,399
NONCURRENT ASSETS		
Property and equipment, net	111,566	116,731
Security deposit	24,770	-
Total Noncurrent Assets	136,336	116,731
TOTAL ASSETS	\$ 755,844	\$ 664,130
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 63,016	\$ 43,237
Line of credit	-	250,000
Accrued expenses	37,534	-
Capital lease obligations, current portion	1,816	-
Deferred rent, current portion	10,203	-
Total Current Liabilities	112,569	293,237
NONCURRENT LIABILITIES		
Capital lease obligations, net of current portion	4,879	-
Deferred rent, net of current portion	6,643	-
Total Noncurrent Liabilities	11,522	-
Total Liabilities	124,091	293,237
NET ASSETS		
Unrestricted	631,753	370,893
Total Net Assets	631,753	370,893
TOTAL LIABILITIES AND NET ASSETS	\$ 755,844	\$ 664,130

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

BREAKTHROUGH MONTESSORI PUBLIC CHARTER SCHOOL
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2017

UNRESTRICTED REVENUE AND SUPPORT

Per pupil appropriations	\$ 1,242,997
Per pupil facility allowance	278,036
Federal entitlements and grants	194,329
Other grants and contributions	331,074
Donated services and materials	164,900
Program service fees	14,683
Special events	3,315
Total Revenue and Support	2,229,334

EXPENSES

Program - educational services	1,587,084
General and administrative services	361,445
Fundraising	19,945
Total Expenses	1,968,474

CHANGE IN NET ASSETS 260,860

NET ASSETS, beginning of year 370,893

NET ASSETS, end of year \$ 631,753

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

BREAKTHROUGH MONTESSORI PUBLIC CHARTER SCHOOL
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2017

	<u>Program - Educational Services</u>	<u>General and Administrative Services</u>	<u>Fundraising</u>	<u>Total</u>
Personnel Costs				
Salaries	\$ 773,792	\$ 112,500	\$ -	\$ 886,292
Retirement	26,916	3,914	-	30,830
Employee benefits	43,614	6,341	-	49,955
Payroll taxes	66,275	9,636	-	75,911
Professional development	27,298	-	-	27,298
Other staff expenses	6,396	1,830	-	8,226
Total Personnel Costs	<u>944,291</u>	<u>134,221</u>	<u>-</u>	<u>1,078,512</u>
Direct Student Costs				
Supplies, materials, snacks	41,217	-	-	41,217
Contracted instruction fees	49,124	-	-	49,124
Textbooks	3,665	-	-	3,665
Student assessments	1,520	-	-	1,520
Student food service program	51,454	-	-	51,454
Fieldwork and other transportation	2,377	-	-	2,377
Other student costs	8,871	-	-	8,871
Total Direct Student Costs	<u>158,228</u>	<u>-</u>	<u>-</u>	<u>158,228</u>
Occupancy Expense				
Rent	286,193	41,609	-	327,802
Utilities and garbage removal	24,353	3,639	-	27,992
Contracted building services	30,213	4,515	-	34,728
Maintenance and repairs	5,586	835	-	6,421
Total Occupancy Expense	<u>346,345</u>	<u>50,598</u>	<u>-</u>	<u>396,943</u>
Office Expense				
Office supplies	15,456	2,246	-	17,702
Equipment rental	1,241	181	-	1,422
Telecommunication	13,398	1,948	-	15,346
Printing and publications	973	141	-	1,114
Postage and shipping	2,004	291	-	2,295
Total Office Expense	<u>33,072</u>	<u>4,807</u>	<u>-</u>	<u>37,879</u>
General Expense				
Insurance	8,353	1,248	-	9,601
Interest	297	43	-	340
Authorizer fees	-	17,434	-	17,434
Depreciation	16,843	2,517	-	19,360
Accounting	-	52,686	-	52,686
Professional fees	-	12,000	-	12,000
Computer support fees	13,755	2,055	-	15,810
Donated services	60,025	79,200	19,800	159,025
Fees and licenses	-	1,036	145	1,181
Donated goods	5,875	-	-	5,875
Other general expenses	-	3,600	-	3,600
Total General Expense	<u>105,148</u>	<u>171,819</u>	<u>19,945</u>	<u>296,912</u>
Total Expenses	<u>\$ 1,587,084</u>	<u>\$ 361,445</u>	<u>\$ 19,945</u>	<u>\$ 1,968,474</u>

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

**BREAKTHROUGH MONTESSORI PUBLIC CHARTER SCHOOL
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2017**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 260,860
Adjustments to reconcile change in net assets to cash provided by operating activities:	
Depreciation	19,360
(Increase) decrease in assets:	
Grants receivable	371,588
Accounts receivable	(38,888)
Prepaid expenses	1,063
Security deposit	(24,770)
Increase (decrease) in liabilities:	
Accounts payable	19,779
Accrued expenses	37,534
Deferred rent	16,846
Net Cash Provided by Operating Activities	663,372

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property and equipment	(7,500)
Net Cash Used by Investing Activities	(7,500)

CASH FLOWS FROM FINANCING ACTIVITIES

Payment on line of credit	(250,000)
Funds received from line of credit	-
Net Cash Used by Financing Activities	(250,000)

NET CHANGE IN CASH 405,872

CASH, beginning of year 153,484

CASH, end of year \$ 559,356

SUPPLEMENTAL DISCLOSURE OF NON CASH INFORMATION

Acquisition of equipment under capital lease	\$ 6,695
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The accompanying notes are an integral part of these financial statements.

**BREAKTHROUGH MONTESSORI PUBLIC CHARTER SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016**

NOTE A – ORGANIZATION AND PURPOSE

Breakthrough Montessori Public Charter School (the “School”) was organized in February 2015 as a not-for-profit corporation dedicated to provide families in Washington, DC with a fully implemented, public Montessori program that enables children to develop within them the power to shape their lives and the world around them.

Effective July 1, 2016, the School entered into a fifteen-year Charter School Agreement with the District of Columbia Public Charter School Board. Under the terms of this agreement, the School will operate for students in grades pre-kindergarten three through pre-kindergarten four in its first academic year. In each of its succeeding academic years, the School may provide instruction to students through grade six

The School’s first school year of operation was fall 2016 – spring 2017. The School seeks to graduate students with the academic and social skills necessary to excel in their future schools, complete post-secondary education, and build rewarding careers and vocations.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The School’s financial statements are prepared on the accrual basis of accounting. Therefore, revenue and related assets are recognized when earned and expenses and related liabilities are recognized as the obligations are incurred.

Basis of Presentation

Financial statement presentation follows Financial Standards Accounting Board (“FASB”) Accounting Standards Codification (“ASC”) Topic *Not-for-Profit-Entities*. In accordance with the topic, the School is required to report information regarding its financial position and activities according to three classes of net assets. Accordingly, the net assets of the School and changes therein are classified and reported as follows:

Unrestricted Net Assets – Net assets not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets – Net assets subject to donor-imposed stipulations that may or will be met by either actions of and/or the passage of time.

Permanently Restricted Net Assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the School. There were no temporarily or permanently restricted net assets as of June 30, 2017, and 2016.

BREAKTHROUGH MONTESSORI PUBLIC CHARTER SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions. These estimates affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Accounts and Grants Receivable

Accounts and grants receivable are recorded when billed and represent claims against third parties that will be settled in cash. Accounts and grants receivable are reported net of an allowance for doubtful accounts, if any. The allowance for doubtful accounts, if any, is estimated based on historical collection trends, the age of outstanding receivable and existing economic conditions. If actual experience changes, revisions to the allowance may be necessary. Past due grants receivable are written off when internal collection efforts have been unsuccessful in collecting the amount due. Due to the nature of funding from the federal government and the District of Columbia, management believes that all receivables will be collected. Therefore, no allowance for doubtful accounts has been recorded.

Property and Equipment

Property and equipment are stated at cost or estimated fair value at date of receipt, if donated. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the assets, which range from three to seven years. All property and equipment expenditures in excess of \$1,000 are capitalized. Maintenance and repairs which do not improve or extend the life of the respective asset are charged to expense when incurred.

Per Pupil Appropriations

The School receives a student allocation on a per pupil basis from the District of Columbia to cover the cost of academic expenses. Per pupil appropriated revenue is recognized during the period for which the associated educational services are provided. Per pupil appropriated revenue includes \$103,813 for the year ended June 30, 2017, for enhancements, such as special education, English language learners, and at risk students. Deferred revenue result from per pupil appropriated revenue and other income received in the current fiscal year and deferred until the next fiscal year in which the service is provided.

BREAKTHROUGH MONTESSORI PUBLIC CHARTER SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016
(continued)

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Revenue Recognition

Contributions received are recorded as increases in unrestricted, temporarily restricted or permanently restricted net assets, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. When restrictions are met within the same year as restricted funds are contributed, they are classified as unrestricted contributions.

Activity fees are recognized at the time of the activity. This revenue is amounts collected from students from, but not restricted to, field trips, camps and other school related activities.

Deferred Rental Liability

The School recognizes rent expenses, including incentives, on a straight-line basis over the term of the lease. Deferred rental liability represents the rent expense recognized on a straight-line basis in excess of cash payments.

Donated Services and Materials

Donated materials are recorded at fair value at the date of donation. Donated services are recognized at their fair value if the service requires specialized skills and the services would typically need to be purchased, if not donated. Contributed services and promises to give services that do not meet the above criteria are not recognized. The School received donated services, such as legal and Executive Director services, and donated goods in the amount of \$159,025 and \$5,875, respectively, for the year ended June 30, 2017.

Functional Allocation of Expenses

The costs of providing the School's various programs and supporting services have been summarized on a functional basis in the accompanying statement of activities. Accordingly, certain costs have been allocated among the programs, fundraising and supporting services benefited.

NOTE C – INCOME TAXES

The School is a 501(c)(3) tax exempt organization under Section 501(a) of the Internal Revenue Code. The School is, however, subject to tax on business income unrelated to its exempt purpose. The School is also exempt from the District of Columbia sales and property taxes. The School files information returns as required.

BREAKTHROUGH MONTESSORI PUBLIC CHARTER SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016
(continued)

NOTE C – INCOME TAXES - continued

The School believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements or that would have an effect on its tax-exempt status. There are no unrecognized tax benefits or liabilities that need to be recorded.

The School’s information returns are subject to examination by the Internal Revenue Service for a period of three years from the date they were filed, except under certain circumstances. The School’s informational return for the year 2015 is open for examination by the Internal Revenue Service, although no request has been made as of the date of these financial statements.

NOTE D – PROPERTY AND EQUIPMENT

The following is a summary of property and equipment at June 30:

	2017	2016
Furniture and fixtures	\$ 105,475	\$ 105,475
Computer equipment	17,432	11,256
Leased equipment	8,019	-
	130,926	116,731
Less accumulated depreciation	(19,360)	-
Property and Equipment, Net	\$ 111,566	\$ 116,731

Depreciation expense for the year ended June 30, 2017, totaled \$19,360. Accumulated depreciation included \$4,078 relating to the leased equipment. Depreciation expense included \$4,078, for the leased equipment.

NOTE E – RETIREMENT PLAN

The School sponsors a SIMPLE IRA Plan for all employees. Employees may make elective deferred contributions from their eligible earnings, up to the amount allowed by the Internal Revenue Code. The School may make discretionary contributions equal to two percent of compensation to the SIMPLE IRA of each eligible employee who has at least \$5,000 in compensation for the calendar year up to a limit of three percent of the employees’ compensation. The retirement plan expense for the year ended June 30, 2017 totaled \$30,830.

BREAKTHROUGH MONTESSORI PUBLIC CHARTER SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016
(continued)

NOTE F –LEASE COMMITMENTS

On April 5, 2016, the School entered into a sublease agreement with another District of Columbia Public Charter School for use of its current facility at 1230-1246 Taylor Road, NW, Washington, DC. The sublease commenced August 1, 2016 and will expire July 30, 2021. The initial annual base rent is \$297,239 and payable monthly in advance. On each annual anniversary of the lease commencement date, base rent will increase by 3%.

Future minimum lease payments are as follows for the years ending June 30:

2018		\$ 305,413
2019		314,575
2020		324,012
2021		333,733
2022		27,879
		\$ 1,305,612

Rent expense for the year ended June 30, 2017 totaled \$396,943.

During August 2016, the School entered into leases on certain equipment that are scheduled to expire during August 2021. Future minimum lease payments for the equipment lease for the years ending June 30 are as follows:

2018		\$ 1,816
2019		1,816
2020		1,816
2021		1,816
2022		151
		7,415
Less amount representing interest		(720)
Present Value of Minimum Lease Payments		\$ 6,695

BREAKTHROUGH MONTESSORI PUBLIC CHARTER SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017 AND 2016
(continued)

NOTE G – CONCENTRATIONS OF RISK

The School is supported primarily by local and federal appropriations and local grants. For the year ended June 30, 2017, 89% of total revenue was provided by government agencies. Reduction of this source of support would have a significant impact on the School's programs and activities. The geographical area of clients served is Ward 5 of the District of Columbia.

As of June 30, 2017, the School had cash that exceeded federally insured limits by approximately \$250,000. Management has evaluated the financial institutions and does not believe it is exposed to any significant credit risk.

NOTE H – RELATED PARTY TRANSACTION

The School contracts with the National Center for Montessori in the Public Sector ("NCMPS") for coaching and summer institute services and in turn provides office space to NCMPC. The total amount paid to NCMPS totaled \$24,000 during the year ended June 30, 2017. The in-kind office space exchange for other services totaled \$17,500. The Executive Director of NCMPS was also the Executive Director of the School during the year ending June 30, 2017 and one of the board members of the School is the Director of Coaching and School Services at NCMPS. No amounts were paid to either the Executive Director or the board member during the year ended June 30, 2017.

NOTE I – COMMITMENTS AND CONTINGENT LIABILITIES

The School receives revenue from government grants and contracts that are subject to inspection and audit by the appropriate funding agency. The purpose is to determine whether program funds were used in accordance with their respective guidelines and regulations. The potential exists for disallowance of previously funded program costs. The School is of the opinion that disallowance, if any, arising from such audits will not have a material effect on the financial statements. The School has no provisions for the possible disallowance of program costs on its financial statements.

NOTE J – SUBSEQUENT EVENTS

In preparing these financial statements, the School's management has evaluated events and transactions for potential recognition or disclosure through November 29, 2017, the date the financial statements were available to be issued. There are no other events that required further recognition or disclosure.



**Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an
Audit of Financial Statements Performed In Accordance
with *Government Auditing Standards***

To the Board of Trustees
Breakthrough Montessori Public Charter School
Washington, DC

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 Breakthrough Montessori Public Charter School (the "School") (a nonprofit organization), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 29, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School'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 opinion on the financial statements, but not for the purpose for expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School'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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting 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 School'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 and 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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Jane Marice & M^cQuade PA

Washington, DC
November 29, 2017

SUPPLEMENTARY INFORMATION

**BREAKTHROUGH MONTESSORI PUBLIC CHARTER SCHOOL
SCHEDULE OF ACTIVITIES
YEAR ENDED JUNE 30, 2016**

UNRESTRICTED REVENUE AND SUPPORT

Federal entitlements and grants	\$ 596,941
Other grants and contributions	300,050
Total Revenue and Support	<u>896,991</u>

EXPENSES

Program - educational services	200,889
General and administrative services	325,209
Total Expenses	<u>526,098</u>

CHANGE IN NET ASSETS 370,893

NET ASSETS, beginning of year -

NET ASSETS, end of year \$ 370,893

BREAKTHROUGH MONTESSORI PUBLIC CHARTER SCHOOL
SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2016

	<u>Program - Educational Services</u>	<u>General and Administrative Services</u>	<u>Total</u>
Personnel Costs			
Salaries	\$ -	\$ 150,624	\$ 150,624
Retirement	-	3,125	3,125
Employee benefits	-	2,699	2,699
Payroll taxes	-	11,631	11,631
Professional development	-	4,863	4,863
Other staff expenses	-	45,791	45,791
Total Personnel Costs	<u>-</u>	<u>218,733</u>	<u>218,733</u>
Direct Student Costs			
Supplies and materials	140,742	-	140,742
Textbooks	13,460	-	13,460
Other student costs	46,687	-	46,687
Total Direct Student Costs	<u>200,889</u>	<u>-</u>	<u>200,889</u>
Office Expense			
Office supplies	-	2,676	2,676
Telecommunication	-	228	228
Printing and publications	-	77	77
Total Office Expense	<u>-</u>	<u>2,981</u>	<u>2,981</u>
General Expense			
Accounting	-	27,967	27,967
Professional fees	-	48,765	48,765
Computer support fees	-	24,896	24,896
Legal	-	1,800	1,800
Fees and licenses	-	57	57
Other general expenses	-	10	10
Total General Expense	<u>-</u>	<u>103,495</u>	<u>103,495</u>
Total Expenses	<u>\$ 200,889</u>	<u>\$ 325,209</u>	<u>\$ 526,098</u>