

**COTTONWOOD MONTESSORI SCHOOL**

**FINANCIAL STATEMENTS  
ACCOUNTANTS' COMPILATION REPORT**

**For The Year Ended  
May 31, 2014**

Mrs. Patricia Nickerson, Director  
Cottonwood Montessori School  
Corrales, New Mexico

## ACCOUNTANTS' COMPILATION REPORT

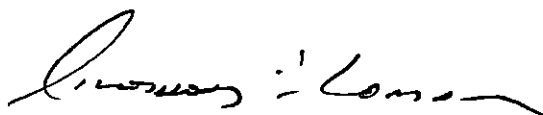
We have compiled the accompanying statement of financial position of Cottonwood Montessori School (a non-profit corporation) as of May 31, 2014, and the related statement of activities and net assets for the twelve month then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows were included in the financial statements they might influence the user's conclusions about the Company's financial position, results of operations and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

July 13, 2015



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Member of The American Institute of Certified Public Accountants

COTTONWOOD MONTESSORI SCHOOL

STATEMENT OF FINANCIAL POSITION

May 31, 2014

ASSETS

CURRENT ASSETS

Petty Cash	\$ 1,045
Petty Cash – PTA	50
Cash in Bank	309,212
Cash in Bank – PTA	2,155
PayPal Account	397
Raymond James Endowment Fund	2,649
Accounts Receivable	68,439
Employee Advances	<u>500</u>
Total Current Assets	<u>384,447</u>

PROPERTY AND EQUIPMENT

Building	1,791,527
Building Improvements	366,969
Land Improvements	96,154
Furniture and Fixtures	29,691
Office Equipment	71,781
School Equipment	145,442
Vehicle	<u>21,500</u>
Total	2,523,064
Less: accumulated depreciation	( 843,508)
Total	<u>1,679,556</u>
Land	<u>700,000</u>
Total Property and Equipment	<u>2,379,556</u>

Total Assets \$ 2,764,003

## LIABILITIES AND NET ASSETS

### CURRENT LIABILITIES

Credit Card Payable	\$ 10,130
Current Portion on Long-Term Note Payable	42,820
Prepaid Tuition	<u>631,666</u>
Total Current Liabilities	<u>684,616</u>

### LONG-TERM LIABILITIES

Note Payable – Alcalde	8,746
Note Payable – Cleary	60,000
Note Payable – Nickerson	200,000
Note Payable – W. Nickerson	53,000
Note Payable – Overman	21,194
Note Payable – Weststar Mortgage Corp.	1,590,019
Less: Current Portion	<u>( 42,820)</u>
Total Long-Term Liabilities	<u>1,890,139</u>
Total Liabilities	<u>2,574,755</u>

### NET ASSETS

Fund Balance - Unrestricted	<u>189,248</u>
Total Net Assets	<u>189,248</u>

Total Liabilities and Net Assets	<u>\$ 2,764,003</u>
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SEE ACCOUNTANTS' COMPILATION REPORT

COTTONWOOD MONTESSORI SCHOOL

STATEMENT OF ACTIVITIES AND NET ASSETS

For the Year Ended May 31, 2014

INCOME

Tuition Revenue:	
Childcare Receipts	\$ 41,656
Tuition	1,428,862
Tuition – Application Fees	605
Tuition – Deposits	77,250
Tuition – School Lunch Receipts	13,418
Tuition – Summer School	119,093
Tuition Refunds	( 8,113)
Total Tuition Revenue	<u>1,672,771</u>
Donation Revenue:	
Restricted Donations	1,250
Temporarily Restricted Donations	4,967
Temporarily Restricted Donations – GIFT Campaign	2,903
Unrestricted Donations	58,177
In-Kind Donations	<u>2,408</u>
Total Donation Revenue	<u>69,705</u>
Fundraising Revenue:	
Auction	12,857
Book Fair Sales	2,911
Burrito Revenue	6,332
Read-A-Thon Revenue	968
Yearbook Revenue	2,940
Other Fundraising Revenue	<u>16,836</u>
Total Fundraising Revenue	<u>42,844</u>
Grant Income	<u>1,240</u>
Total Income	<u>1,786,560</u>

OPERATING EXPENSES

Facility Costs:	
Cafeteria Expense	632
Depreciation Expense	59,066
Janitorial Maintenance	34,264
Landscaping	3,246
Rent and Storage	160
Repairs and Maintenance	18,532
Telephone and Cable	8,302
Utilities	<u>33,827</u>
Total Facility Costs	158,029

SEE ACCOUNTANTS' COMPILATION REPORT

COTTONWOOD MONTESSORI SCHOOL

STATEMENT OF ACTIVITIES AND NET ASSETS

For the Year Ended May 31, 2014

OPERATING EXPENSES(continued)

Fundraising Costs:

Auction	7,370
Other Fundraising Expense	9,687
Special Events	<u>2,177</u>
Total Fundraising Costs	19,234

General and Administrative Costs:

Advertising	13,415
Bad Debt Expense	649
Bank and Credit Card Fees	17,497
Business Promotion	6,559
Computer Expense	9,074
Depreciation	2,082
Dues and Subscriptions	7,590
Equipment Rental	4,586
Equipment Repairs	283
Fees Expense	728
Insurance Expense	15,927
Licenses and Permits	325
Meals Expense	1,467
Miscellaneous Expense	337
Office Supplies	3,887
Postage and Delivery	935
Printing and Reproduction	1,818
Professional Fees	<u>17,244</u>
Total General and Administrative Costs	104,403

Officer's Costs:

Automobile Gas, Oil & Repairs	445
Officer's Salary	<u>77,000</u>
Total Officer's Costs	77,445

Staff Costs:

Background Checks	678
Employee Relations	1,993
Employee Benefits	54,073
Insurance – Workers Comp	23,526
Payroll Service Fees	3,449
Payroll Taxes	89,810
Professional Development	28,492
Staff Salaries	<u>1,051,240</u>
Total Staff Costs	1,253,261

COTTONWOOD MONTESSORI SCHOOL

STATEMENT OF ACTIVITIES AND NET ASSETS

For the Year Ended May 31, 2014

OPERATING EXPENSES(continued)

Student Costs and Program Fees:

Café Expense	1,418
Classroom Supplies and Materials	27,547
Counseling	6,912
Field Trip Expense	7,953
Miscellaneous Expenses	400
Parent Gifts	398
Program Costs – Aftercare	658
Program Costs – Art	1,448
Program Costs – Culinary	29
Program Costs – Drama	1,835
Program Costs – Environmental Education	640
Program Costs – Library	3,917
Program Costs – Music	2,964
Program Costs – Physical Education	1,091
Program Costs – Summer School	10,673
School Equipment Depreciation	12,536
School Lunches	9,484
Textbooks	<u>2,729</u>
Total Student Costs and Program Fees	<u>92,632</u>

Total Operating Expenses 1,705,004

Net Operating Income(Loss) 81,556

OTHER INCOME AND (EXPENSE)

Interest Income	195
Dividend Income	68
Unrealized Gain/(Loss) on Stock	173
Other Income	8,945
Interest Expense	<u>( 120,341)</u>
Total Other Income and (Expense)	<u>( 110,960)</u>

Change in Net Assets ( 29,404)

Net Assets, June 1, 2012 218,652

Net Assets, May 31, 2012 \$ 189,248