

**ASPIRE PUBLIC SCHOOLS**  
**(A CALIFORNIA NON-PROFIT**  
**PUBLIC BENEFIT CORPORATION)**

**CONSOLIDATED FINANCIAL STATEMENTS**  
**WITH INDEPENDENT AUDITOR'S REPORT**

**YEARS ENDED**  
**JUNE 30, 2013 AND 2012**

**ASPIRE PUBLIC SCHOOLS**  
**(A California Non-Profit Public Benefit Corporation)**

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## INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors  
Aspire Public Schools  
Oakland, California**

### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of Aspire Public Schools, a California non-profit public benefit corporation (the Organization), which comprise the consolidated statements of financial position as of June 30, 2013 and 2012, and the related consolidated statements of activities and of cash flows for the years then ended, and the related notes to the consolidated financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Aspire Public Schools as of June 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matter***

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying Supplementary Information, as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.



**GILBERT ASSOCIATES, INC.  
Sacramento, California**

**November 25, 2013**

**ASPIRE PUBLIC SCHOOLS**  
**(A California Non-Profit Public Benefit Corporation)**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2013 AND 2012**

	<b>ASSETS</b>	
	<b>2013</b>	<b>2012</b>
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 19,677,199	\$ 12,216,969
Cash held in trust	500,000	-
Restricted cash	2,802,768	2,802,643
Cash held at county or district	1,423,500	750,000
Accounts receivable	32,206,919	31,504,585
Foundation grants receivable, current	4,995,776	7,556,107
Prepaid expenses and deposits	625,827	227,099
Total current assets	62,231,989	55,057,403
<b>NON-CURRENT ASSETS:</b>		
Restricted cash	7,675,678	11,210,862
Foundation grants receivable, net	2,611,476	6,407,771
Property and equipment, net	130,868,910	123,919,724
Deferred charges, net	3,648,030	3,771,629
Other assets, net	1,488,396	271,543
<b>TOTAL ASSETS</b>	<b>\$ 208,524,479</b>	<b>\$ 200,638,932</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 8,354,540	\$ 6,234,053
Accrued expenses	7,584,776	11,251,438
Capital lease, current	610,000	590,000
Debt, current	4,186,241	10,354,034
Total current liabilities	20,735,557	28,429,525
<b>LONG-TERM LIABILITIES:</b>		
Deferred rent due	628,638	-
Capital lease, net	16,625,000	17,235,000
Debt, net	116,108,260	109,427,620
Total liabilities	154,097,455	155,092,145
<b>NET ASSETS:</b>		
Unrestricted	25,917,335	19,696,685
Temporarily restricted	28,509,689	25,850,102
Total net assets	54,427,024	45,546,787
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 208,524,479</b>	<b>\$ 200,638,932</b>

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

**ASPIRE PUBLIC SCHOOLS**  
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**CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

	<b>2013</b>	<b>2012</b>
<b>UNRESTRICTED NET ASSETS:</b>		
<b>SUPPORT AND REVENUE:</b>		
Private grants and contributions	\$ 2,481,669	\$ 2,693,150
Donated equipment, materials, and service	30,397	267,949
Federal revenue	15,252,182	13,096,617
Revenue limit sources:		
State aid portion of general purpose block grant	37,871,099	48,687,301
State revenue:		
Categorical block grant	8,941,805	8,388,677
All other state revenue	10,313,792	8,353,358
Local revenue:		
Cash in-lieu of property taxes	13,276,798	12,609,137
Interest income	23,049	14,943
Gain on sale of Schoolzilla	1,247,466	-
All other local revenue	2,345,110	2,417,966
Subtotal	91,783,367	96,529,098
Net assets released from restrictions	31,359,080	20,482,724
Total support and revenue	123,142,447	117,011,822
<b>EXPENSES:</b>		
<b>PROGRAM EXPENSES:</b>		
Educational programs	96,140,329	92,874,269
<b>SUPPORTING SERVICES:</b>		
Site support	9,725,955	9,578,818
Development and expansion	6,379,272	3,792,886
Administration and general	4,676,241	4,055,308
Total supporting services	20,781,468	17,427,012
Total expenses	116,921,797	110,301,281
<b>Increase in Unrestricted Net Assets</b>	<b>6,220,650</b>	<b>6,710,541</b>
<b>TEMPORARILY RESTRICTED NET ASSETS:</b>		
Private grants and contributions	6,746,409	20,559,179
Federal and state revenue	27,272,258	10,005,229
Net assets released from restrictions	(31,359,080)	(20,482,724)
<b>Increase in Temporarily Restricted Net Assets</b>	<b>2,659,587</b>	<b>10,081,684</b>
<b>INCREASE IN NET ASSETS</b>	<b>8,880,237</b>	<b>16,792,225</b>
<b>NET ASSETS - Beginning of Year</b>	<b>45,546,787</b>	<b>28,754,562</b>
<b>NET ASSETS - End of Year</b>	<b>\$ 54,427,024</b>	<b>\$ 45,546,787</b>

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

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**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2013 AND 2012**

	<b>2013</b>	<b>2012</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Increase in net assets	\$ 8,880,237	\$ 16,792,225
Cash and cash equivalents		
Depreciation	4,226,961	4,283,987
Amortization	154,212	8,158
Gain on sale of Schoolzilla	(1,247,466)	-
Loss on disposal of property and equipment	25,638	12,693
Forgiveness of debt	(250,000)	(250,000)
(Increase) decrease in assets:		
Accounts receivable	(702,334)	(8,483,620)
Foundation grants receivable	6,356,626	(11,488,267)
Cash held at county or district	(673,500)	200,000
Prepaid expenses and deposits	(398,728)	60,251
Increase (decrease) in liabilities:		
Accounts payable	496,009	(2,744,433)
Accrued expenses	(3,666,662)	3,465,357
Deferred rent	628,638	-
Net cash provided by operating activities	13,829,631	1,856,351
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds on sale of property and equipment	-	10,530
Purchase of property and equipment	(9,577,307)	(8,928,892)
Net cash used in investing activities	(9,577,307)	(8,918,362)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from debt	11,365,261	9,920,000
Principal payments on capital lease	(590,000)	(597,490)
Principal payments on debt	(10,602,414)	(8,990,709)
Net cash provided by financing activities	172,847	331,801
Net increase (decrease) in cash	4,425,171	(6,730,210)
Cash and cash equivalents, beginning of year	26,230,474	32,960,684
Cash and cash equivalents, end of year	\$ 30,655,645	\$ 26,230,474
Cash and cash equivalents	\$ 19,677,199	\$ 12,216,969
Cash held in trust	500,000	-
Restricted cash	10,478,446	14,013,505
Total	\$ 30,655,645	\$ 26,230,474
<b>NON-CASH INVESTING ACTIVITIES:</b>		
Property and equipment financed through accounts payable	\$ 1,624,478	\$ 1,134,562
Other assets obtained through non-cash transaction	\$ 1,247,466	\$ -
<b>NON-CASH FINANCING ACTIVITIES:</b>		
Forgiveness of debt	\$ 250,000	\$ 250,000
<b>CASH PAID FOR INTEREST (net of capitalized amount)</b>	\$ 6,393,837	\$ 6,179,903

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

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**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013 AND 2012**

**1. OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES**

Aspire Public Schools (the Organization) was formed to manage, guide, direct, and promote charter schools that provide quality education to California youth in primary and secondary grades. The Organization was founded in California in 1998. The Organization's support is derived primarily from State of California public education monies received through the California Department of Education and sponsoring districts, individual and foundation contributions, and various government agency grants.

In addition to managing school operations, the Organization has two wholly-owned organizations created to facilitate ownership of certain school facilities and support development of charter schools. The facilities are owned and managed by a single-member limited liability company, College for Certain, LLC (LLC). The sole member of the LLC is College for Certain, Inc. (INC) which was created as a supporting organization of Aspire Public Schools to facilitate and support the development of charter schools. The INC is controlled by, and for the benefit of, Aspire Public Schools. For financial reporting purposes, the LLC and INC are consolidated with Aspire Public Schools for the years ended June 30, 2013 and 2012.

**Principles of Consolidation** – The accompanying consolidated financial statements include the accounts of Aspire Public Schools and its wholly-owned entities, collectively the “Organization”. All significant intercompany accounts and transactions have been eliminated in consolidation. Listed below are the affiliated organizations included in these financial statements:

- **Aspire Public Schools**

As of June 30, 2013 the Organization operated thirty four schools under thirty three charters chartered by eleven charter authorizers in six counties. Charters are granted for each school for up to five years, with an opportunity for renewal. Charters may be revoked by the sponsoring district for material violations of the charter, failure to meet or make progress toward student outcomes identified in the charter, failure to meet generally accepted standards of fiscal management, or violation of any provision of the law. As of June 30, 2013, the charter schools operated by the Organization were as follows:

<u>Charter School Name</u>	<u>Charter School Number</u>	<u>Sponsoring District</u>	<u>**Charter Granted/ Renewed</u>	<u>Charter Expiration</u>
Aspire Alexander Twilight College Preparatory Academy	854	CA Dept of Education*	Jan 2012	6/30/13
Aspire Alexander Twilight Secondary Academy	854	CA Dept of Education*	Jan 2012	6/30/13
Aspire Antonio Maria Lugo Academy	694	Los Angeles Unified	Nov 2008	6/30/14
Aspire APEX Academy	854	CA Dept of Education*	Jan 2012	6/30/13
Aspire Benjamin Holt College Preparatory Academy	565	Lodi Unified	Feb 2013	6/30/18
Aspire Berkley Maynard Academy	726	Oakland Unified	July 2010	6/30/15



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Aspire California College Preparatory Academy	1049	Alameda County Office of Education	Feb 2013	6/30/18
Aspire Capitol Heights Academy	598	Sacramento City	Nov 2012	6/30/18
Aspire Centennial College Preparatory Academy	693	Los Angeles Unified	Dec 2008	6/30/14
Aspire East Palo Alto Charter School	125	Ravenswood City	Jan 2009	6/30/14
Aspire East Palo Alto Phoenix	1022	Sequoia Union HS Dist	June 2011	6/30/16
Aspire ERES Academy	1115	Oakland Unified	May 2009	6/30/14
Aspire Firestone Academy	1214	Los Angeles Unified	April 2010	6/30/15
Aspire Gateway Academy	1213	Los Angeles Unified	April 2010	6/30/15
Aspire Golden State College Preparatory Academy	1023	Oakland Unified	Dec 2012	6/30/18
Aspire Huntington Park Charter School	1035	Los Angeles Unified	Jan 2013	6/30/18
Aspire Inskeep Academy	1332	Los Angeles Unified	April 2011	6/30/16
Aspire Junior Collegiate Academy	854	CA Dept of Education*	Jan 2012	6/30/13
Aspire Langston Hughes Academy	1048	Stockton Unified	Dec 2012	6/30/18
Aspire Lionel Wilson College Preparatory Academy	465	Oakland Unified	Jan 2012	6/30/17
Aspire Millsmont Academy	689	Oakland Unified	Dec 2008	6/30/14
Aspire Monarch Academy	252	Oakland Unified	Jan 2009	6/30/14
Aspire Pacific Academy	1230	Los Angeles Unified	May 2010	6/30/15
Aspire Port City Academy	854	CA Dept of Education*	Jan 2012	6/30/13
Aspire River Oaks Charter School	364	Lodi Unified	July 2006	6/30/16
Aspire Rosa Parks Academy	554	Stockton Unified	July 2010	6/30/15
Aspire Slauson Academy	1330	Los Angeles Unified	April 2011	6/30/16
Aspire Summit Charter Academy	812	Ceres Unified	April 2011	6/30/16
Aspire Tate Academy	1331	Los Angeles Unified	April 2011	6/30/16
Aspire Titan Academy	854	CA Dept of Education*	Jan 2012	6/30/13
Aspire University Charter School	1026	Sylvan Union Elem	Jan 2013	6/30/18
Aspire Vanguard College Preparatory Academy	1125	CA Dept of Education	July 2009	6/30/14
Aspire Vincent Shalvey Academy	178	Lodi Unified	June 2009	6/30/14

\* Statewide benefit charter school; see Note 16.

\*\* Charter issuance date or the most recent renewal date.

All sponsoring districts receive up to 1% of the annual charter revenue for supervisory oversight. Ravenswood City School District, the sponsoring district for Aspire East Palo Alto Charter School, receives up to 3% for supervisory oversight because the district provides facilities substantially rent-free.

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Through June 30, 2013, the Organization had separately negotiated with all sponsoring districts for administrative fees and other services. Additionally, for some schools, transportation expenses and/or special education encroachment are paid by the Organization to the sponsoring districts.

- **College for Certain, LLC** – The LLC holds title to properties where Aspire Public Schools operates ten charter schools (seven locations) and manages, operates, and leases the properties.
- **College for Certain, Inc.** – The INC is a supporting organization of Aspire Public Schools in that it facilitates and supports the development of charter schools for Aspire Public Schools. As of and for the year ending June 30, 2013, there was no activity in this entity.

**Basis of presentation** – The financial statements are presented in conformity with accounting for not-for-profit entities. The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. The Organization has no permanently restricted net assets.

**Revenue recognition** – Contributions and grants are recognized when the donor/grantor makes an unconditional promise to give to the Organization or when received. Donor-restricted amounts are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as “Net Assets Released from Restrictions.” Government grants are recognized as revenue in accordance with the terms of the applicable grant agreement, which is generally upon the incurrence of expenditures related to the required services. Deferred revenue is recorded to the extent cash received on specific grants exceeds qualified expenses. Conditional promises to give, which depend on the occurrence of specified future and uncertain events, are not recorded until the conditions are met.

**Cash and cash equivalents** – For financial statement purposes, the Organization considers investments with maturity at purchase of three months or less to be cash equivalents.

**Investment in Schoolzilla, Inc** is treated as an equity method investment as the Organization has a 20% interest in the Company.

**Intangible assets** – The Organization has intangible assets for product and service discounts to be used in future periods. The Organization amortizes certain intangibles over their estimated useful lives, while intangible assets determined to have indefinite useful lives are assessed annually for impairment.

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**Property and equipment** with a value greater than \$5,000 are capitalized at cost or fair market value on the date of receipt in the case of donated property, and depreciated using the straight-line method over their estimated useful lives, which range from two to thirty years. Leasehold improvements are depreciated over the lease term (including options) or the useful life. Major additions are capitalized, and repairs and maintenance that do not improve or extend the life of the assets are expensed. When assets are sold or retired, their cost and related accumulated depreciation are removed from the accounts, with the resulting gain or loss reflected in the statement of activities.

**Donated equipment, materials, services, and facilities** – In-kind contributions of equipment, materials, and services are recorded at their estimated fair values at the date of donation. Donated services are recorded when they create or enhance non-financial assets or require a specialized skill that the Organization would otherwise need to purchase. During the year ended June 30, 2013 and 2012, in-kind contributions of equipment, materials, and services valued at \$30,397 and \$267,949 were received, respectively.

**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 estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant management estimates included in the financial statements are the collectability of the receivables and foundation grants receivables, estimate of net present value of the foundation grants receivable, the estimated useful lives of property and equipment, the functional allocation of expenses, and the net present value of intangibles.

**Income taxes** – The Organization has been granted tax-exempt status as provided by Internal Revenue Code Section 501(c)(3) and Section 23701(d) of the California Revenue and Taxation Code. In addition, the Internal Revenue Service has determined the Organization is not a private foundation within the meaning of Section 509(a) of the Internal Revenue Code. Accordingly, no provision for income taxes has been reflected in these financial statements.

The Organization applied the accounting principles related to accounting for uncertainty in income taxes and has determined that there is no material impact on the financial statements for June 30, 2013 and 2012. With some exceptions, the Organization is no longer subject to U.S. federal and state income tax examinations by tax authorities for years prior to the year ended June 30, 2009.

**Functional allocation of expenses** – The cost of providing educational programs and other activities has been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Fair value measurements** – Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same—to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (that is, an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

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In order to increase consistency and comparability in fair value measurements, a fair value hierarchy that prioritizes observable and unobservable inputs is used to measure fair value into three broad levels, as follows:

Level 1 Inputs Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2 Inputs Inputs other than quoted prices in active markets that are observable either directly or indirectly.

Level 3 Inputs Unobservable inputs for the asset or liability.

When a price for an identical asset or liability is not observable, a reporting entity measures fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. Because fair value is a market-based measurement, it is measured using the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk. As a result, a reporting entity's intention to hold an asset or to settle or otherwise fulfill a liability is not relevant when measuring fair value.

**Program development and expansion** – The Organization continually explores potential opportunities for expansion and growth; thus costs are incurred to research the possibility of establishing new sites. The Organization capitalizes these preacquisition costs into 'Schools Under Construction' (Note 7) at the time incurred. If it is determined that a formal contractual commitment will not be entered into, the expenses are included in program development and expansion in the period that the determination is made.

**Reclassification** – Certain 2012 amounts have been reclassified to conform to the 2013 financial statement presentation. This reclassification had no impact on net assets.

**Subsequent events** have been reviewed through November 25, 2013, the date the financial statements were available to be issued. Refer to Note 18 for disclosure of a subsequent event.

## **2. SCHOOLZILLA**

In 2008, the Organization created an innovation team to develop a data warehouse to ensure that every Aspire Public School teacher, principal, and leader had access to timely, accurate and actionable data. This program and team was called Schoolzilla. Schoolzilla was further developed to begin selling their services to education agencies outside of the Organization. In 2013, the Organization decided it was best that Schoolzilla continued its growth as a separate entity, as Schoolzilla had evolved into operations not consistent with the Organization's core mission. In April 2013, a former Aspire employee created a separate Corporation, Schoolzilla, Inc. and the Organization agreed to sell certain software licenses, developed data, and other rights to Schoolzilla, Inc. in exchange for a 20% ownership interest in the new corporation and additional intangible assets (see Note 8). On May 8, 2013, the transaction was complete and the consideration from Schoolzilla, Inc. to the Organization was valued at \$1,247,466. The assets that the Organization transferred had no carrying value therefore the Organization recognized a gain of \$1,247,466 for this transaction. The

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Organization's continued involvement with Schoolzilla will be limited to its 20% ownership interest and the use of its products discussed in Note 8. As the Organization will account for its interest in Schoolzilla using the equity method, Schoolzilla will be considered a related party going forward.

**3. CONCENTRATIONS OF CASH**

The Organization maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts. Management believes the Organization is not exposed to any significant credit risk related to cash.

**4. RESTRICTED CASH**

Restricted cash represents bond proceeds that are required to be used for construction projects, debt service reserve, as well as cash accumulated for principal and interest payments. The balance in the restricted accounts at June 30, 2013 and 2012, was \$10,478,446 and \$14,013,505, respectively.

**5. ACCOUNTS RECEIVABLE**

Accounts receivable balances at June 30, 2013 and 2012 were \$32,206,919 and \$31,504,585, respectively. The balances were due entirely from grantor government agencies. Management deems all receivables to be collectible as of June 30, 2013.

**6. FOUNDATION GRANTS RECEIVABLE**

The Organization recognizes unconditional foundation grants receivables at their estimated fair value using estimated prevailing interest rates, on a nonrecurring basis, at the time the pledge is made. Fair value is determined by calculating the net present value of the estimated future cash flows. The discount rate used in determining the net present value of new pledges receivable was 2.43% and 3.33% at June 30, 2013 and 2012, respectively. The estimated fair value of the pledges made during 2013 and 2012 totaled approximately \$572,500 at June 30, 2013 and \$13,327,810 at June 30, 2012, and were included within level 3 of the fair value hierarchy because determination of the net present value of future cash flows was based on little or no market data and required management to develop their own assumptions. All foundation grants receivable are judged by management to be collectible, and were as follows as of June 30:

	<u>2013</u>	<u>2012</u>
Gross foundation grants receivable	\$ 7,693,890	\$ 14,492,497
Less: Unamortized discount	<u>(86,638)</u>	<u>(528,619)</u>
Foundation grants receivable, net	<u>\$ 7,607,252</u>	<u>\$ 13,963,878</u>

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Foundation grants receivable are due to be collected as follows:

	<u>2013</u>	<u>2012</u>
Within one year	\$ 4,995,776	\$ 7,556,107
One to five years	<u>2,611,476</u>	<u>6,407,771</u>
Foundation grants receivable, net	<u>\$ 7,607,252</u>	<u>\$ 13,963,878</u>

Conditional promises to give, which depend on the occurrence of specified future and uncertain events, are not recorded until the conditions are met. Approximate outstanding conditional promises to give are as follows and will be recognized as revenue as the conditions are met:

<b>Purpose:</b>	<u>2013</u>	<u>2012</u>
Openings schools in specific locations	\$ 23,000,000	\$ 22,500,000
Future financial performance	<u>3,000,000</u>	<u>-</u>
Total	<u>\$ 26,000,000</u>	<u>\$ 22,500,000</u>

**7. PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at June 30:

	<u>2013</u>	<u>2012</u>
Land	\$ 25,328,678	\$ 25,328,678
Buildings	81,324,758	79,016,594
Schools under construction	11,899,635	3,620,214
Leasehold improvements	7,151,769	7,662,361
Property under capital lease	21,845,473	21,845,473
Equipment	5,396,407	5,562,570
Automobiles	-	2,140
Subtotal	<u>152,946,720</u>	<u>143,038,030</u>
Less accumulated depreciation	<u>(22,077,810)</u>	<u>(19,118,306)</u>
Property and equipment, net	<u>\$ 130,868,910</u>	<u>\$ 123,919,724</u>

Depreciation expense was \$4,226,961 and \$4,283,987 for the years ended June 30, 2013 and 2012, respectively. Various components of the land, buildings, and schools under construction shown above are pledged as collateral for the debt disclosed in Note 9, and the capital lease disclosed in Note 11.

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**8. OTHER ASSETS**

Other assets consisted of the following at June 30:

	<b>2013</b>	<b>2012</b>
Deferred loss, net	\$ 257,795	\$ 271,543
Investment in Schoolzilla, Inc.	424,709	-
Amortizable intangible assets, net	436,320	-
Indefinite-lived intangible assets	369,572	-
Other assets, net	\$ 1,488,396	\$ 271,543

***Deferred Loss***

In January of 2005, Lodi Unified School District (the District) purchased the Aspire River Oaks Charter School and Aspire Benjamin Holt College Preparatory Academy facilities from the Organization. The Organization concurrently entered into a capital lease obligation with the District effective January 1, 2005 through August 1, 2032. The Organization has the option to purchase the properties for one dollar at the termination of the lease. This transaction was treated as sale-leaseback transaction and a loss on this transaction of \$374,660 was deferred and is being amortized over the term of the capital lease. As of June 30, 2013 and 2012, accumulated amortization was \$116,865 and \$103,117, respectively. Amortization expense of the deferred loss for the years ended June 30, 2013 and 2012 was \$13,749. The Organization's obligation under this capital lease is detailed in Note 11.

***Investment in Schoolzilla, Inc.***

As a result of the transaction discussed in Note 2, the Organization owns 20% of the common stock of Schoolzilla, Inc. (Schoolzilla), a for-profit company that develops web-based data management platforms allowing teachers to synthesize data from multiple sources and create reports presenting their students' academic performances. The Organizations obtained an independent valuation which valued this investment on the date of acquisition using the Option-Pricing Model using inputs derived from the financial records of Schoolzilla. Schoolzilla did not declare any dividends as of June 30, 2013.

The condensed unaudited financial information for Schoolzilla, Inc. at June 30, 2013 was as follows:

Total assets	\$ 728,771
Total liabilities	340,022
Stockholders' Equity	388,749
Net loss from inception (April 2013) through June 30, 2013	311,290

The Organization did not adjust the value of its investment since its initial valuation at the time of the transfer as management determined the effect on the financial statements as of June 30, 2013 was not significant.

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*Intangible Assets*

Amortizable intangible assets consist of the following:

	<b>Gross Carrying Amount</b>	<b>Accumulated Amortization</b>	<b>Net</b>
Product and technology discount benefits	\$ 438,922	\$ 15,676	\$ 423,246
Service discount benefits	14,263	1,189	13,074
Total	\$ 453,185	\$ 16,865	\$ 436,320

The product and technology discount benefits and service discount benefits are amortized on a straight-line basis over a seven and three year period, respectively. These lives are based on the periods in which the Organization is eligible for such discounts. Amortization expense on intangible assets for the year ended June 30, 2013 was \$16,865.

The expected future amortization expense of intangible assets for the next five years is as follows:

2014	\$ 67,457
2015	67,457
2016	66,269
2017	62,703
2018	62,703
Total	\$ 326,589

The Organization also holds indefinite-lived intangible assets for product and technology discount benefits valued at \$316,372, and rights to use certain assets valued at \$53,200, totaling \$369,572. Management assesses the carrying value of these indefinite-lived intangible assets annually, or more often if facts and circumstances suggest they may be impaired. If this review indicates that the carrying value may not be recoverable, then the carrying value would be reduced to its estimated fair value. No impairment losses were recognized as a result of this review for the year ended June 30, 2013.



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**9. DEBT**

	<b>2013</b>	<b>2012</b>
College for Certain Series 2010 School Facility Revenue Bonds in the amount of \$93,295,000 were issued effective April 1, 2010; with 7 bonds and bearing interest rates ranging from 5.00% - 6.375%. The bond proceeds are to be used for the construction of new campuses. Principal and interest payments are due yearly beginning July 1, 2014. Final maturity is in 2046.	\$ 93,295,000	\$ 93,295,000
California School Finance Authority, Revenue Anticipation Notes, Series 2013. Up to \$10 Million of short-term notes secured by the revenues of 19 schools was executed in April 2013. Variable interest rate at LIBOR plus 450 basis points, with a floor of 4.75%. Amounts outstanding were repaid on July 5, 2013.	3,250,000	-
Charter Fund, Inc. \$3,500,000 loan, effective October 15, 2012, bearing interest at 1%, to provide general support for the management of the organization. Principal payments of \$700,000 are due in 5 annual installments beginning in 2018 through 2022. This loan has the potential to be forgiven annually beginning in 2014 through 2017, if specific milestones are met.	3,500,000	-
California School Finance Authority \$4,758,509 loan, effective June 27, 2007, bearing interest at 2.202%, for the construction of Rosa Parks Academy in Stockton under Proposition 47. Principal and interest payments in the amount of \$328,275 are due semi-annually. Final maturity is in 2037.	4,285,471	4,419,939
Pacific Charter School Development, Inc. \$4,000,000 promissory note, effective April 1, 2010, bearing an interest rate of 0%. Principal payments (of ranging amounts) are due twice a year in accordance with the provisions of the note. Final maturity is in 2019.	3,075,000	3,462,067
Charter Fund, Inc. \$1,000,000 loan, effective February 8, 2008, bearing interest at 4.1%, to provide general support for the management of the organization. Beginning in 2009 through 2016, interest only payments of \$41,000 are due annually. Principal payments of \$500,000 are due in both 2015 and 2016. Final maturity is in 2016. In both 2013 and 2012, \$250,000 of principle was forgiven based on schools' performances.	250,000	500,000
Charter Fund, Inc. \$1,000,000 loan, effective January 25, 2009, bearing interest at 4.1%, to provide general support for the management of the organization. Beginning in 2010 through 2017, interest only payments of \$41,000 are due annually. Principal payments of \$500,000 are due in both 2016 and 2017. Final maturity is in 2017.	1,000,000	1,000,000

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California Department of Education loans for sixteen schools.

Loans range from \$150,000 to \$250,000 with interest rates from .38% to 2.69%. Principal is payable in five annual installments ranging from \$20,000 to \$67,500, per loan. Final maturity is 2017.

1,804,117            2,214,997

California School Finance Authority \$9,834,913 loan (\$457,251 issued in 2009/10, \$5,262,400 issued in 2010/11, and \$4,115,262 issued in 2012/13). The payment terms will be determined upon conversion to final apportionment at the completion of a new secondary school being built in Los Angeles under Proposition 55. The interest rate will be approximately the state's borrowing rate and repayment will commence starting one-year after the school is opened. The principal will then be amortized over 30 years. Interest is not charged until the repayment period begins. The School is expected to be completed in the 2013/14 fiscal year.

9,834,913            5,719,651

California School Finance Authority, Revenue Anticipation Notes, Series 2012. Up to \$11 Million of short-term debt secured by the revenues of 19 schools was executed April 1, 2012. Variable interest rate at LIBOR plus 450 basis points, with a floor of 5.25% (approximately 5.25% at June 30, 2012). All amounts outstanding scheduled to be repaid on or before March 1, 2013 were paid in full on August 31, 2012.

\_\_\_\_\_ -            9,170,000

Subtotal	120,294,501	119,781,654
Less current portions	<u>(4,186,241)</u>	<u>(10,354,034)</u>
Total Long-Term Debt	<u>\$ 116,108,260</u>	<u>\$ 109,427,620</u>

Future payments relating to debt are as follows as of June 30, 2013:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 4,186,241	\$ 5,771,024	\$ 9,957,265
2015	2,069,504	5,954,553	8,024,057
2016	4,202,545	5,874,144	10,076,689
2017	2,260,301	5,781,442	8,041,743
2018	2,654,651	5,708,622	8,363,273
Thereafter	<u>104,921,259</u>	<u>106,569,498</u>	<u>211,490,757</u>
Total	<u>\$ 120,294,501</u>	<u>\$ 135,659,283</u>	<u>\$ 255,953,784</u>

Aspire Public Schools (lessee to College for Certain, LLC) must meet several financial covenants as a requirement of the College for Certain Series 2010 School Facility Revenue Bonds. These requirements are as follows: 1) maintain a minimum cash balance of 3% of gross revenue as of

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December 31 and June 30 of each year, 2) maintain a ratio of current assets to current liabilities of 1:10 to 1, 3) working capital must not be less than 7.5% of total operating expenses, 4) operations must allow Aspire to pay all its expenses during such fiscal year for the operation, maintenance and repair of the Schools operated by it, 5) produce net available corporate income of Aspire equal to at least 1.05 times maximum aggregate annual debt service on all outstanding indebtedness of Aspire for the fiscal year, and 6) produce gross revenues of the financed schools equal to at least 2 times maximum annual debt service on the outstanding bonds. Aspire Public Schools was in compliance with these covenants for the year ended June 30, 2013.

**10. CAPITALIZATION OF CONSTRUCTION DEBT INTEREST**

While a facility is under construction, a portion of interest is capitalized into its cost. In summary, the capitalization of interest is applicable to the amount of interest that could have been avoided had the Organization not undertaken the building of a capital asset. The Organization evaluates capitalization of interest at the individual site level since the cash from one site would not be used to pay down the debt on another site.

The amount of capitalizable interest is determined by applying the debt interest rate to the average amount of accumulated expenditures for the building during the year. Interest costs of \$6,503,778 and \$6,833,649 were incurred related to debt during the years ended June 30, 2013 and 2012, respectively. During the years ended June 30, 2013 and 2012, \$48,296 and \$715,943 of interest was capitalized, respectively.

**11. LEASE COMMITMENTS**

*Operating leases*

The Organization leases buildings for administrative offices in Oakland and Stockton and leases land and buildings for school sites in Berkeley, East Palo Alto, Empire, Los Angeles, Modesto, Oakland, Sacramento, Stockton, and Memphis under various operating leases. The Organization also leases copiers at various school sites. It is unlikely that the Organization will cancel any of these leases before they expire. The aggregate minimum rental payments required under the terms of all operating leases as of June 30, 2013 are as follows:

<u>Year Ending June 30,</u>	<u>Minimum Payments</u>
2014	\$ 2,997,825
2015	1,884,039
2016	1,437,099
2017	1,112,442
2018	766,692
Thereafter	<u>12,420,173</u>
Total	<u>\$ 20,618,270</u>

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Rental expense under operating leases was \$3,255,169 and \$3,618,853 for the years ended June 30, 2013 and 2012, respectively.

***Capital leases***

As discussed in Note 8, the Organization entered into a capital lease with Lodi Unified School District from January 1, 2005 through August 1, 2032. The property under capital lease is separately disclosed in Note 7 and consists of the Aspire River Oaks Charter School and the Aspire Benjamin Holt College Preparatory Academy school facilities in Lodi, California. The leased property is being depreciated over the term of the lease and depreciation expense for the leased property is included in the total depreciation expense.

Future payments relating to this capital lease are as follows as of June 30, 2013:

<b>Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2014	\$ 610,000	\$ 765,938	\$ 1,375,938
2015	635,000	743,753	1,378,753
2016	655,000	719,963	1,374,963
2017	680,000	693,231	1,373,231
2018	710,000	664,581	1,374,581
Thereafter	<u>13,945,000</u>	<u>5,171,531</u>	<u>19,116,531</u>
Total	<u>\$ 17,235,000</u>	<u>\$ 8,758,997</u>	<u>\$ 25,993,997</u>

**12. EMPLOYEE BENEFIT PLANS**

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS), and classified employees are members of the California Public Employees' Retirement System (CalPERS). All employees who are not members of CalSTRS or CalPERS must contribute to the federal Social Security system.

***California Public Employees' Retirement System (CalPERS)***

Plan name:	California Public Employees' Retirement System (CalPERS) State & Schools
Plan's EIN:	94-6207465
Actuarial value of assets:	\$53,792
Actuarial accrued liability:	\$59,439
Funded status:	65-80% funded

The actuarial value of assets and accrued liability are expressed in millions and are valued as of June 30, 2012, the most recent actuarial valuation date.

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Plan Description

The Organization contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 Q Street, Sacramento, California 95811.

Funding Policy

Active plan members are required to contribute 7% of their salary (7% of monthly salary over \$133.33 if the member participates in Social Security), and the Organization is required to contribute an actuarially determined rate. Effective January 1, 2013, new active members are required to contribute 6% of their salary. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS board of Administration. The required employer contribution rate for fiscal year ending June 30, 2013 and 2012 was 11.417% and 10.923% of annual payroll, respectively. The contribution requirements of the plan members are established by state statute. For the fiscal year 2014, the Organization is required to contribute 11.442% of annual payroll.

***California State Teachers' Retirement System (CalSTRS):***

Plan name:	California State Teachers' Retirement System (CalSTRS)
Plan's EIN:	94-6291617
Actuarial value of assets:	\$144,232
Actuarial accrued liability:	\$215,189
Funded status:	65-80% funded

The actuarial value of assets and accrued liability are expressed in millions and are valued as of June 30, 2012, the most recent actuarial valuation date.

Plan Description

The Organization contributes to the California State Teachers' Retirement Systems (CalSTRS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement, disability, and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 100 Waterfront Place, West Sacramento, CA 95605.

Funding Policy

Active plan members are required to contribute 8% of their salary and the Organization is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for

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determining the rate are those adopted by the CalSTRS Teachers' Retirement Board. The required employer contribution rate for the fiscal years ending June 30, 2013 and 2012 was 8.25% of annual payroll. The contribution requirements of the plan members are established by state statute. For the fiscal year 2014, the Organization is required to contribute 8.25% of annual payroll.

The Organization's contributions to employee benefits plans were as follows:

	<b>2013</b>	<b>2012</b>
CalPERS	\$ 1,426,170	\$ 1,240,463
CalSTRS	3,329,726	3,098,370

Contributions to both plans equal 100% of the required contributions for each year.

**13. RESTRICTED NET ASSETS**

At June 30, 2013 and 2012, temporarily restricted net assets consisted of unexpended grants restricted for the following purposes: curriculum development, implementation of literacy programs, purchase of classroom and library materials, staff training and development, personnel costs, construction projects, and expansion.

**14. JOINT VENTURES**

The Organization participated in two joint ventures under joint powers agreements (JPAs), the California Charter School Joint Powers Authority, doing business as charterSAFE (SAFE) and the Schools Excess Liability Fund (SELF).

SAFE and SELF arrange for and provide workers' compensation, property, and liability insurance coverage for their members, respectively. The JPAs are governed by boards consisting of a representative from each member. The boards control the operations of the JPAs, including selection of management and approval of operating budgets, independent of any influence by the member beyond their representation on the boards. Each member pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in the JPAs.

Effective January 1, 2013, the Organization withdrew its membership from SELF, and obtained the necessary coverage with SAFE to cover all schools within the Organization.

**SUMMARY OF JPA COVERAGE**

**1. Workers' Compensation (SAFE)**

JPA's SIR:	\$1,000,000
Excess Insurance:	To statutory limits

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**2. Property (SAFE)**

Organization	
Deductible:	\$1,000
Coverage:	
Building:	\$94,683,997
Contents:	\$4,245,794
Data processing:	\$3,553,769
Builder's risk:	\$2,500,000
Extra expense:	\$1,000,000

Excess Insurance:                   None

**3. Liability**

Organization	
Deductible:	\$0 - \$5,000
Coverage	
(SAFE- SIR)	\$1,000,000
(Insurance Company of the State of PA)	
	\$1,000,001 to \$5,000,000
(SELF)	\$5,000,001 to \$25,000,000 (through December 31, 2012)
(SAFE)	\$5,000,001 to \$25,000,000 (as of January 1, 2013)

Complete separate financial statements for the JPA may be obtained from:

SAFE   250 E. 1<sup>st</sup> Street, Suite 1000, Los Angeles, California 90012

The latest condensed financial information available for SAFE are as follows:

	<b>June 30, 2013</b>
	<b>(Unaudited)</b>
	<u>                    </u>
Total Assets	\$ 11,255,016
Total Liabilities	\$ 9,229,185
Net Assets	<u>2,025,831</u>
Total Liabilities and Equity	<u>\$ 11,255,016</u>
Total Revenues	\$ 15,196,922
Total Expenses	<u>12,710,083</u>
Net Increase in Net Assets	<u>\$ 2,483,839</u>

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**15. CONTINGENCIES**

The Organization has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate disallowances under terms of the grants, it is believed that any reimbursement, if required, would not be material.

The Organization has various outstanding claims and litigation. However, based on consultation with legal counsel, management believes that the ultimate resolution of these matters will not have a material adverse effect on the Organization's financial position or results of operations.

**16. STATEWIDE BENEFIT CHARTER**

In June 2012, the Superior Court of Alameda County ordered the State Board of Education to set aside its 2007 approval (and the May 2011 amendment approval) of the statewide benefit charter, which sponsored six schools, and adopt regulations in compliance with Education Code Section 47605.8(a) prior to the start of the 2013/14 school year. The six schools sponsored by the State Board of Education's statewide benefit charter were Aspire Alexander Twilight College Preparatory Academy, Aspire Alexander Twilight Secondary Academy, Aspire APEX Academy, Aspire Junior Collegiate Academy, Aspire Port City Academy, and Aspire Titan Academy. During the 2012/13 school year, the Organization successfully obtained new charter petitions effective for three to five years beginning with the 2013/14 school year. The charters were obtained through the local education agencies listed below:

<u>Charter School Name</u>	<u>Charter School Number</u>	<u>Sponsoring District</u>	<u>**Charter Granted/Renewed</u>	<u>Charter Expiration</u>
Aspire Alexander Twilight College Preparatory Academy	1554	San Juan Unified	May 2013	6/30/16
Aspire Alexander Twilight Secondary Academy	1555	San Juan Unified	May 2013	6/30/16
Aspire APEX Academy	1552	Stockton Unified	May 2013	6/30/18
Aspire Junior Collegiate Academy	1551	Los Angeles	May 2013	6/30/18
Aspire Port City Academy	1553	Stockton Unified	May 2013	6/30/18
Aspire Titan Academy	1550	Los Angeles	May 2013	6/30/18

**17. RELATED PARTY**

The Organization is member of a coalition of Charter Management Organizations (CMO's) called The College Ready Promise (TCRP) designed to pool resources of schools that share the same objective of graduating all students college ready. TCRP is made up of four partnering CMO's: Aspire Public Schools, Alliance College-Ready Public Schools, Green Dot Public Schools, and Partnerships to Uplift Communities. TCRP's board of directors is made up of the top executives from each CMO, including the Organization's CEO.



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TCRP's goal is to gain funding from foundations across the country, and disburse it to its members in order to assist them in carrying out their common goals. TCRP passed through \$300,148 and \$265,923 in federal funding to the Organization during the years ended June 30, 2013 and 2012, respectively. TCRP also granted \$621,454 and \$303,450 in private funding to the Organization during the years ended June 30, 2013 and 2012, respectively.

The Organization's V.P. of Finance was a Board Member of charterSAFE (see Note 14) during the 2012/2013 fiscal year. The Organization paid \$1,270,015 in premiums to charterSAFE during the year ended June 30, 2013, and has a payable balance of \$81,528 due to charterSAFE as of June 30, 2013.

**18. SUBSEQUENT EVENT**

The Organization opened two charter schools in Memphis, Tennessee for the 2013/14 school year. The financial effect of this expansion cannot be accurately estimated.

## **SUPPLEMENTARY INFORMATION**

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**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2013**

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	Aspire Monarch Academy	Aspire Lionel Wilson College Prep Academy	Aspire East Palo Alto Charter School	Aspire Millsmont Academy	Aspire Berkley Maynard Academy	Aspire California College Prep Academy	Aspire East Palo Alto Phoenix Academy	Aspire Golden State College Prep Academy	Aspire ERES Academy
<b>CURRENT ASSETS</b>									
Cash and cash equivalents	\$ 207,436	\$ 274,184	\$ 583,856	\$ 49,178	\$ 319,724	\$ (480,315)	\$ (152,554)	\$ (159,240)	\$ (113,697)
Cash held in trust	-	-	-	-	-	-	-	-	-
Restricted cash	-	-	-	-	-	-	-	-	-
Cash held at county or district	185,250	-	-	117,000	250,250	289,250	-	-	104,000
Accounts receivable	727,121	901,777	1,393,920	469,482	980,106	1,148,708	650,857	962,011	380,516
Foundation grants receivable, current	-	-	-	-	-	-	-	-	-
Prepaid expenses and deposits	34,635	-	2,703	20,966	6,300	36,754	50	-	34,640
Intercompany receivable	-	-	-	-	-	-	-	(79,033)	-
Total current assets	<u>1,154,442</u>	<u>1,175,961</u>	<u>1,980,479</u>	<u>656,626</u>	<u>1,556,380</u>	<u>994,397</u>	<u>498,353</u>	<u>723,738</u>	<u>405,459</u>
<b>NON-CURRENT ASSETS</b>									
Restricted cash	-	-	-	-	-	-	-	-	-
Foundation grants receivable, net	-	-	-	-	-	-	-	-	-
Deferred rent due	-	-	-	-	-	-	-	-	-
Property and equipment, net	213,231	6,577	8,244	47,257	42,890	280,415	57,340	140,635	53,585
Deferred charges, net	-	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 1,367,673</u>	<u>\$ 1,182,538</u>	<u>\$ 1,988,723</u>	<u>\$ 703,883</u>	<u>\$ 1,599,270</u>	<u>\$ 1,274,812</u>	<u>\$ 555,693</u>	<u>\$ 864,373</u>	<u>\$ 459,044</u>
<b>CURRENT LIABILITIES</b>									
Accounts payable	\$ 150,859	\$ 262,524	\$ 709,593	\$ 127,733	\$ 147,222	\$ 170,959	\$ 158,026	\$ 155,098	\$ 111,363
Accrued expenses	109,386	122,559	120,067	58,908	197,725	138,271	119,170	128,486	83,865
Capital lease, current	-	-	-	-	-	-	-	-	-
Debt, current	185,250	-	256,750	117,000	250,250	289,250	20,000	-	154,000
Intercompany payable	-	-	-	-	-	-	-	-	-
Total current liabilities	<u>445,495</u>	<u>385,083</u>	<u>1,086,410</u>	<u>303,641</u>	<u>595,197</u>	<u>598,480</u>	<u>297,196</u>	<u>283,584</u>	<u>349,228</u>
<b>LONG-TERM LIABILITIES</b>									
Deferred rent due	-	-	-	-	-	-	-	-	-
Capital lease, net	-	-	-	-	-	-	-	-	-
Debt, net	-	-	-	-	-	-	21,620	-	50,000
Total liabilities	<u>445,495</u>	<u>385,083</u>	<u>1,086,410</u>	<u>303,641</u>	<u>595,197</u>	<u>598,480</u>	<u>318,816</u>	<u>283,584</u>	<u>399,228</u>
<b>NET ASSETS</b>									
Unrestricted	922,178	780,858	902,313	297,866	1,004,073	658,598	231,355	569,263	(10,394)
Temporarily restricted	-	16,597	-	102,376	-	17,734	5,522	11,526	70,210
Total net assets	<u>922,178</u>	<u>797,455</u>	<u>902,313</u>	<u>400,242</u>	<u>1,004,073</u>	<u>676,332</u>	<u>236,877</u>	<u>580,789</u>	<u>59,816</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 1,367,673</u>	<u>\$ 1,182,538</u>	<u>\$ 1,988,723</u>	<u>\$ 703,883</u>	<u>\$ 1,599,270</u>	<u>\$ 1,274,812</u>	<u>\$ 555,693</u>	<u>\$ 864,373</u>	<u>\$ 459,044</u>

**ASPIRE PUBLIC SCHOOLS**  
**(A California Non-Profit Public Benefit Corporation)**

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2013**

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	Total Bay Area Region	Aspire Vincent Shalvey Academy	Aspire University Charter School	Aspire Summit Charter Academy	Aspire River Oaks Charter School	Aspire Benjamin Holt College Prep Academy	Aspire Capitol Heights Academy	Aspire Rosa Parks Academy	Aspire Langston Hughes Academy
<b>CURRENT ASSETS</b>									
Cash and cash equivalents	\$ 528,572	\$ (19,705)	\$ 516,291	\$ 107,930	\$ 239,489	\$ (44,017)	\$ (144,913)	\$ (133,683)	\$ (1,362,557)
Cash held in trust	-	-	-	-	-	-	-	-	-
Restricted cash	-	-	-	-	-	-	-	-	-
Cash held at county or district	945,750	-	123,500	198,250	-	-	-	-	-
Accounts receivable	7,614,498	1,079,709	489,343	771,971	1,131,320	2,016,627	804,354	1,306,513	2,005,772
Foundation grants receivable, current	-	-	-	-	-	-	-	-	-
Prepaid expenses and deposits	136,048	15,509	10,356	33,803	4,473	-	14,362	-	1,478
Intercompany receivable	(79,033)	-	-	-	-	-	-	-	-
Total current assets	9,145,835	1,075,513	1,139,490	1,111,954	1,375,282	1,972,610	673,803	1,172,830	644,693
<b>NON-CURRENT ASSETS</b>									
Restricted cash	-	-	-	-	-	-	-	-	-
Foundation grants receivable, net	-	-	-	-	-	-	-	-	-
Deferred rent due	-	-	-	-	-	-	-	-	-
Property and equipment, net	850,174	596,804	29,940	184,209	6,393,386	8,305,732	56,472	8,486,790	83,740
Deferred charges, net	-	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	(106,287)	364,082	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 9,996,009</b>	<b>\$ 1,672,317</b>	<b>\$ 1,169,430</b>	<b>\$ 1,296,163</b>	<b>\$ 7,662,381</b>	<b>\$ 10,642,424</b>	<b>\$ 730,275</b>	<b>\$ 9,659,620</b>	<b>\$ 728,433</b>
<b>CURRENT LIABILITIES</b>									
Accounts payable	\$ 1,993,377	\$ 74,555	\$ 56,913	\$ 73,790	\$ 74,464	\$ 142,222	\$ 77,248	\$ 93,724	\$ 120,576
Accrued expenses	1,078,437	139,129	80,656	111,741	124,567	159,502	94,362	155,338	173,279
Capital lease, current	-	-	-	-	249,123	286,594	-	-	-
Debt, current	1,272,500	-	123,500	198,250	-	-	130,000	379,179	20,000
Intercompany payable	-	-	-	-	-	-	-	-	-
Total current liabilities	4,344,314	213,684	261,069	383,781	448,154	588,318	301,610	628,241	313,855
<b>LONG-TERM LIABILITIES</b>									
Deferred rent due	-	-	-	-	-	-	-	-	-
Capital lease, net	-	-	-	-	6,789,650	7,810,866	-	-	-
Debt, net	71,620	-	-	-	-	-	-	4,148,042	20,000
Total liabilities	4,415,934	213,684	261,069	383,781	7,237,804	8,399,184	301,610	4,776,283	333,855
<b>NET ASSETS</b>									
Unrestricted	5,356,110	1,458,633	908,361	849,180	424,577	2,241,708	421,303	4,883,337	394,578
Temporarily restricted	223,965	-	-	63,202	-	1,532	7,362	-	-
Total net assets	5,580,075	1,458,633	908,361	912,382	424,577	2,243,240	428,665	4,883,337	394,578
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 9,996,009</b>	<b>\$ 1,672,317</b>	<b>\$ 1,169,430</b>	<b>\$ 1,296,163</b>	<b>\$ 7,662,381</b>	<b>\$ 10,642,424</b>	<b>\$ 730,275</b>	<b>\$ 9,659,620</b>	<b>\$ 728,433</b>

**ASPIRE PUBLIC SCHOOLS**  
(A California Non-Profit Public Benefit Corporation)

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
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	Aspire Port City Academy	Aspire Vanguard College Prep Academy	Aspire Alexander Twilight College Prep Academy	Aspire Alexander Twilight Secondary Academy	Aspire APEX Academy	Total Central Valley Region	Aspire Antonio Maria Lugo Academy	Aspire Centennial College Prep Academy	Aspire Huntington Park Charter School
<b>CURRENT ASSETS</b>									
Cash and cash equivalents	\$ 346,337	\$ 51,676	\$ (91,474)	\$ (72,363)	\$ (153,351)	\$ (760,340)	\$ (22,049)	\$ 451,291	\$ 136,200
Cash held in trust	-	-	-	-	-	-	-	-	-
Restricted cash	-	-	-	-	-	-	-	-	-
Cash held at county or district	-	156,000	-	-	-	477,750	-	-	-
Accounts receivable	803,552	558,522	818,131	725,079	608,738	13,119,631	660,288	1,441,576	653,354
Foundation grants receivable, current	-	-	-	-	-	-	-	-	-
Prepaid expenses and deposits	25,000	24,890	11,250	5,474	13,592	160,187	4,471	32,882	25,492
Intercompany receivable	-	-	29,893	-	-	29,893	-	-	-
Total current assets	<u>1,174,889</u>	<u>791,088</u>	<u>767,800</u>	<u>658,190</u>	<u>468,979</u>	<u>13,027,121</u>	<u>642,710</u>	<u>1,925,749</u>	<u>815,046</u>
<b>NON-CURRENT ASSETS</b>									
Restricted cash	-	-	-	-	-	-	-	-	-
Foundation grants receivable, net	-	-	-	-	-	-	-	-	-
Deferred rent due	-	-	-	-	-	-	-	-	-
Property and equipment, net	62,883	5,979	140,391	6,669	280,788	24,633,783	46,939	153,005	3,931
Deferred charges, net	-	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	257,795	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 1,237,772</u>	<u>\$ 797,067</u>	<u>\$ 908,191</u>	<u>\$ 664,859</u>	<u>\$ 749,767</u>	<u>\$ 37,918,699</u>	<u>\$ 689,649</u>	<u>\$ 2,078,754</u>	<u>\$ 818,977</u>
<b>CURRENT LIABILITIES</b>									
Accounts payable	\$ 87,973	\$ 73,356	\$ 85,589	\$ 72,126	\$ 59,452	\$ 1,091,988	\$ 75,244	\$ 134,201	\$ 56,931
Accrued expenses	115,972	92,863	116,362	76,236	97,666	1,537,673	104,179	227,597	111,844
Capital lease, current	-	-	-	-	-	535,717	-	-	-
Debt, current	20,000	176,000	20,000	-	62,500	1,129,429	100,750	256,750	154,000
Intercompany payable	-	-	-	-	-	-	-	-	-
Total current liabilities	<u>223,945</u>	<u>342,219</u>	<u>221,951</u>	<u>148,362</u>	<u>219,618</u>	<u>4,294,807</u>	<u>280,173</u>	<u>618,548</u>	<u>322,775</u>
<b>LONG-TERM LIABILITIES</b>									
Deferred rent due	-	-	-	-	-	-	-	628,638	-
Capital lease, net	-	-	-	-	-	14,600,516	-	-	-
Debt, net	20,002	20,000	19,998	-	187,500	4,415,542	-	-	80,000
Total liabilities	<u>243,947</u>	<u>362,219</u>	<u>241,949</u>	<u>148,362</u>	<u>407,118</u>	<u>23,310,865</u>	<u>280,173</u>	<u>1,247,186</u>	<u>402,775</u>
<b>NET ASSETS</b>									
Unrestricted	993,825	427,693	666,242	512,534	342,649	14,524,620	402,782	819,700	416,202
Temporarily restricted	-	7,155	-	3,963	-	83,214	6,694	11,868	-
Total net assets	<u>993,825</u>	<u>434,848</u>	<u>666,242</u>	<u>516,497</u>	<u>342,649</u>	<u>14,607,834</u>	<u>409,476</u>	<u>831,568</u>	<u>416,202</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 1,237,772</u>	<u>\$ 797,067</u>	<u>\$ 908,191</u>	<u>\$ 664,859</u>	<u>\$ 749,767</u>	<u>\$ 37,918,699</u>	<u>\$ 689,649</u>	<u>\$ 2,078,754</u>	<u>\$ 818,977</u>

**ASPIRE PUBLIC SCHOOLS**  
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**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
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	Aspire Junior Collegiate Academy	Aspire Titan Academy	Aspire Pacific Academy	Aspire Firestone Academy	Aspire Gateway Academy	Aspire Tate Academy	Aspire Inskeep Academy	Aspire Slauson Academy	Total LA Region
<b>CURRENT ASSETS</b>									
Cash and cash equivalents	\$ 333,800	\$ 388,072	\$ (273,641)	\$ 178,284	\$ 307,700	\$ (36,624)	\$ 154,049	\$ 129,478	\$ 1,746,560
Cash held in trust	-	-	-	-	-	-	-	-	-
Restricted cash	-	-	-	-	-	-	-	-	-
Cash held at county or district	-	-	-	-	-	-	-	-	-
Accounts receivable	622,348	628,822	1,659,587	919,697	907,074	809,311	842,916	787,944	9,932,917
Foundation grants receivable, current	-	-	-	-	-	-	-	-	-
Prepaid expenses and deposits	1,411	20,349	400	2,536	2,387	21,634	7,548	2,417	121,527
Intercompany receivable	-	-	-	-	-	-	-	-	-
Total current assets	<u>957,559</u>	<u>1,037,243</u>	<u>1,386,346</u>	<u>1,100,517</u>	<u>1,217,161</u>	<u>794,321</u>	<u>1,004,513</u>	<u>919,839</u>	<u>11,801,004</u>
<b>NON-CURRENT ASSETS</b>									
Restricted cash	-	-	-	-	-	-	-	-	-
Foundation grants receivable, net	-	-	-	-	-	-	-	-	-
Deferred rent due	-	-	-	-	-	-	-	-	-
Property and equipment, net	53,985	112,456	165,397	-	-	-	-	-	535,713
Deferred charges, net	-	-	-	-	-	-	-	-	-
Other assets, net	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 1,011,544</u>	<u>\$ 1,149,699</u>	<u>\$ 1,551,743</u>	<u>\$ 1,100,517</u>	<u>\$ 1,217,161</u>	<u>\$ 794,321</u>	<u>\$ 1,004,513</u>	<u>\$ 919,839</u>	<u>\$ 12,336,717</u>
<b>CURRENT LIABILITIES</b>									
Accounts payable	\$ 61,168	\$ 177,321	\$ 222,710	\$ 100,521	\$ 79,207	\$ 84,220	\$ 70,700	\$ 102,696	\$ 1,164,919
Accrued expenses	100,580	119,491	178,923	174,240	183,274	131,756	119,802	88,738	1,540,424
Capital lease, current	-	-	-	-	-	-	-	-	-
Debt, current	50,000	50,000	-	231,500	234,750	205,500	218,500	208,750	1,710,500
Intercompany payable	-	-	-	-	-	-	-	-	-
Total current liabilities	<u>211,748</u>	<u>346,812</u>	<u>401,633</u>	<u>506,261</u>	<u>497,231</u>	<u>421,476</u>	<u>409,002</u>	<u>400,184</u>	<u>4,415,843</u>
<b>LONG-TERM LIABILITIES</b>									
Deferred rent due	-	-	-	-	-	-	-	-	628,638
Capital lease, net	-	-	-	-	-	-	-	-	-
Debt, net	80,000	79,997	-	62,500	62,500	125,000	125,000	125,000	739,997
Total liabilities	<u>291,748</u>	<u>426,809</u>	<u>401,633</u>	<u>568,761</u>	<u>559,731</u>	<u>546,476</u>	<u>534,002</u>	<u>525,184</u>	<u>5,784,478</u>
<b>NET ASSETS</b>									
Unrestricted	719,796	487,670	1,127,496	531,756	657,430	247,845	470,511	394,655	6,275,843
Temporarily restricted	-	235,220	22,614	-	-	-	-	-	276,396
Total net assets	<u>719,796</u>	<u>722,890</u>	<u>1,150,110</u>	<u>531,756</u>	<u>657,430</u>	<u>247,845</u>	<u>470,511</u>	<u>394,655</u>	<u>6,552,239</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 1,011,544</u>	<u>\$ 1,149,699</u>	<u>\$ 1,551,743</u>	<u>\$ 1,100,517</u>	<u>\$ 1,217,161</u>	<u>\$ 794,321</u>	<u>\$ 1,004,513</u>	<u>\$ 919,839</u>	<u>\$ 12,336,717</u>

**ASPIRE PUBLIC SCHOOLS**  
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**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
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	Non Active Sites	Home Office	Total Aspire Public Schools	CFC, LLC	Eliminations	Total Consolidated
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	\$ 6,909,283	\$ 11,252,474	\$ 19,676,549	\$ 650	\$ -	\$ 19,677,199
Cash held in trust	-	-	-	500,000	-	500,000
Restricted cash	-	-	-	2,802,768	-	2,802,768
Cash held at county or district	-	-	1,423,500	-	-	1,423,500
Accounts receivable	194,328	1,345,545	32,206,919	-	-	32,206,919
Foundation grants receivable, current	2,650,000	2,345,776	4,995,776	-	-	4,995,776
Prepaid expenses and deposits	800	207,265	625,827	-	-	625,827
Intercompany receivable	-	1,054,584	1,005,444	-	(1,005,444)	-
Total current assets	<u>9,754,411</u>	<u>16,205,644</u>	<u>59,934,015</u>	<u>3,303,418</u>	<u>(1,005,444)</u>	<u>62,231,989</u>
<b>NON-CURRENT ASSETS</b>						
Restricted cash	-	-	-	7,675,678	-	7,675,678
Foundation grants receivable, net	-	2,611,476	2,611,476	-	-	2,611,476
Deferred rent due	-	-	-	2,988,320	(2,988,320)	-
Property and equipment, net	14,272,836	3,050,055	43,342,561	88,558,477	(1,032,128)	130,868,910
Deferred charges, net	-	95,693	95,693	3,552,337	-	3,648,030
Other assets, net	-	1,230,601	1,488,396	-	-	1,488,396
<b>TOTAL ASSETS</b>	<u>\$ 24,027,247</u>	<u>\$ 23,193,469</u>	<u>\$107,472,141</u>	<u>\$106,078,230</u>	<u>\$ (5,025,892)</u>	<u>\$208,524,479</u>
<b>CURRENT LIABILITIES</b>						
Accounts payable	\$ 2,242,899	\$ 1,861,357	\$ 8,354,540	\$ -	\$ -	\$ 8,354,540
Accrued expenses	57,563	568,261	4,782,358	2,802,418	-	7,584,776
Capital lease, current	-	74,283	610,000	-	-	610,000
Debt, current	-	73,812	4,186,241	-	-	4,186,241
Intercompany payable	-	-	-	1,005,444	(1,005,444)	-
Total current liabilities	<u>2,300,462</u>	<u>2,577,713</u>	<u>17,933,139</u>	<u>3,807,862</u>	<u>(1,005,444)</u>	<u>20,735,557</u>
<b>LONG-TERM LIABILITIES</b>						
Deferred rent due	-	2,988,320	3,616,958	-	(2,988,320)	628,638
Capital lease, net	-	2,024,484	16,625,000	-	-	16,625,000
Debt, net	9,834,913	7,751,188	22,813,260	93,295,000	-	116,108,260
Total liabilities	<u>12,135,375</u>	<u>15,341,705</u>	<u>60,988,357</u>	<u>97,102,862</u>	<u>(3,993,764)</u>	<u>154,097,455</u>
<b>NET ASSETS</b>						
Unrestricted	(282,855)	(7,899,623)	17,974,095	8,975,368	(1,032,128)	25,917,335
Temporarily restricted	12,174,727	15,751,387	28,509,689	-	-	28,509,689
Total net assets	<u>11,891,872</u>	<u>7,851,764</u>	<u>46,483,784</u>	<u>8,975,368</u>	<u>(1,032,128)</u>	<u>54,427,024</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 24,027,247</u>	<u>\$ 23,193,469</u>	<u>\$107,472,141</u>	<u>\$106,078,230</u>	<u>\$ (5,025,892)</u>	<u>\$208,524,479</u>

**ASPIRE PUBLIC SCHOOLS**  
(A California Non-Profit Public Benefit Corporation)

**CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**JUNE 30, 2013**

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	Aspire Monarch Academy	Aspire Lionel Wilson College Prep Academy	Aspire East Palo Alto Charter School	Aspire Millsmont Academy	Aspire Berkley Maynard Academy	Aspire California College Prep Academy	Aspire East Palo Alto Phoenix Academy	Aspire Golden State College Prep Academy	Aspire ERES Academy
<b>CHANGES IN UNRESTRICTED NET ASSETS</b>									
<b>SUPPORT AND REVENUE</b>									
Private grants and contributions	\$ -	\$ 462	\$ 186,732	\$ 2,590	\$ 8,000	\$ 37,500	\$ 320,698	\$ 2,600	\$ 6,250
Donated equipment, materials, and services	800	-	-	-	-	7,107	-	-	-
Federal revenue	477,654	602,425	484,732	268,409	463,140	611,638	273,389	612,130	282,508
Revenue limit sources:									
State aid portion of general purpose block grant	885,166	1,400,467	1,603,457	592,605	1,289,307	1,942,029	472,762	1,270,965	517,551
State revenue:									
Categorical block grant	384,849	372,179	365,795	191,751	375,040	310,270	226,018	342,591	217,449
All other state revenue	436,187	483,063	230,326	302,888	338,488	128,496	305,694	753,633	134,101
Local revenue:									
Cash in-lieu of property taxes	625,285	813,119	-	417,472	899,956	-	1,153,856	754,126	358,023
Interest income	-	-	-	-	-	-	-	-	-
Gain on sale of Schoolzilla	-	-	-	-	-	-	-	-	-
All other local revenue	13,365	103,628	83,453	37,076	95,820	41,936	90,764	10,330	11,091
Subtotal	<u>2,823,306</u>	<u>3,775,343</u>	<u>2,954,495</u>	<u>1,812,791</u>	<u>3,469,751</u>	<u>3,078,976</u>	<u>2,843,181</u>	<u>3,746,375</u>	<u>1,526,973</u>
Net assets released from restrictions	<u>688,503</u>	<u>1,059,423</u>	<u>1,708,536</u>	<u>507,535</u>	<u>878,425</u>	<u>426,542</u>	<u>378,171</u>	<u>1,238,152</u>	<u>549,293</u>
Total support and revenue	<u>3,511,809</u>	<u>4,834,766</u>	<u>4,663,031</u>	<u>2,320,326</u>	<u>4,348,176</u>	<u>3,505,518</u>	<u>3,221,352</u>	<u>4,984,527</u>	<u>2,076,266</u>
<b>PROGRAM EXPENSES</b>									
Educational programs	<u>2,904,489</u>	<u>4,058,390</u>	<u>3,739,483</u>	<u>1,895,993</u>	<u>3,667,914</u>	<u>3,735,976</u>	<u>2,873,757</u>	<u>4,635,156</u>	<u>2,039,822</u>
<b>SUPPORTING SERVICES</b>									
Site support	-	-	-	-	-	-	-	-	-
Program development and expansion	-	-	-	-	-	-	-	-	-
Administration and general	-	-	-	-	-	-	-	-	-
Cost allocations and reserve	<u>394,275</u>	<u>205,270</u>	<u>381,791</u>	<u>273,150</u>	<u>398,295</u>	<u>(57,119)</u>	<u>232,734</u>	<u>(228,605)</u>	<u>(53,658)</u>
Total supporting services	<u>394,275</u>	<u>205,270</u>	<u>381,791</u>	<u>273,150</u>	<u>398,295</u>	<u>(57,119)</u>	<u>232,734</u>	<u>(228,605)</u>	<u>(53,658)</u>
Total expenses	<u>3,298,764</u>	<u>4,263,660</u>	<u>4,121,274</u>	<u>2,169,143</u>	<u>4,066,209</u>	<u>3,678,857</u>	<u>3,106,491</u>	<u>4,406,551</u>	<u>1,986,164</u>
OTHER INCOME	-	-	-	-	-	-	-	-	-
TRANSFERS BETWEEN AFFILIATES	-	101,320	-	-	-	-	101,320	101,320	-
Increase (Decrease) in Unrestricted Net Assets	<u>213,045</u>	<u>672,426</u>	<u>541,757</u>	<u>151,183</u>	<u>281,967</u>	<u>(173,339)</u>	<u>216,181</u>	<u>679,296</u>	<u>90,102</u>
<b>CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:</b>									
Private grants and contributions	-	-	-	100,000	-	-	-	5,933	-
Federal and state revenue	688,502	1,073,731	1,498,188	496,815	878,425	813,413	375,728	815,577	509,354
Interfund transfers	-	-	-	-	-	-	-	-	-
Net assets released from restrictions	<u>(688,503)</u>	<u>(1,059,423)</u>	<u>(1,708,536)</u>	<u>(507,535)</u>	<u>(878,425)</u>	<u>(426,542)</u>	<u>(378,171)</u>	<u>(1,238,152)</u>	<u>(549,293)</u>
Increase (Decrease) in Temporarily Restricted Net Assets	<u>(1)</u>	<u>14,308</u>	<u>(210,348)</u>	<u>89,280</u>	<u>-</u>	<u>386,871</u>	<u>(2,443)</u>	<u>(416,642)</u>	<u>(39,939)</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>213,044</u>	<u>686,734</u>	<u>331,409</u>	<u>240,463</u>	<u>281,967</u>	<u>213,532</u>	<u>213,738</u>	<u>262,654</u>	<u>50,163</u>
<b>NET ASSETS - Beginning of Year</b>	<u>709,134</u>	<u>110,721</u>	<u>570,904</u>	<u>159,779</u>	<u>722,106</u>	<u>462,800</u>	<u>23,139</u>	<u>318,135</u>	<u>9,653</u>
<b>NET ASSETS - End of Year</b>	<u>\$ 922,178</u>	<u>\$ 797,455</u>	<u>\$ 902,313</u>	<u>\$ 400,242</u>	<u>\$ 1,004,073</u>	<u>\$ 676,332</u>	<u>\$ 236,877</u>	<u>\$ 580,789</u>	<u>\$ 59,816</u>



**ASPIRE PUBLIC SCHOOLS**  
(A California Non-Profit Public Benefit Corporation)

**CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**JUNE 30, 2013**

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	Total Bay Area Region	Aspire Vincent Shalvey Academy	Aspire University Charter School	Aspire Summit Charter Academy	Aspire River Oaks Charter School	Aspire Benjamin Holt College Prep Academy	Aspire Capitol Heights Academy	Aspire Rosa Parks Academy	Aspire Langston Hughes Academy
<b>CHANGES IN UNRESTRICTED NET ASSETS</b>									
<b>SUPPORT AND REVENUE</b>									
Private grants and contributions	\$ 564,832	\$ 32,904	\$ 11,872	\$ 1,274	\$ 21,150	\$ 9,728	\$ 250	\$ 3,059	\$ 1,680
Donated equipment, materials, and services	7,907	-	-	-	-	-	-	-	-
Federal revenue	4,076,025	208,524	70,278	430,787	484,045	482,921	346,745	436,753	330,415
Revenue limit sources:									
State aid portion of general purpose block grant	9,974,309	1,054,432	770,311	1,317,562	1,095,714	2,190,351	783,725	1,211,930	2,139,474
State revenue:									
Categorical block grant	2,785,942	178,129	122,270	220,543	205,939	319,701	187,717	293,222	354,638
All other state revenue	3,112,876	330,492	225,481	215,291	303,010	135,948	234,590	295,414	613,687
Local revenue:									
Cash in-lieu of property taxes	5,021,837	464,671	257,308	245,972	452,913	833,862	319,036	280,829	445,198
Interest income	-	-	319	486	11	12	-	32	192
Gain on sale of Schoolzilla	-	-	-	-	-	-	-	-	-
All other local revenue	487,463	106,579	26,546	82,696	66,736	97,483	31,665	9,852	66,753
Subtotal	26,031,191	2,375,731	1,484,385	2,514,611	2,629,518	4,070,006	1,903,728	2,531,091	3,952,037
Net assets released from restrictions	7,434,580	538,100	390,506	628,348	694,624	967,468	543,378	614,012	982,969
Total support and revenue	<u>33,465,771</u>	<u>2,913,831</u>	<u>1,874,891</u>	<u>3,142,959</u>	<u>3,324,142</u>	<u>5,037,474</u>	<u>2,447,106</u>	<u>3,145,103</u>	<u>4,935,006</u>
<b>PROGRAM EXPENSES</b>									
Educational programs	<u>29,550,980</u>	<u>2,496,445</u>	<u>1,692,736</u>	<u>2,623,077</u>	<u>2,979,506</u>	<u>4,402,755</u>	<u>1,990,742</u>	<u>2,614,158</u>	<u>4,310,818</u>
<b>SUPPORTING SERVICES</b>									
Site support	-	-	-	-	-	-	-	-	-
Program development and expansion	-	-	-	-	-	-	-	-	-
Administration and general	-	-	-	-	-	-	-	-	-
Cost allocations and reserve	1,546,133	329,718	(6,112)	207,808	134,999	327,401	288,824	184,131	281,990
Total supporting services	<u>1,546,133</u>	<u>329,718</u>	<u>(6,112)</u>	<u>207,808</u>	<u>134,999</u>	<u>327,401</u>	<u>288,824</u>	<u>184,131</u>	<u>281,990</u>
Total expenses	<u>31,097,113</u>	<u>2,826,163</u>	<u>1,686,624</u>	<u>2,830,885</u>	<u>3,114,505</u>	<u>4,730,156</u>	<u>2,279,566</u>	<u>2,798,289</u>	<u>4,592,808</u>
OTHER INCOME	-	-	-	-	-	-	-	-	-
TRANSFERS BETWEEN AFFILIATES	303,960	-	-	-	-	-	-	-	101,320
Increase (Decrease) in Unrestricted Net Assets	<u>2,672,618</u>	<u>87,668</u>	<u>188,267</u>	<u>312,074</u>	<u>209,637</u>	<u>307,318</u>	<u>167,540</u>	<u>346,814</u>	<u>443,518</u>
<b>CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:</b>									
Private grants and contributions	105,933	-	-	-	-	-	-	-	-
Federal and state revenue	7,149,733	538,100	390,506	626,807	694,624	959,295	543,378	614,012	978,906
Interfund transfers	-	-	-	-	-	-	-	-	-
Net assets released from restrictions	(7,434,580)	(538,100)	(390,506)	(628,348)	(694,624)	(967,468)	(543,378)	(614,012)	(982,969)
Increase (Decrease) in Temporarily Restricted Net Assets	<u>(178,914)</u>	<u>-</u>	<u>-</u>	<u>(1,541)</u>	<u>-</u>	<u>(8,173)</u>	<u>-</u>	<u>-</u>	<u>(4,063)</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	2,493,704	87,668	188,267	310,533	209,637	299,145	167,540	346,814	439,455
<b>NET ASSETS - Beginning of Year</b>	<u>3,086,371</u>	<u>1,370,965</u>	<u>720,094</u>	<u>601,849</u>	<u>214,940</u>	<u>1,944,095</u>	<u>261,125</u>	<u>4,536,523</u>	<u>(44,877)</u>
<b>NET ASSETS - End of Year</b>	<u>\$ 5,580,075</u>	<u>\$ 1,458,633</u>	<u>\$ 908,361</u>	<u>\$ 912,382</u>	<u>\$ 424,577</u>	<u>\$ 2,243,240</u>	<u>\$ 428,665</u>	<u>\$ 4,883,337</u>	<u>\$ 394,578</u>

**ASPIRE PUBLIC SCHOOLS**  
(A California Non-Profit Public Benefit Corporation)

**CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**JUNE 30, 2013**

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	Aspire Port City Academy	Aspire Vanguard College Prep Academy	Aspire Alexander Twilight College Prep Academy	Aspire Alexander Twilight Secondary Academy	Aspire APEX Academy	Total Central Valley Region	Aspire Antonio Maria Lugo Academy	Aspire Centennial College Prep Academy	Aspire Huntington Park Charter School
<b>CHANGES IN UNRESTRICTED NET ASSETS</b>									
<b>SUPPORT AND REVENUE</b>									
Private grants and contributions	\$ 204	\$ -	\$ 4,680	-	\$ 200	\$ 87,001	\$ 1,500	\$ 604	\$ 1,125
Donated equipment, materials, and services	-	-	-	-	-	-	-	-	-
Federal revenue	289,882	163,749	288,818	293,959	263,039	4,089,915	372,246	462,516	298,750
Revenue limit sources:									
State aid portion of general purpose block grant	1,578,980	830,412	1,606,736	1,091,038	1,077,296	16,747,961	593,570	1,439,944	600,650
State revenue:									
Categorical block grant	230,402	156,059	265,894	162,776	160,423	2,857,713	213,630	431,338	212,067
All other state revenue	497,484	90,173	675,920	302,908	249,207	4,169,605	222,697	284,753	254,313
Local revenue:									
Cash in-lieu of property taxes	-	529,326	-	-	-	3,829,115	316,189	735,103	320,026
Interest income	-	207	-	-	-	1,259	-	-	-
Gain on sale of Schoolzilla	-	-	-	-	-	-	-	-	-
All other local revenue	116,988	89,962	79,172	37,981	15,240	827,653	8,186	31,960	7,531
Subtotal	2,713,940	1,859,888	2,921,220	1,888,662	1,765,405	32,610,222	1,728,018	3,386,218	1,694,462
Net assets released from restrictions	680,779	715,466	793,616	670,301	551,877	8,771,444	441,861	1,102,992	396,261
Total support and revenue	3,394,719	2,575,354	3,714,836	2,558,963	2,317,282	41,381,666	2,169,879	4,489,210	2,090,723
<b>PROGRAM EXPENSES</b>									
Educational programs	2,839,571	2,410,565	2,849,166	2,228,681	1,887,956	35,326,176	1,874,099	4,555,109	1,743,899
<b>SUPPORTING SERVICES</b>									
Site support	-	-	-	-	-	-	-	-	-
Program development and expansion	-	-	-	-	-	-	-	-	-
Administration and general	-	-	-	-	-	-	-	-	-
Cost allocations and reserve	293,241	59,793	584,997	217,414	297,839	3,202,043	189,882	322,364	191,660
Total supporting services	293,241	59,793	584,997	217,414	297,839	3,202,043	189,882	322,364	191,660
Total expenses	3,132,812	2,470,358	3,434,163	2,446,095	2,185,795	38,528,219	2,063,981	4,877,473	1,935,559
OTHER INCOME	-	-	-	-	-	-	-	-	-
TRANSFERS BETWEEN AFFILIATES	101,320	-	101,320	101,320	-	405,280	-	-	-
Increase (Decrease) in Unrestricted Net Assets	363,227	104,996	381,993	214,188	131,487	3,258,727	105,898	(388,263)	155,164
<b>CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:</b>									
Private grants and contributions	-	-	-	-	-	-	-	-	-
Federal and state revenue	680,779	721,801	793,616	669,437	551,877	8,763,138	448,554	1,106,182	393,800
Interfund transfers	-	-	-	-	-	-	-	-	-
Net assets released from restrictions	(680,779)	(715,466)	(793,616)	(670,301)	(551,877)	(8,771,444)	(441,861)	(1,102,992)	(396,261)
Increase (Decrease) in Temporarily Restricted Net Assets	-	6,335	-	(864)	-	(8,306)	6,693	3,190	(2,461)
<b>INCREASE (DECREASE) IN NET ASSETS</b>	363,227	111,331	381,993	213,324	131,487	3,250,421	112,591	(385,073)	152,703
<b>NET ASSETS - Beginning of Year</b>	630,598	323,517	284,249	303,173	211,162	11,357,413	296,885	1,216,641	263,499
<b>NET ASSETS - End of Year</b>	\$ 993,825	\$ 434,848	\$ 666,242	\$ 516,497	\$ 342,649	\$ 14,607,834	\$ 409,476	\$ 831,568	\$ 416,202

**ASPIRE PUBLIC SCHOOLS**  
(A California Non-Profit Public Benefit Corporation)

**CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**JUNE 30, 2013**

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	Aspire Junior Collegiate Academy	Aspire Titan Academy	Aspire Pacific Academy	Aspire Firestone Academy	Aspire Gateway Academy	Aspire Tate Academy	Aspire Inskeep Academy	Aspire Slauson Academy	Total LA Region
<b>CHANGES IN UNRESTRICTED NET ASSETS</b>									
<b>SUPPORT AND REVENUE</b>									
Private grants and contributions	\$ -	\$ -	\$ 2,050	\$ 100	\$ 824	\$ -	\$ -	\$ -	\$ 6,203
Donated equipment, materials, and services	-	-	-	-	-	-	-	-	-
Federal revenue	330,176	428,828	615,457	276,171	262,663	295,127	293,466	280,041	3,915,441
Revenue limit sources:									
State aid portion of general purpose block grant	1,158,032	1,175,478	1,937,785	954,268	949,154	758,994	824,158	756,796	11,148,829
State revenue:									
Categorical block grant	265,805	284,718	405,730	305,537	304,444	280,867	291,871	302,143	3,298,150
All other state revenue	508,232	314,510	602,343	100,878	99,851	79,466	85,886	79,419	2,632,348
Local revenue:									
Cash in-lieu of property taxes	-	-	787,705	510,440	507,737	405,211	439,272	404,163	4,425,846
Interest income	-	-	-	-	-	-	-	-	-
Gain on sale of Schoolzilla	-	-	-	-	-	-	-	-	-
All other local revenue	10,031	7,156	65,082	5,801	12,052	5,508	5,227	5,612	164,146
Subtotal	<u>2,272,276</u>	<u>2,210,690</u>	<u>4,416,152</u>	<u>2,153,195</u>	<u>2,136,725</u>	<u>1,825,173</u>	<u>1,939,880</u>	<u>1,828,174</u>	<u>25,590,963</u>
Net assets released from restrictions	<u>456,790</u>	<u>661,293</u>	<u>1,073,100</u>	<u>723,634</u>	<u>720,310</u>	<u>597,780</u>	<u>638,910</u>	<u>596,498</u>	<u>7,409,429</u>
Total support and revenue	<u>2,729,066</u>	<u>2,871,983</u>	<u>5,489,252</u>	<u>2,876,829</u>	<u>2,857,035</u>	<u>2,422,953</u>	<u>2,578,790</u>	<u>2,424,672</u>	<u>33,000,392</u>
<b>PROGRAM EXPENSES</b>									
Educational programs	<u>2,252,315</u>	<u>2,489,127</u>	<u>4,628,687</u>	<u>2,308,410</u>	<u>2,266,428</u>	<u>1,937,842</u>	<u>1,967,918</u>	<u>1,959,424</u>	<u>27,983,258</u>
<b>SUPPORTING SERVICES</b>									
Site support	-	-	-	-	-	-	-	-	-
Program development and expansion	-	-	-	-	-	-	-	-	-
Administration and general	-	-	-	-	-	-	-	-	-
Cost allocations and reserve	<u>325,962</u>	<u>277,366</u>	<u>396,805</u>	<u>423,436</u>	<u>419,835</u>	<u>325,416</u>	<u>344,476</u>	<u>328,688</u>	<u>3,545,890</u>
Total supporting services	<u>325,962</u>	<u>277,366</u>	<u>396,805</u>	<u>423,436</u>	<u>419,835</u>	<u>325,416</u>	<u>344,476</u>	<u>328,688</u>	<u>3,545,890</u>
Total expenses	<u>2,578,277</u>	<u>2,766,493</u>	<u>5,025,492</u>	<u>2,731,846</u>	<u>2,686,263</u>	<u>2,263,258</u>	<u>2,312,394</u>	<u>2,288,112</u>	<u>31,529,148</u>
OTHER INCOME	-	-	-	-	-	-	-	-	-
TRANSFERS BETWEEN AFFILIATES	<u>101,320</u>	<u>101,320</u>	<u>101,320</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>303,960</u>
Increase (Decrease) in Unrestricted Net Assets	<u>252,109</u>	<u>206,810</u>	<u>565,080</u>	<u>144,983</u>	<u>170,772</u>	<u>159,695</u>	<u>266,396</u>	<u>136,560</u>	<u>1,775,204</u>
<b>CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:</b>									
Private grants and contributions	-	400,000	-	-	-	-	-	-	400,000
Federal and state revenue	456,790	492,944	1,068,724	723,634	720,310	597,780	638,910	596,498	7,244,126
Interfund transfers	-	-	-	-	-	-	-	-	-
Net assets released from restrictions	<u>(456,790)</u>	<u>(661,293)</u>	<u>(1,073,100)</u>	<u>(723,634)</u>	<u>(720,310)</u>	<u>(597,780)</u>	<u>(638,910)</u>	<u>(596,498)</u>	<u>(7,409,429)</u>
Increase (Decrease) in Temporarily Restricted Net Assets	<u>-</u>	<u>231,651</u>	<u>(4,376)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>234,697</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<u>252,109</u>	<u>438,461</u>	<u>560,704</u>	<u>144,983</u>	<u>170,772</u>	<u>159,695</u>	<u>266,396</u>	<u>136,560</u>	<u>2,009,901</u>
<b>NET ASSETS - Beginning of Year</b>	<u>467,687</u>	<u>284,429</u>	<u>589,406</u>	<u>386,773</u>	<u>486,658</u>	<u>88,150</u>	<u>204,115</u>	<u>258,095</u>	<u>4,542,338</u>
<b>NET ASSETS - End of Year</b>	<u>\$ 719,796</u>	<u>\$ 722,890</u>	<u>\$ 1,150,110</u>	<u>\$ 531,756</u>	<u>\$ 657,430</u>	<u>\$ 247,845</u>	<u>\$ 470,511</u>	<u>\$ 394,655</u>	<u>\$ 6,552,239</u>

**ASPIRE PUBLIC SCHOOLS**  
(A California Non-Profit Public Benefit Corporation)

**CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**JUNE 30, 2013**

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	Non Active Sites	Home Office	Total Aspire Public Schools	CFC, LLC	Eliminations	Total Consolidated
<b>CHANGES IN UNRESTRICTED NET ASSETS</b>						
<b>SUPPORT AND REVENUE</b>						
Private grants and contributions	\$ -	\$ 1,823,633	\$ 2,481,669	\$ -	\$ -	\$ 2,481,669
Donated equipment, materials, and services	-	22,490	30,397	-	-	30,397
Federal revenue	194,328	2,976,473	15,252,182	-	-	15,252,182
Revenue limit sources:						
State aid portion of general purpose block grant	-	-	37,871,099	-	-	37,871,099
State revenue:						
Categorical block grant	-	-	8,941,805	-	-	8,941,805
All other state revenue	-	398,963	10,313,792	-	-	10,313,792
Local revenue:						
Cash in-lieu of property taxes	-	-	13,276,798	-	-	13,276,798
Interest income	-	20,596	21,855	1,194	-	23,049
Gain on sale of Schoolzilla	-	1,247,465	1,247,465	-	-	1,247,465
All other local revenue	12,346	850,857	2,342,465	6,526,965	(6,524,319)	2,345,111
Subtotal	206,674	7,340,477	91,779,527	6,528,159	(6,524,319)	91,783,367
Net assets released from restrictions	613,981	7,129,648	31,359,080	-	-	31,359,080
Total support and revenue	820,655	14,470,125	123,138,607	6,528,159	(6,524,319)	123,142,447
<b>PROGRAM EXPENSES</b>						
Educational programs	806,997	-	93,667,411	8,077,754	(5,604,836)	96,140,329
<b>SUPPORTING SERVICES</b>						
Site support	-	10,277,645	10,277,645	-	(551,690)	9,725,955
Program development and expansion	-	6,655,117	6,655,117	-	(275,845)	6,379,272
Administration and general	-	4,768,189	4,768,189	-	(91,948)	4,676,241
Cost allocations and reserve	-	(8,294,066)	-	-	-	-
Total supporting services	-	13,406,885	21,700,951	-	(919,483)	20,781,468
Total expenses	806,997	13,406,885	115,368,362	8,077,754	(6,524,319)	116,921,797
OTHER INCOME	-	-	-	-	-	-
TRANSFERS BETWEEN AFFILIATES	-	360,829	1,374,029	(1,374,029)	-	-
Increase (Decrease) in Unrestricted Net Assets	13,658	1,424,069	9,144,274	(2,923,624)	-	6,220,650
<b>CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:</b>						
Private grants and contributions	730,481	5,509,995	6,746,409	-	-	6,746,409
Federal and state revenue	4,115,261	-	27,272,258	-	-	27,272,258
Interfund transfers	2,319,519	(2,319,519)	-	-	-	-
Net assets released from restrictions	(613,981)	(7,129,648)	(31,359,080)	-	-	(31,359,080)
Increase (Decrease) in Temporarily Restricted Net Assets	6,551,280	(3,939,172)	2,659,587	-	-	2,659,587
<b>INCREASE (DECREASE) IN NET ASSETS</b>	6,564,938	(2,515,103)	11,803,861	(2,923,624)	-	8,880,237
<b>NET ASSETS - Beginning of Year</b>	5,326,934	10,366,867	34,679,923	11,898,992	(1,032,128)	45,546,787
<b>NET ASSETS - End of Year</b>	\$ 11,891,872	\$ 7,851,764	\$ 46,483,784	\$ 8,975,368	\$ (1,032,128)	\$ 54,427,024

**ASPIRE PUBLIC SCHOOLS**  
**(A California Non-Profit Public Benefit Corporation)**  
**CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2013**

**Program Expenses**

	<b>Aspire Monarch Academy</b>	<b>Aspire Lionel Wilson College Prep Academy</b>	<b>Aspire East Palo Alto Charter School</b>	<b>Aspire Millsmont Academy</b>	<b>Aspire Berkley Maynard Academy</b>	<b>Aspire California College Prep Academy</b>	<b>Aspire East Palo Alto Phoenix Academy</b>	<b>Aspire Golden State College Prep Academy</b>	<b>Aspire ERES Academy</b>	<b>Total Bay Area Region</b>	<b>Aspire Vincent Shalvey Academy</b>
Certificated salaries	\$ 1,225,463	\$ 1,483,943	\$ 1,280,445	\$ 908,920	\$ 1,759,956	\$ 1,662,642	\$ 1,104,093	\$ 1,451,462	\$ 847,331	\$11,724,255	\$ 1,278,185
Classified salaries	400,641	511,093	518,181	142,121	486,390	394,766	426,392	511,914	345,746	3,737,244	227,718
Employee benefits	479,231	583,276	508,232	259,950	622,837	526,107	398,784	490,298	259,062	4,127,777	402,633
Books and supplies	288,578	395,874	408,820	178,455	381,776	345,360	218,082	328,551	275,891	2,821,387	131,126
Services and other operating expenses	478,063	1,082,663	1,017,969	376,935	403,452	673,274	704,628	1,821,222	268,914	6,827,120	353,742
Depreciation and amortization	<u>32,513</u>	<u>1,541</u>	<u>5,836</u>	<u>29,612</u>	<u>13,503</u>	<u>133,827</u>	<u>21,778</u>	<u>31,709</u>	<u>42,878</u>	<u>313,197</u>	<u>103,041</u>
Total	<u>\$ 2,904,489</u>	<u>\$ 4,058,390</u>	<u>\$ 3,739,483</u>	<u>\$ 1,895,993</u>	<u>\$ 3,667,914</u>	<u>\$ 3,735,976</u>	<u>\$ 2,873,757</u>	<u>\$ 4,635,156</u>	<u>\$ 2,039,822</u>	<u>\$29,550,980</u>	<u>\$ 2,496,445</u>

**Program Expenses**

	<b>Aspire University Charter School</b>	<b>Aspire Summit Charter Academy</b>	<b>Aspire River Oaks Charter School</b>	<b>Aspire Benjamin Holt College Prep Academy</b>	<b>Aspire Capitol Heights Academy</b>	<b>Aspire Rosa Parks Academy</b>	<b>Aspire Langston Hughes Academy</b>	<b>Aspire Port City Academy</b>	<b>Aspire Vanguard College Prep Academy</b>	<b>Aspire Alexander Twilight College Prep</b>	<b>Aspire Alexander Twilight Secondary Academy</b>
Certificated salaries	\$ 826,617	\$ 1,204,339	\$ 1,166,468	\$ 1,882,208	\$ 865,556	\$ 1,225,726	\$ 1,755,647	\$ 1,079,050	\$ 1,101,855	\$ 1,137,139	\$ 837,145
Classified salaries	136,896	312,021	357,750	413,498	279,190	253,408	454,155	380,661	233,312	346,793	343,058
Employee benefits	296,954	440,475	382,127	645,691	315,001	389,826	621,182	435,021	392,305	390,607	314,672
Books and supplies	92,145	250,051	212,433	234,939	272,846	138,466	172,895	143,426	146,743	329,073	245,856
Services and other operating expenses	334,545	387,963	574,894	898,414	228,800	291,703	1,282,120	783,600	535,153	636,257	486,638
Depreciation and amortization	<u>5,579</u>	<u>28,228</u>	<u>285,834</u>	<u>328,005</u>	<u>29,349</u>	<u>315,029</u>	<u>24,819</u>	<u>17,813</u>	<u>1,197</u>	<u>9,297</u>	<u>1,312</u>
Total	<u>\$ 1,692,736</u>	<u>\$ 2,623,077</u>	<u>\$ 2,979,506</u>	<u>\$ 4,402,755</u>	<u>\$ 1,990,742</u>	<u>\$ 2,614,158</u>	<u>\$ 4,310,818</u>	<u>\$ 2,839,571</u>	<u>\$ 2,410,565</u>	<u>\$ 2,849,166</u>	<u>\$ 2,228,681</u>

**ASPIRE PUBLIC SCHOOLS**  
(A California Non-Profit Public Benefit Corporation)

**CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2013**

**Program Expenses**

	<b>Aspire APEX Academy</b>	<b>Total Central Valley Region</b>	<b>Aspire Antonio Maria Lugo Academy</b>	<b>Aspire Centennial College Prep Academy</b>	<b>Aspire Huntington Park Charter School</b>	<b>Aspire Junior Collegiate Academy</b>	<b>Aspire Titan Academy</b>	<b>Aspire Pacific Academy</b>	<b>Aspire Firestone Academy</b>	<b>Aspire Gateway Academy</b>	<b>Aspire Tate Academy</b>
Certificated salaries	\$ 827,765	\$15,187,700	\$ 705,503	\$ 1,694,851	\$ 744,626	\$ 860,453	\$ 959,720	\$ 1,644,276	\$ 1,137,395	\$ 1,120,417	\$ 893,236
Classified salaries	289,914	4,028,374	285,661	508,753	247,179	235,017	230,285	546,187	327,907	326,359	328,202
Employee benefits	291,301	5,317,795	259,064	630,944	240,796	295,528	310,525	574,502	353,638	376,293	275,835
Books and supplies	90,996	2,460,995	299,003	387,764	178,324	270,039	322,637	603,258	154,587	116,805	158,616
Services and other operating expenses	330,014	7,123,843	293,871	1,310,127	318,831	577,578	648,829	1,236,192	334,883	326,554	281,953
Depreciation and amortization	<u>57,966</u>	<u>1,207,469</u>	<u>30,997</u>	<u>22,670</u>	<u>14,143</u>	<u>13,700</u>	<u>17,131</u>	<u>24,272</u>	-	-	-
<b>Total</b>	<b><u>\$ 1,887,956</u></b>	<b><u>\$35,326,176</u></b>	<b><u>\$ 1,874,099</u></b>	<b><u>\$ 4,555,109</u></b>	<b><u>\$ 1,743,899</u></b>	<b><u>\$ 2,252,315</u></b>	<b><u>\$ 2,489,127</u></b>	<b><u>\$ 4,628,687</u></b>	<b><u>\$ 2,308,410</u></b>	<b><u>\$ 2,266,428</u></b>	<b><u>\$ 1,937,842</u></b>

**Program Expenses**

	<b>Aspire Inskeep Academy</b>	<b>Aspire Slauson Academy</b>	<b>Total Los Angeles Region</b>	<b>Total Non Active Sites</b>	<b>Aspire Public Schools Program Expenses</b>	<b>CFC, LLC</b>	<b>Eliminations</b>	<b>Total Expenses</b>
Certificated salaries	\$ 919,504	\$ 881,059	\$11,561,040	\$ 130,302	\$38,603,297	\$ -	\$ -	\$38,603,297
Classified salaries	311,278	296,988	3,643,816	14,984	11,424,418	-	-	11,424,418
Employee benefits	307,315	293,583	3,918,023	19,485	13,383,080	-	-	13,383,080
Books and supplies	138,469	204,942	2,834,444	618,902	8,735,728	-	-	8,735,728
Services and other operating expenses	291,352	282,852	5,903,022	22,716	19,876,701	5,668,983	(5,604,836)	19,940,848
Depreciation and amortization	<u>-</u>	<u>-</u>	<u>122,913</u>	<u>608</u>	<u>1,644,187</u>	<u>2,408,771</u>	<u>-</u>	<u>4,052,958</u>
<b>Total</b>	<b><u>\$ 1,967,918</u></b>	<b><u>\$ 1,959,424</u></b>	<b><u>\$27,983,258</u></b>	<b><u>\$ 806,997</u></b>	<b><u>\$93,667,411</u></b>	<b><u>\$ 8,077,754</u></b>	<b><u>\$ (5,604,836)</u></b>	<b><u>\$96,140,329</u></b>

**ASPIRE PUBLIC SCHOOLS**  
**(A California Non-Profit Public Benefit Corporation)**  
**CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2013**

	<b>Supporting Services</b>						<b>Total Consolidated</b>
	<b>Site support</b>	<b>Development and expansion</b>	<b>Administrative and general</b>	<b>Total Aspire Public Schools Supporting Expenses</b>	<b>CFC LLC</b>	<b>Eliminations</b>	
Certificated salaries	\$ 2,444,889	\$ 1,210,793	\$ 490,342	\$ 4,146,024	\$ -	\$ -	\$ 4,146,024
Classified salaries	3,452,191	2,849,550	839,352	7,141,093	-	-	7,141,093
Employee benefits	1,599,563	1,029,910	351,450	2,980,923	-	-	2,980,923
Books and supplies	562,703	-	568,443	1,131,146	-	-	1,131,146
Services and other operating expenses	2,146,540	1,493,105	2,444,668	6,084,313	-	(919,483)	5,164,830
Depreciation and amortization	71,759	71,759	73,934	217,452	-	-	217,452
Capital outlay	-	-	-	-	-	-	-
Total	<u>\$ 10,277,645</u>	<u>\$ 6,655,117</u>	<u>\$ 4,768,189</u>	<u>\$ 21,700,951</u>	<u>\$ -</u>	<u>\$ (919,483)</u>	<u>\$20,781,468</u>