

IMAGINE - LEON COUNTY, LLC

FINANCIAL STATEMENTS

JUNE 30, 2015

IMAGINE - LEON COUNTY, LLC
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors,
Imagine - Leon County, LLC

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Imagine - Leon County, LLC (a component unit of the School Board of Leon County, Florida) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Imagine - Leon County, LLC's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Imagine - Leon County, LLC's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of 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 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 financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Imagine - Leon County, LLC, as of June 30, 2015, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 11, 2015, on our consideration of Imagine - Leon County, LLC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Imagine - Leon County, LLC's internal control over financial reporting and compliance.

James Moore & Co., P.L.C.

Tallahassee, Florida
August 11, 2015

IMAGINE – LEON COUNTY, LLC
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2015

As management of Imagine - Leon County, LLC, we offer readers of Imagine - Leon County, LLC's financial statements this narrative overview and analysis of the financial activities of Imagine - Leon County, LLC for the fiscal year ended June 30, 2015.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Imagine - Leon County, LLC's basic financial statements. Imagine - Leon County, LLC's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of Imagine - Leon County, LLC’s finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of Imagine - Leon County, LLC’s assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Imagine - Leon County, LLC is improving or deteriorating.

The *statement of activities* presents information showing how Imagine - Leon County, LLC's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish various functions of Imagine - Leon County, LLC. The governmental activities of the Imagine - Leon County, LLC include instruction and instruction related services, school administration, fiscal services, food services, pupil transportation services, operation of plant, and maintenance of plant.

The government-wide financial statements can be found on pages 8 – 9 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Imagine - Leon County, LLC, like other charter schools, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Imagine - Leon County, LLC are governmental funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a school's near-term financing requirements.

IMAGINE – LEON COUNTY, LLC
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2015

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the school's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Imagine - Leon County, LLC maintains four governmental funds. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund and capital project fund, which are considered to be major funds.

The basic governmental fund financial statements can be found on pages 10 – 12 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 13 – 24 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning Imagine - Leon County, LLC's budgetary information. Required supplementary information can be found on pages 25 – 27 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a school's financial position. In the case of Imagine - Leon County, LLC, assets exceeded liabilities by \$113,212 at the close of the most recent fiscal year. This balance in the most recent fiscal year reflects its investment in capital assets (e.g., buildings, furniture, fixtures, equipment and software), less any related debt used to acquire those assets. Imagine - Leon County, LLC uses these capital assets to provide services to students. Accordingly, these assets are not available for future spending. Although Imagine - Leon County, LLC's investment in its capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

IMAGINE – LEON COUNTY, LLC
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2015

Net Position

	2015	2014
Current and other assets	\$ 258,326	\$ 389,123
Capital assets	55,095	59,617
Total assets	313,421	448,740
Other liabilities	200,209	377,627
Total liabilities	200,209	377,627
Net position:		
Net investments in capital assets	55,095	59,617
Unrestricted	58,117	11,496
Total net position	\$ 113,212	\$ 71,113

Governmental activities. During the current fiscal year, net position for governmental activities increased \$42,099 from the prior fiscal year for an ending net position of \$113,212. The key element of the increase is due to contribution from Imagine Schools Non-Profit, Inc.

Changes in Net Position

	2015	2014
Revenues:		
Program revenues:		
Charges for services	\$ 100,916	\$ 132,137
Operating grants and contributions	154,043	116,480
Capital grants and contributions	87,843	151,382
General revenues:		
Grants and contributions not restricted to specific programs	2,575,103	2,673,932
Total revenues	2,917,905	3,073,931
Expenses:		
Basic instruction	973,567	1,012,365
Exceptional instruction	52,055	59,384
Health services	94	121
Media services	-	198
General administration	460,422	554,686
School administration	413,401	432,670
Food services	127,182	146,979
Transportation	24,895	36,927
Plant	691,874	709,223
Maintenance of plant	105,288	101,763
Before/after care	27,028	38,305
Total expenses	2,875,806	3,092,621
Increase (decrease) in net position	42,099	(18,690)
Net position , beginning of year	71,113	89,803
Net position , end of year	\$ 113,212	\$ 71,113

**IMAGINE – LEON COUNTY, LLC
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

Financial Analysis of the Government's Funds

As noted earlier, Imagine - Leon County, LLC uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of Imagine - Leon County, LLC’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Imagine - Leon County, LLC’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a school's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, Imagine - Leon County, LLC itself, or a group or individual that has been delegated authority to assign resources for use for a particular purposes by Imagine - Leon County, LLC’s board.

At June 30, 2015, Imagine - Leon County, LLC’s governmental funds reported combined fund balances of \$58,117, an increase of \$46,621 in comparison with the prior year.

The general fund is the chief operating fund of Imagine - Leon County, LLC. As of the end of the current fiscal year, unassigned fund balance of the general fund was \$58,117, while total fund balance was \$58,117.

The fund balance of Imagine - Leon County, LLC’s general fund increased by \$46,621 during the current fiscal year. The key element of the increase is a transfer from the other governmental fund.

General Fund Budgetary Highlights

Original budget compared to final budget. The major differences between the original budget and the final amended budget were due to the following:

- A decrease in enrollment from the beginning of the school year caused a decrease in FTE revenue and related basic instruction expenditures.
- Increase in the amount of contribution from Imagine School Non-Profit, Inc.

Capital Asset Administration

Capital assets. Imagine - Leon County, LLC’s investment in capital assets for its governmental activities as of June 30, 2015, amounts to \$55,095 (net of accumulated depreciation). This investment in capital assets includes technology equipment, furniture, fixtures, equipment and vehicles.

Additional information on Imagine - Leon County, LLC’s capital assets can be found in Note II. B. on page 20 of this report.

**IMAGINE – LEON COUNTY, LLC
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

Economic Factors and Next Year's Budgets and Rates

The following economic factors currently affect Imagine - Leon County, LLC and were considered in developing the 2015-2016 fiscal year budget.

- Current per student funding levels
- Current and projected enrollment

Requests for Information

This financial report is designed to provide a general overview of Imagine - Leon County, LLC's finances for all those with an interest in the school's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Imagine - Leon County, LLC, 3611 Austin Davis Blvd., Tallahassee, FL 32308.

IMAGINE - LEON COUNTY, LLC
STATEMENT OF NET POSITION
JUNE 30, 2015

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 56,626
Receivables	53,681
Receivable - Imagine Schools Non-Profit	148,019
Capital assets, being depreciated, net	55,095
Total assets	<u>313,421</u>
<u>LIABILITIES</u>	
Accounts payable and accrued expenses	200,209
Total liabilities	<u>200,209</u>
<u>NET POSITION</u>	
Net investment in capital assets	55,095
Unrestricted	58,117
Total net position	<u>\$ 113,212</u>

The accompanying notes to financial statements
are an integral part of this statement.

**IMAGINE - LEON COUNTY, LLC
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

Functions/Programs	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES
Governmental activities:					
Basic instruction	\$ 973,567	\$ -	\$ 54,531	\$ -	\$ (919,036)
Exceptional instruction	52,055	-	-	-	(52,055)
Health services	94	-	-	-	(94)
General administration	460,422	-	-	-	(460,422)
School administration	413,401	-	-	-	(413,401)
Food services	127,182	25,370	99,512	-	(2,300)
Transportation	24,895	-	-	-	(24,895)
Plant	691,874	-	-	87,843	(604,031)
Maintenance of plant	105,288	-	-	-	(105,288)
Before/after care	27,028	75,546	-	-	48,518
Total governmental activities	<u>\$ 2,875,806</u>	<u>\$ 100,916</u>	<u>\$ 154,043</u>	<u>\$ 87,843</u>	<u>(2,533,004)</u>
			General revenues:		
			Grants and contributions not restricted to specific purposes		2,575,103
			Change in net position		<u>42,099</u>
			Net position, beginning of year		71,113
			Net position, end of year		<u>\$ 113,212</u>

The accompanying notes to financial statements
are an integral part of this statement.

**IMAGINE - LEON COUNTY, LLC
BALANCE SHEET
GOVERNMENTAL FUND
JUNE 30, 2015**

	General Fund
ASSETS	
Cash and cash equivalents	\$ 56,626
Receivables	201,700
Total Assets	\$ 258,326
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable and accrued expenses	\$ 200,209
Total liabilities	200,209
Fund Balance:	
Unassigned	58,117
Total fund balance	58,117
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	55,095
Net position of governmental activities	\$ 113,212

The accompanying notes to financial statements
are an integral part of this statement.

**IMAGINE - LEON COUNTY, LLC
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Intergovernmental				
Florida education finance program	\$ 1,999,479	\$ -	\$ -	\$ 1,999,479
Capital outlay funds	-	87,843	-	87,843
Federal through state	-	-	99,512	99,512
Federal through local	-	-	48,921	48,921
Local	656,780	-	25,370	682,150
Total revenues	<u>2,656,259</u>	<u>87,843</u>	<u>173,803</u>	<u>2,917,905</u>
Expenditures				
Basic instruction	970,479	-	-	970,479
Exceptional instruction	52,055	-	-	52,055
Health services	94	-	-	94
Media services	-	-	-	-
General administration	450,006	-	-	450,006
School administration	413,401	-	-	413,401
Food services	-	-	127,182	127,182
Transportation	22,277	-	-	22,277
Plant	604,031	87,843	-	691,874
Maintenance of plant	105,288	-	-	105,288
Before/after care	27,028	-	-	27,028
Capital outlay	12,788	-	-	12,788
Total expenditures	<u>2,656,259</u>	<u>87,843</u>	<u>127,182</u>	<u>2,871,284</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>46,621</u>	<u>46,621</u>
Other financing sources (uses)				
Transfers in	46,621	-	-	46,621
Transfers out	-	-	(46,621)	(46,621)
Total other financing sources (uses)	<u>46,621</u>	<u>-</u>	<u>(46,621)</u>	<u>-</u>
Net change in fund balances	<u>46,621</u>	<u>-</u>	<u>-</u>	<u>46,621</u>
Fund balances, beginning of year	11,496	-	-	11,496
Fund balances, end of year	<u>\$ 58,117</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,117</u>

The accompanying notes to financial statements
are an integral part of this statement.

**IMAGINE - LEON COUNTY, LLC
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

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

Net change in fund balances-total governmental funds (page 11)	\$ 46,621
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	(4,522)
Change in net position of governmental activities (page 9)	<u>\$ 42,099</u>

The accompanying notes to financial statements
are an integral part of this statement.

IMAGINE - LEON COUNTY, LLC
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

I. Summary of Significant Accounting Policies:

The following is a summary of the more significant accounting policies of Imagine - Leon County, LLC (the "School"), which affect significant elements of the accompanying basic financial statements:

A. Description of government wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. Governmental activities, are normally supported by intergovernmental revenues, and other nonexchange transactions.

B. Reporting entity

Imagine - Leon County, LLC was created on July 11, 2007, to operate a public charter school in Florida to serve educational and charitable purposes and qualify for derivative exempt status as a disregarded entity within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 or a related section of a successor statute (the "Code") by virtue of its relationship with its single member Imagine Schools Non-Profit, Inc., a Virginia nonstock corporation (the "Member"). The School also qualifies through its exempt status relationship derived from its Member as an educational organization for purposes of receiving deductible gifts and grants within the meaning of Section 170(b)(1)(A)(ii) of the Code, and to engage in any lawful act or activity for which limited liability companies may be organized under Florida law.

The School entered into a contract with the School Board of Leon County, Florida ("Sponsor") to provide an educational program for elementary and middle school students in grades pre-kindergarten through eighth. The School receives a majority of its funding through the Sponsor based on a formula of student attendance which is identical to that of other Leon County, Florida public pre-kindergarten, elementary and middle schools. The current charter is effective until June 30, 2013 and is being renewed for an additional 2 ½ years through December 31, 2015, based on academic performance, by mutual agreement between the School and the Sponsor. At the end of the term of the charter, the Sponsor may choose not to renew the charter under grounds specified in the charter, in which case the Sponsor is required to notify the School in writing at least 90 days prior to the charter's expiration. During the term of the charter, the Sponsor may also terminate the charter if good cause is shown. Imagine - Leon County, LLC is considered a component unit of the School Board of Leon County, Florida.

C. Basis of presentation – government wide financial statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

IMAGINE - LEON COUNTY, LLC
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

I. Summary of Significant Accounting Policies: (Continued)

D. Basis of presentation – fund financial statements

The fund financial statements provide information about the government's funds. Separate statement for the fund category, governmental, is presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. Major individual governmental funds are reported as separate columns in the fund financial statements.

The School reports the following major governmental funds:

General Fund—The general fund is used to record the general operations of the School pertaining to education and those operations not provided for in other funds.

Special Revenue Fund—The special revenue fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Capital Projects Fund—The capital projects fund is used to account for financial resources to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, and major maintenance projects.

During the course of operations the School has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

E. Measurement focus and basis of accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Amounts reported as program revenues include charges for services, operating grants and contributions, and capital grants and contributions. Items not properly included among program revenues, such as monies received from the Leon County School Board, are reported as general revenues.

When both restricted and unrestricted resources are available for use, it is the School's policy to use restricted resources first, then unrestricted resources as they are needed.

IMAGINE - LEON COUNTY, LLC
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

I. Summary of Significant Accounting Policies: (Continued)

E. Measurement focus and basis of accounting (Continued)

All governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues, except for certain grant revenues, are recognized in the accounting period in which they become both measurable and available. Available means collectible within the current period, or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, state, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recorded when the related fund liability is incurred. The principal exceptions to this are: principal and interest on general long-term debt, which are recorded as expenditures only when payment is due.

The School's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. Accordingly, the financial statements are organized on the basis of funds. A fund is an accounting entity having a self-balancing set of accounts for recording assets, liabilities, fund equity, revenues, expenditures, and other financing sources and uses.

Resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled.

F. Budgetary information

The budgetary process is prescribed by provisions of the laws of Florida and requires the governing board to adopt an operating budget each year. The School's governing board satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenues and expenditures primarily resulting from events unknown at the time of budget adoption.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for.

IMAGINE - LEON COUNTY, LLC
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

I. Summary of Significant Accounting Policies: (Continued)

G. Assets, liabilities, and net position/fund balance

1. Deposits and investments

Cash and cash equivalents include amounts in demand deposits as well as investments that are readily convertible to known amounts of cash. Investments with original maturities of three months or less are considered to be cash equivalents.

2. Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

3. Capital assets

Capital assets are defined by the School as assets with an initial individual cost of \$1,000 and an estimated useful life of more than one year. Such assets are recorded at historical cost. Donated capital assets are recorded at their estimated fair market values at the date of donation. The cost of normal maintenance and repairs that does not add to the value of the asset or materially extend the asset's life is not capitalized.

Property, plant and equipment of the School is depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Technology equipment	5
Furniture, fixtures and equipment	4 – 10
Transportation	5 – 10

IMAGINE - LEON COUNTY, LLC
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

I. Summary of Significant Accounting Policies: (Continued)

G. Assets, liabilities, and net position/fund balance (Continued)

4. Long-term obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities fund type statement of net position.

5. Use of estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

6. Net position flow assumption

Sometimes the School will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

7. Fund balance flow assumptions

Sometimes the School will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

8. Fund balance policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

IMAGINE - LEON COUNTY, LLC
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

I. Summary of Significant Accounting Policies: (Continued)

G. Assets, liabilities, and net position/fund balance (Continued)

8. Fund balance policies (Continued)

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School's highest level of decision-making authority. The School Board is the highest level of decision making authority for the School that can, by passing a motion prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the School for specific purposes but do not meet the criteria to be classified as committed. The School Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

H. Revenues and expenditures/expenses

1. Revenue sources

Revenues for current operations are received primarily from the Leon County School Board pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33(17), Florida Statutes, the School reports the number of full-time equivalent (FTE) students and related data to the Leon County School Board. Under the provisions of Section 1011.62, Florida Statutes, the Leon County School Board reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect revised calculations by the FDOE under the Florida Education Finance Program and the actual weighted FTE students reported by the School during designated FTE student survey periods.

The School may receive federal and state awards for the enhancement of various educational programs. This assistance is generally based on applications submitted to and approved by various granting agencies. These awards may have eligibility requirements whereby the issuance of grant funds is withheld until such eligible expenditures are incurred. Revenues for these awards are recognized only to the extent that eligible expenditures have been incurred.

IMAGINE - LEON COUNTY, LLC
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

I. Summary of Significant Accounting Policies: (Continued)

H. Revenues and expenditures/expenses (Continued)

2. Fund Balance

In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the School is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Those classifications are as follows:

Nonspendable—Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

Restricted—Amounts that can be spent only for specific purposes because of the Bylaws, district or local charter, state or federal laws, or externally imposed conditions by grantors or creditors.

Committed—Amounts that can be used only for specific purposes determined by a formal action by ordinance or resolution. This includes the budget reserve account.

Assigned—Amounts that are designated by the Board of Directors for a specific purpose but are not spendable until a budget ordinance is passed by the Board of Directors.

Unassigned—All amounts not included in other spendable classifications.

In the government-wide financial statements, when both restricted and unrestricted resources are available for use, it is the School's policy to use restricted resources first, then unrestricted resources as they are needed. In governmental fund financial statements, restricted funds are used first as appropriate. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the School considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Directors has provided otherwise in its commitment or assignment actions.

II. Detailed Notes on All Funds:

A. Deposits

Custodial credit risk-deposits. In the case of deposits, this is the risk that in the event of a bank failure, the School's deposits may not be returned. At year end, the carrying amount of the School's deposits was \$56,626 and the bank balance was \$50,983. Of the bank balance, \$250,000 was covered by Federal depository insurance or by collateral held by the School's custodial bank which is pledged to a state trust fund that provides security for amounts held in excess of FDIC coverage in accordance with the Florida Security for Deposits Act Chapter 280, Florida Statutes.

The Florida Security for Public Deposits Act established guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral.

IMAGINE - LEON COUNTY, LLC
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

II. Detailed Notes on All Funds: (Continued)

A. Deposits (Continued)

The carrying amount of deposits consisted of the following as of September 30, 2015:

Cash and cash equivalents	<u>\$ 56,626</u>
---------------------------	------------------

B. Capital Assets

Capital asset activity for the year ended June 30, 2015, was as follows:

	<u>Balance July 01, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2015</u>
Capital assets, being depreciated:				
Technology equipment	\$ 74,870	\$ —	\$ —	\$ 74,870
Furniture, fixtures and equipment	118,820	12,788	—	131,608
Motor vehicles	29,554	—	—	29,554
Total capital assets, being depreciated	<u>223,244</u>	<u>12,788</u>	<u>—</u>	<u>236,032</u>
Less accumulated depreciation:				
Technology equipment	(72,491)	(2,379)	—	(74,870)
Furniture, fixtures and equipment	(71,750)	(12,313)	—	(84,063)
Motor vehicles	(19,386)	(2,618)	—	(22,004)
Total accumulated depreciation	<u>(163,627)</u>	<u>(17,310)</u>	<u>—</u>	<u>(180,937)</u>
Capital assets, being depreciated, net	<u>\$ 59,617</u>	<u>\$ (4,522)</u>	<u>\$ —</u>	<u>\$ 55,095</u>

Capital assets are used by multiple functions within the School and depreciation expense of \$17,310 was charged to governmental functions as follows:

Basic instruction	\$ 3,088
General administration	11,604
Transportation	<u>2,618</u>
	<u>\$ 17,310</u>

IMAGINE - LEON COUNTY, LLC
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

II. Detailed Notes on All Funds: (Continued)

C. Transfers

The following is a summary of interfund transfers reported in the governmental fund financial statements:

	Interfund	
	Transfers In	Transfers Out
Funds:		
General	\$ 46,621	\$ -
Other governmental funds	-	46,621
Total	\$ 46,621	\$ 46,621

The transfers are used to move unrestricted revenues to finance various programs, capital outlay and debt service that must be accounted for in other funds.

D. Operating Lease

The School leases building space under an operating leases expiring in 2023. Rent expense related to the operating lease for the year ended June 30, 2015 amounted to \$597,881. Total rent per the lease that should have been paid was \$1,152,915, however the lessor forgave 5 months of rent totaling \$555,034. Therefore actual rent paid for the year ended June 30, 2015 was \$597,881. Minimum future rental payments under the non-cancelable operating lease, having remaining terms in excess of one year, as of June 30, 2015 are:

Year	Amount
2016	\$ 1,177,930
2017	1,192,595
2018	1,214,892
2019	1,240,470
2020	1,267,078
Thereafter	3,951,278
Total minimum future rental payments	\$ 10,044,243

The School also leases copier equipment under an operating lease expiring in 2016. Rent expense related to the operating lease for the year ended June 30, 2015 amounted to \$6,941. Minimum future rental payments under the non-cancelable operating lease, having remaining terms in excess of one year, as of June 30, 2015 are:

Year	Amount
2016	\$ 9,255
2017	2,314
2018	-
2019	-
2020	-
Total minimum future rental payments	\$ 11,569

IMAGINE - LEON COUNTY, LLC
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

III. Other Information:

A. Concentrations

The School maintains cash deposits with one bank. The School has no policy requiring collateral to support its cash deposits, although accounts at the bank are insured by the Federal Deposit Insurance Corporation up to FDIC limits.

B. Significant Funding Source

The School receives a substantial amount of its funding from the Leon County School Board. A significant reduction in the level of this funding, if this were to occur, could have an adverse effect on the School's programs and activities.

C Risk Management

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Loss mitigation is provided through purchased commercial insurance. Settled claims resulting from insurance coverage above have not exceeded purchased insurance coverage for the past three fiscal years.

D. Defined Contribution Plan

The School is a single employer that contributes to individual employee retirement plans, which are defined contribution pension plans. Eligible employees include all regular full-time employees with at least one full year of service. Contributions to the retirement program may vary annually as provided by the School's Board of Directors and are included in the budget and contractual agreement with each employee. School contributions to the retirement program for the year ending June 30, 2015, were \$8,862.

E. Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally Federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by grantors cannot be determined at this time although the School expects such amounts, if any, to be immaterial.

IMAGINE - LEON COUNTY, LLC
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

III. Other Information: (Continued)

F. Related Party Transactions:

Indirect Cost Allocation—The School has entered into an indirect cost allocation agreement, commencing on July 16, 2007 and amended July 1, 2009. Under the indirect cost allocation agreement, the management company will provide on-going operational and financial support to the School. The indirect cost allocation is equal to 12% of the per-pupil funding provided by state and local governments during the fiscal year, plus a monthly administrative fee of two thousand five hundred and no/100 dollars (\$2,500) for the first two hundred forty (240) months of School operation. The indirect cost allocation shall be paid monthly. On or before August 31 of each year the management company shall provide to the School a reconciliation of actual per-pupil funding provided by state and local governments for the immediately preceding fiscal year. Any shortfall of indirect cost allocation shall be immediately paid to the management company. Any overpayment of the indirect cost allocation for the immediately preceding fiscal year shall be applied first to repayment of any operating capital advances made by the management company to the School and next to the indirect cost allocation due for the then current fiscal year. Current year indirect cost allocation charged under this agreement totaled \$226,470. Current year loss mitigation payments from the management company totaled \$33,966. Various other payments for operating expenses paid to management company for the year ended June 30, 2015 totaled \$31,157.

Building Rental Agreement - The School has entered into a building lease agreement with Schoolhouse Finance, LLC, a real estate subsidiary of the management company, commencing on August 1, 2008. Under the building lease agreement, the School shall pay a base rent for the use of the buildings for fifteen years. Current year building lease agreement payments made under this agreement totaled \$597,881.

Other - An employee of the school is related to a member of the Imagine - Leon County, LLC's management. The payments to this employee for their salary during the year ended June 30, 2015 totaled \$73,387. Amounts payable at year end totaled \$3,540.

G. Income Taxes:

The School qualifies through its exempt status relationship derived from its Member as an educational organization for purposes of receiving deductible gifts and grants within the meaning of Section 170(b)(1)(A)(ii) of the Code.

The School files income tax returns in the U.S. Federal jurisdiction. The School's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

The School has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statements of the School.

IMAGINE - LEON COUNTY, LLC
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015

III. Other Information: (Continued)

H. Due From / To Management Company:

The School has entered into multiple agreements with the management company (See Note III. F. above). The management company is responsible for organizing, developing, managing, staffing, and operating the School. During the current year, the management company charged fees to the School for these multiple agreements. Due from management company for the year ended June 30, 2015 was \$148,019.

I. Subsequent Events

The School has evaluated events and transactions for potential recognition or disclosure in the financial statements through August 11, 2015, the date which the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

REQUIRED SUPPLEMENTARY INFORMATION

IMAGINE - LEON COUNTY, LLC
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET TO ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental				
Florida education finance program	\$ 2,023,694	\$ 1,845,360	\$ 1,999,479	\$ 154,119
Local	890,000	1,305,624	656,780	(648,844)
Total revenues	<u>2,913,694</u>	<u>3,150,984</u>	<u>2,656,259</u>	<u>(494,725)</u>
Expenditures				
Basic instruction	1,453,461	1,329,665	970,479	359,186
Exceptional instruction	-	-	52,055	(52,055)
Health services	250	114	94	20
Media services	-	-	-	-
General administration	386,493	432,618	450,006	(17,388)
School administration	7,500	86,180	413,401	(327,221)
Transportation	22,000	18,197	22,277	(4,080)
Plant	890,448	1,147,891	604,031	543,860
Maintenance of plant	143,133	137,607	105,288	32,319
Before/after care	5,000	3,036	27,028	(23,992)
Capital outlay	-	-	12,788	(12,788)
Total expenditures	<u>2,908,285</u>	<u>3,155,308</u>	<u>2,656,259</u>	<u>499,049</u>
Excess of revenues over expenditures	<u>5,409</u>	<u>(4,324)</u>	<u>-</u>	<u>4,324</u>
Other financing uses				
Transfers in	-	-	46,621	46,621
Net change in fund balance	<u>5,409</u>	<u>(4,324)</u>	<u>46,621</u>	<u>50,945</u>
Fund balance, beginning of year	11,496	11,496	11,496	-
Fund balance, end of year	<u>\$ 16,905</u>	<u>\$ 7,172</u>	<u>\$ 58,117</u>	<u>\$ 50,945</u>

The accompanying notes to required supplementary information is an integral part of this schedule.

IMAGINE - LEON COUNTY, LLC
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2015

(1) **Summary of Significant Accounting Policies:**

The Statements of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual is presented using the School’s budget format for all major governmental funds.

(2) **Budgetary Basis of Accounting:**

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual budgets are adopted for the entire operations at the combined governmental level and may be amended by the Board of Directors. The budget presented for fiscal year ended June 30, 2015, has been amended according to Board procedures.

Budgets are presented on the modified accrual basis of accounting. The legal level of budgetary control is the fund level.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors,
Imagine - Leon County, LLC:

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Imagine - Leon County, LLC, as of and for the year ended June 30, 2015 and the related notes to the financial statements, which collectively comprise the School's basic financial statements and have issued our report thereon dated August 11, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Imagine - Leon County, LLC's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Imagine - Leon County, LLC's internal control. Accordingly, we do not express an opinion on the effectiveness of Imagine - Leon County, LLC's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Imagine - Leon County, LLC's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government *Auditing Standards*.

Purpose of this Report

Pursuant to Chapter 119, Florida Statutes, this report is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that the purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

James Moore & Co., P.L.C.

Tallahassee, Florida
August 11, 2015

**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY CHAPTER 10.850,
RULES OF THE STATE OF FLORIDA, OFFICE OF THE AUDITOR GENERAL**

To the Board of Directors,
Imagine - Leon County, LLC:

Report on the Financial Statements

We have audited the financial statements of Imagine - Leon County, LLC, as of and for the fiscal year ended June 30, 2015, and have issued our report thereon dated August 11, 2015.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Other Reporting Required by *Government Auditing Standards*

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated August 11, 2015, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings and recommendations made in the preceding annual financial audit report.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires the name or official title of the entity. The official title of the entity is Imagine - Leon County, LLC.

Financial Condition

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require that we apply appropriate procedures to determine whether or not the Imagine - Leon County, LLC has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that Imagine - Leon County, LLC did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, require that we apply financial condition assessment procedures for the Imagine - Leon County, LLC. It is management's responsibility to monitor the Imagine - Leon County, LLC's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Transparency

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require that we apply appropriate procedures to determine whether the Imagine - Leon County, LLC maintains on its website the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that Imagine - Leon County, LLC did maintain all of the required information on its website as specified in Section 1002.33(9)(p), Florida Statutes.

Other Matters

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Section 10.854(1)(e)4., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Section 10.854(1)(e)5, Rules of the Auditor General, requires the name or official title of the entity. The official title of the entity is Imagine - Leon County, LLC (a component unit of the School Board of Leon County, Florida).

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, Leon County District School Board, the Board of Directors, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

James Moore & Co., P.L.C.

Tallahassee, Florida
August 11, 2015