

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

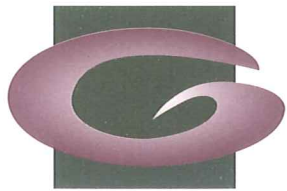
CONSOLIDATED FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT

YEARS ENDED
JUNE 30, 2011 AND JUNE 30, 2010

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**

We have audited the accompanying consolidated statements of financial position of Aspire Public Schools, a California non-profit public benefit corporation (the Organization), as of June 30, 2011 and 2010, and the related consolidated statements of activities and changes in net assets and statements of cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the financial statements of the Organization as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Organization. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, such information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Gilbert Associates, Inc.

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

November 23, 2011

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2011 AND 2010

ASSETS	2011	2010
CURRENT ASSETS		
Cash and equivalents	\$ 8,767,351	\$ 72,506
Restricted cash	17,570,815	43,681,303
Accounts receivable	23,020,965	16,258,309
Foundation grants receivable, current	2,042,750	3,547,276
Cash held at county or district	950,000	
Prepaid expenses and deposits	287,350	244,788
Deferred loss, current	13,749	13,749
Deferred charges, current	106,851	105,025
Total current assets	52,759,831	63,922,956
NON-CURRENT ASSETS		
Restricted cash	6,622,518	6,622,158
Foundation grants receivable, net	432,861	1,062,804
Property and equipment, net	118,163,480	92,689,454
Deferred loss, net	271,543	285,292
Deferred charges, net	3,659,187	3,675,882
Total non-current assets	121,149,589	104,337,590
TOTAL ASSETS	\$ 181,909,420	\$ 168,258,546
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Cash deficit		\$ 250,665
Accounts payable	\$ 7,751,879	11,117,009
Accrued expenses	7,878,126	5,212,279
Deferred revenue		226,077
Lines of credit		2,364,832
Capital lease, current	597,491	589,759
Debt, current	8,990,709	3,291,767
Total current liabilities	25,218,205	23,052,388
LONG-TERM LIABILITIES		
Capital lease, net	17,824,999	18,422,490
Debt, net	110,111,654	105,147,722
Total liabilities	127,936,653	123,570,210
NET ASSETS		
Unrestricted	12,986,144	8,956,737
Temporarily restricted	15,768,418	12,679,209
Total net assets	28,754,562	21,635,946
TOTAL LIABILITIES AND NET ASSETS	\$ 181,909,420	\$ 168,258,546

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

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CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2011 AND 2010

	2011	2010
UNRESTRICTED NET ASSETS:		
SUPPORT AND REVENUE:		
Private grants and contributions	\$ 3,478,777	\$ 1,182,634
Donated property and services	144,076	106,847
Federal revenue	13,889,595	9,856,470
Revenue limit sources:		
State aid portion of general purpose block grant	39,812,829	30,997,374
State revenue:		
Categorical block grant	6,760,725	5,629,674
All other state revenue	8,062,973	3,216,954
Local revenue:		
Cash in-lieu of property taxes	10,157,746	6,263,189
Interest income	6,554	41,577
All other local revenue	2,132,972	2,721,802
Subtotal	84,446,247	60,016,521
Net assets released from restrictions	14,122,156	24,977,627
Total support and revenue	98,568,403	84,994,148
EXPENSES:		
PROGRAM EXPENSES:		
Educational programs	79,622,454	66,775,180
SUPPORTING SERVICES:		
Site support	8,304,227	6,917,709
Development and expansion	3,246,446	3,170,006
Administration and general	3,365,869	3,306,784
Total supporting services	14,916,542	13,394,499
Total expenses	94,538,996	80,169,679
Increase in Unrestricted Net Assets	4,029,407	4,824,469
TEMPORARILY RESTRICTED NET ASSETS:		
Private grants and contributions	5,195,976	17,482,493
Federal and state revenue	12,015,389	6,747,031
Net assets released from restrictions	(14,122,156)	(24,977,627)
Increase (Decrease) in Temporarily Restricted Net Assets	3,089,209	(748,103)
INCREASE IN NET ASSETS	7,118,616	4,076,366
NET ASSETS - Beginning of Year	21,635,946	17,559,580
NET ASSETS - End of Year	\$ 28,754,562	\$ 21,635,946

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

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CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2011 AND 2010

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	\$ 7,118,616	\$ 4,076,366
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation	4,096,363	3,199,192
Amortization	28,618	46,827
Forgiveness of debt	(250,000)	
Write-off of deferred bond costs		193,278
Donated property and equipment	(74,075)	(77,647)
(Increase) decrease in assets:		
Accounts receivable	(6,762,656)	(3,571,472)
Foundation grants receivable	2,134,469	(890,149)
Cash held at county or district	(950,000)	
Prepaid expenses and deposits	(42,562)	125,135
Increase (decrease) in liabilities:		
Accounts payable	(5,503,926)	1,475,390
Accrued expenses	2,665,847	2,592,723
Deferred revenue	(226,077)	(246,375)
Net cash provided by operating activities	<u>2,234,617</u>	<u>6,923,268</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	<u>(27,357,518)</u>	<u>(43,271,799)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from lines of credit		35,071,647
Proceeds from debt	14,977,233	100,926,345
Payments on lines of credit	(2,364,832)	(36,428,741)
Principal payments on capital lease	(589,759)	(570,403)
Payments of deferred charges		(3,807,163)
Principal payments on debt	<u>(4,064,359)</u>	<u>(9,675,325)</u>
Net cash provided by financing activities	<u>7,958,283</u>	<u>85,516,360</u>
Net increase (decrease) in cash	(17,164,618)	49,167,829
Cash and cash equivalents, beginning of year	<u>50,125,302</u>	<u>957,473</u>
Cash and cash equivalents, end of year	<u>\$ 32,960,684</u>	<u>\$ 50,125,302</u>
Cash and cash equivalents	\$ 8,767,351	\$ 72,506
Cash deficit		(250,665)
Restricted cash	<u>24,193,333</u>	<u>50,303,461</u>
Total	<u>\$ 32,960,684</u>	<u>\$ 50,125,302</u>
NON-CASH INVESTING ACTIVITIES:		
Property and equipment financed through accounts payable	<u>\$ 2,138,796</u>	<u>\$ 3,499,031</u>
Donated property and equipment	<u>\$ 74,075</u>	<u>\$ 77,647</u>
CASH PAID FOR INTEREST (net of capitalized amount)	<u>\$ 3,769,710</u>	<u>\$ 1,715,532</u>

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

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011 AND 2010

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 created two organizations in the 2009/10 fiscal year to facilitate ownership of certain school facilities and 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, 2011 and 2010.

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, 2011 the Organization operated thirty schools 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, 2011, 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 2007	6/30/12
Aspire Alexander Twilight Secondary Academy	854	CA Dept of Education	Jan 2007	6/30/12
Aspire Antonio Maria Lugo Academy	694	Los Angeles Unified	Nov 2008	6/30/14
Aspire APEX Academy	854	CA Dept of Education	Jan 2007	6/30/12
Aspire Benjamin Holt College Preparatory Academy	565	Lodi Unified	March 2008	6/30/13
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	April 2008	6/30/13
Aspire Capitol Heights Academy	598	Sacramento City	March 2008	6/28/13
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 Huntington Park Charter School	1035	Los Angeles Unified	July 2008	6/30/13
Aspire Junior Collegiate Academy	854	CA Dept of Education	Jan 2007	6/30/12
Aspire Langston Hughes Academy	1048	Stockton Unified	April 2008	6/30/13
Aspire Lionel Wilson College Preparatory	465	Oakland Unified	July 2007	6/30/12
Aspire Millsmont Academy	689	Oakland Unified	Dec 2008	6/30/14
Aspire Golden State College Preparatory Academy	1023	Oakland Unified	May 2008	6/30/13
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 2007	6/30/12
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 Summit Charter Academy	812	Ceres Unified	April 2011	6/30/16
Aspire Titan Academy	854	CA Dept of Education	Jan 2007	6/30/12
Aspire University Charter School	1026	Sylvan Union Elem	Jan 2008	6/30/13
Aspire Vincent Shalvey Academy	178	Lodi Unified	June 2009	6/30/14
Aspire Vanguard College Preparatory Academy	1125	CA Dept of Education	July 2009	6/30/14

* 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.

Through June 30, 2011, the Organization had separately negotiated for sponsoring district administrative and other services. Additionally, for some schools, transportation expenses and/or special education encroachment are paid by the Organization to the sponsoring districts.

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- **College for Certain, LLC** – The LLC holds title to properties where Aspire Public Schools operates charter schools (eight 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, 2011, there was no activity in this entity.

Basis of presentation – The financial statements are presented in conformity with accounting standards 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, in accordance with accounting standards. 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 Restriction.” 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.

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 materials, services, and facilities – In-kind contributions 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, 2011 and 2010, in-kind contributions of playground equipment and services valued at \$144,076 and 106,847 were received, respectively.

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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 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, and the estimated useful lives of property and equipment.

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 adopted the accounting principles related to accounting for uncertainty in income taxes as of July 1, 2009, and has determined that there is no material impact on the financial statements for June 30, 2011 and 2010. With some exceptions, the Organization is no longer subject to U.S. Federal and California income tax examinations by tax authorities for years prior to 2007.

Functional allocation of expenses – The cost of providing various 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.

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 6) 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.

Subsequent events have been reviewed through November 23, 2011, the date the financial statements were available to be issued.

Reclassifications – Certain 2010 amounts have been reclassified to conform to the 2011 financial statement presentation. These reclassifications had no effect on the Organization's total net assets.

2. 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.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011 AND 2010

3. 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 debt service accounts at June 30, 2011 and 2010, was \$24,193,333 and \$50,303,461, respectively. The current portion is \$17,570,815 and \$43,681,303 at June 30, 2011 and 2010, respectively.

4. ACCOUNTS RECEIVABLE

Accounts receivable balances at June 30, 2011 and 2010 were \$23,020,965 and 16,258,309, respectively. The balances were due entirely from grantor governments. Management deems all receivables to be collectible as of June 30, 2011.

5. FOUNDATION GRANTS RECEIVABLE

Unconditional promises to give for development of new school sites are recognized as grants receivable and are discounted to fair value using estimated prevailing interest rates. The discount rate used in determining the net present value of new pledges receivable was 3.96% and 4.26% at June 30, 2011 and 2010, respectively. All pledges are judged by management to be collectible. Amounts recorded as pledges receivable were as follows as of June 30:

	<u>2011</u>	<u>2010</u>
Gross foundation grants receivable	\$ 2,492,750	\$ 4,661,436
Less: Unamortized discount	<u>(17,139)</u>	<u>(51,356)</u>
Foundation grants receivable, net	<u>\$ 2,475,611</u>	<u>\$ 4,610,080</u>

Foundation grants receivable are due to be collected as follows:

	<u>2011</u>	<u>2010</u>
Within one year	\$ 2,042,750	\$ 3,547,276
One to five years	<u>432,861</u>	<u>1,062,804</u>
Foundation grants receivable, net	<u>\$ 2,475,611</u>	<u>\$ 4,610,080</u>

Conditional promises to give, which depend on the occurrence of specified future and uncertain events are not recorded until the conditions are met. Outstanding conditional promises to give for the purpose of opening new schools in specific locations were approximately \$2,500,000 and \$3,400,000 at June 30, 2011 and 2010, respectively.

In November 2009, the Organization was selected to receive a grant from the Bill & Melinda Gates Foundation (the Foundation) as part of a consortium of charter management organizations (“ the Consortium”) along with Alliance College-Ready Public Schools, Green Dot Public Schools, Inner City Education Foundation and Partnerships to Uplift Communities. The purpose of the grant is to

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dramatically improve student achievement and college-readiness rates by making changes in policies and practice at the Consortium's member schools to ensure that all students have an effective teacher throughout their academic careers. The grant amount to the Consortium is up to \$60,000,000 for the grant period that ends in June 2016. Because the timing of payments is driven by milestones and will be divided among the Consortium members based on each member's success in meeting deliverables, the Organization was unable to accurately project the timing or amount of their portion of the grant proceeds. Amounts earned and recognized as revenue for the years ended June 30, 2011 and 2010 were \$1,427,201 and \$1,542,000, respectively. In September 2011, subsequent to the year-end close, the Foundation decided to restructure the grant. The Organization will be funded directly by the Foundation and not through the Consortium. The grant letter states that the Organization will receive \$9,490,475 directly from the Foundation over the next five years through 2016 as follows:

Year Ending June 30,	
2012	\$ 2,791,789
2013	2,262,296
2014	1,948,276
2015	1,634,056
2016	<u>854,058</u>
Total	<u>\$ 9,490,475</u>

6. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30:

	<u>2011</u>	<u>2010</u>
Land	\$ 11,605,700	\$ 11,605,700
Buildings	57,007,840	29,656,932
Schools under construction	30,211,846	28,622,548
Leasehold improvements	8,422,994	8,305,415
Property under capital lease	21,845,473	21,845,473
Equipment	6,982,989	6,472,799
Automobiles	<u>5,815</u>	<u>5,815</u>
Subtotal	136,082,657	106,514,682
Less accumulated depreciation	<u>(17,919,177)</u>	<u>(13,825,228)</u>
Property and equipment, net	<u>\$ 118,163,480</u>	<u>\$ 92,689,454</u>

Depreciation expense was \$4,096,363 and \$3,199,192 for the years ended June 30, 2011 and 2010, 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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7. 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 considered a sale-leaseback transaction under accounting standards. The Organization's obligation under this capital lease is detailed in Note 11.

In accordance with accounting standards, a loss on this transaction of \$360,911 was deferred and is being amortized over the term of the capital lease. As of June 30, 2011 and 2010, accumulated amortization was \$89,368 and \$75,619, respectively. Amortization expense of the deferred loss for the years ended June 30, 2011 and 2010 was \$13,749.

8. LINES OF CREDIT

The Organization had a line of credit with Raza Development Fund, Inc. (up to \$250,000) dated December 30, 2005. Interest on the line of credit was 6% per annum through January 2010 and increased to 6.5% per annum in February 2010. Interest on the outstanding advances were payable monthly in arrears on the first business day of each month commencing on the first day following the advance. The outstanding balance as of June 30, 2010 was \$250,000. The Organization had no advances during the year ended June 30, 2011. On December 30, 2010, the line of credit expired and was paid in full.

The Organization had a second line of credit with Raza Development Fund, Inc. (up to \$500,000) dated December 30, 2005. The line of credit was increased to \$2,000,000 in July 2010. Interest on the line of credit was 5% per annum through January 2010, increased to 6% per annum in February 2010, and increased to 7.65% in July 2010. Interest on the outstanding advances were payable monthly in arrears on the first business day of each month commencing on the first day following the advance. The outstanding balance as of June 30, 2010 was \$500,000. The Organization had no advances during the year ended June 30, 2011. On December 30, 2010, the line of credit expired and was paid in full.

The Organization had a line of credit with Wells Fargo Bank (up to \$4,500,000) dated September 16, 2009 bearing an interest rate of 2.5% above the Prime Rate in effect. The line of credit required the Organization to maintain a current ratio of not less than 1.00 to 1.00. The outstanding balance as of June 30, 2010 was \$1,614,832. The outstanding principal balance due was paid in full by the expiration date of September 29, 2010.

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9. DEBT

	<u>2011</u>	<u>2010</u>
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 ranging interest rate of 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 2011, issued on August 1, 2010 for up to \$8 Million and secured by the receivables of 13 schools. Interest is incurred at a variable interest rate of LIBOR plus 4%. (Approximately 4.2% at June 30, 2011). Outstanding balance was due in full at November 1, 2011 and was paid in full by this date.	7,830,000	
California School Finance Authority \$4,758,509 loan, effective June 27, 2007, bearing interest at 2.20%, 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.	4,551,510	4,680,246
Pacific Charter School Development, Inc. \$4,000,000 promissory note, effective April 1, 2010, bearing 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. Refer to Note 16 for changes to this loan subsequent to June, 30, 2011.	3,775,321	4,000,000
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 2011, \$250,000 of principal was forgiven based on school's performance.	750,000	1,000,000
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 in the amount of \$807,000, effective December 2007, are bearing interest at a rate of 4.73%. Principal was payable in three annual installments with the final amount paid in 2011.	275,805
California Department of Education \$250,000 loan, effective October 2007, bearing interest at a rate of 2.69%. Principal is payable in five annual installments of \$50,000. Final maturity is in 2014.	150,000 200,000
California Department of Education \$1,050,000 loans, effective March 2010, are bearing interest at a rate of 0.53%. Principal is payable in five annual installments of \$210,000. Final maturity is in 2015.	840,000 1,050,000
California Department of Education \$950,000 loans, effective June 2011, are bearing interest at a rate of 0.38%. Principal is payable in five annual installments of \$215,000. Final maturity is in 2016.	949,997
California School Finance Authority \$5,719,652 loan (\$457,251 issued in 2009/10, with an additional \$5,262,400 issued in 2010/11), effective date and payment terms to be determined upon conversion to final apportionment for a new secondary school to be 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.	5,719,651 457,251
El Dorado County Office of Education (EDCOE) short term notes payable of \$240,884. This was for advanced funding for special education apportionment for schools new to the EDCOE SELPA. Interest rate 2%. Final maturity is in 2012.	240,884
Low Income Investment Fund \$547,210 promissory note, effective December 1, 2009, which Aspire withdrew \$340,511; bearing interest at a rate of 8%, and to be used for tenant improvements. Principal and interest payments in the amount of \$29,580 were due monthly. Principal balance was paid in full in December 2010.	144,891
Low Income Investment Fund \$2,798,000 promissory note, effective April 16, 2010, bearing interest at a rate of 7.25%, for the purchase of 58th street, Huntington Park. Principal balance was paid in full in June 2011.	2,240,833

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NCB Capital Impact \$310,000 loan, effective October 13, 2006, bearing interest at a rate of 7.625% per annum. Principal and interest payments in the amount of \$6,317 were due monthly. Principal balance was paid in full in June 2011.

		95,463
Subtotal	119,102,363	108,439,489
Less current portions	(8,990,709)	(3,291,767)
Total Long-Term Debt	\$ 110,111,654	\$ 105,147,722

Future payments relating to debt are as follows as of June 30, 2011:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 8,990,709	\$ 5,871,891	\$ 14,862,600
2013	1,137,521	5,896,319	7,033,840
2014	1,840,049	5,887,166	7,727,215
2015	2,777,139	5,827,689	8,604,828
2016	2,786,689	5,766,517	8,553,206
Thereafter	101,570,256	110,841,527	212,411,783
Total	\$ 119,102,363	\$ 140,091,109	\$ 259,193,472

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 December 31 and June 30 of each year, 2) maintain a ratio of current assets to current liabilities of 1:10 to 1, and 3) working capital must not be less than 7.5% of total operating expenses. Aspire Public Schools was in compliance with these covenants for the year ended June 30, 2011.

10. CAPITALIZATION OF CONSTRUCTION DEBT INTEREST

While a facility is under construction, a portion of interest is capitalized into its cost in accordance with accounting standards. 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 \$6,947,784 and \$3,514,795 were incurred related to debt during the years ended June 30, 2011 and 2010, respectively. During the years ended June 30, 2011 and 2010, \$1,733,511 and \$596,633 of interest was capitalized, respectively.

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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, and Stockton 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, 2011 are as follows:

<u>Year Ending June 30,</u>	<u>Minimum Payments</u>
2012	\$ 2,999,717
2013	1,528,505
2014	855,974
2015	<u>375,796</u>
Total	<u>\$ 5,759,992</u>

Rental expense under operating leases was \$3,487,944 and \$4,242,404 for the years ended June 30, 2011 and 2010, respectively.

Capital leases

As discussed in Note 7, 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 6 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 in accordance with accounting standards, 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, 2011:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 565,000	\$ 811,513	\$ 1,376,513
2013	590,000	788,413	1,378,413
2014	610,000	765,938	1,375,938
2015	635,000	743,753	1,378,753
2016	655,000	719,963	1,374,963
Thereafter	<u>15,334,999</u>	<u>6,529,344</u>	<u>21,864,343</u>
Total	<u>\$ 18,389,999</u>	<u>\$ 10,358,924</u>	<u>\$ 28,748,923</u>

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The Organization entered into two leases for furniture that have a bargain purchase option at the termination of the lease in 2012. The monthly minimum lease payments required under the two leases are \$2,605 and \$1,614. The furniture is being depreciated over its useful life and is included in the total depreciation expense.

Future payments relating to these capital leases are as follows as of June 30, 2011:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 32,491	\$ 1,266	\$ 33,757

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 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. 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, 2011 and 2010 was 10.707% and 9.709% of annual payroll, respectively. The contribution requirements of the plan members are established by state statute. The Organization's contributions to CalPERS for the fiscal years ending June 30, 2011, 2010, and 2009 were \$1,172,738, \$907,453, and \$704,812 respectively, and equal 100% of the required contributions for each year.

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California State Teachers' Retirement Systems (CalSTRS):

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 determining the rate are those adopted by the CalSTRS Teachers' Retirement Board. The required employer contribution rate for the fiscal years ending June 30, 2011 and 2010 was 8.25% of annual payroll. The contribution requirements of the plan members are established by state statute. The Organization's contributions to CalSTRS for the fiscal years ending June 30, 2011, 2010, and 2009 were \$2,744,186, \$2,273,164, and \$1,764,279 respectively, and equal 100% of the required contributions for each year.

13. RESTRICTED NET ASSETS

At June 30, 2011 and 2010, 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, and construction projects.

14. JOINT VENTURES

The Organization participates in two joint ventures under joint powers agreements (JPAs), the California Charter School Association (CCSA) and the Schools Excess Liability Fund (SELF).

CCSA 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.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011 AND 2010

SUMMARY OF JPA COVERAGES

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

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

2. **Property (CCSA)**

Organization
Deductible: \$1,000
Coverage: \$2,500,000 per occurrence
Excess Insurance: None

3. **Liability**

Organization
Deductible: \$0 - \$5,000
Coverage
(CCSA - 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

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

SELF 1531 I Street, Suite 300, Sacramento, California 95814
CCSA 250 E. 1st Street, Suite 1000, Los Angeles, California 90012

The latest condensed financial information available for the JPAs were as follows:

	SELF June 30, 2011	CCSA June 30, 2010
Total Assets	<u>\$ 174,774,000</u>	<u>\$ 8,800,862</u>
Total Liabilities	\$ 141,524,000	\$ 11,311,090
Net Assets	<u>33,250,000</u>	<u>(2,510,228)</u>
Total Liabilities and Equity	<u>\$ 174,774,000</u>	<u>\$ 8,800,862</u>
Total Revenues	\$ 9,165,000	\$ 10,500,009
Total Expenses	<u>12,425,000</u>	<u>13,229,853</u>
Net Decrease in Net Assets	<u>\$ (3,260,000)</u>	<u>\$ (2,729,844)</u>

ASPIRE PUBLIC SCHOOLS
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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. SUBSEQUENT EVENTS

The Organization obtained \$4,000,000 in debt from Pacific Charter School Investments (PCSD) in April 2010 to assist in the renovation of Aspire Golden State College Preparatory Academy (see Note 9). In accordance with the agreement, the Organization was required to pay PCSD a lump sum payment of \$500,000 within 60 days of the completion of the project. The project was completed in August 2011, at which time the Organization was obligated to pay \$500,000 by October 2011. On September 1, 2011, the agreement was amended and the \$500,000 lump payment became payable from October 2011 through September 2012. This amendment to the current and non-current portion of the obligation is reflected in the financial statements as of June 30, 2011.

SUPPLEMENTARY INFORMATION

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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	Total Bay Area Region
CURRENT ASSETS										
Cash and cash equivalents	\$ 426,184	\$ (321,672)	\$ (106,375)	\$ (129,178)	\$ 639,287	\$ 370,771	\$ (282,019)	\$ (255,785)	\$ 278,829	\$ 620,042
Restricted cash	-	-	-	-	-	-	-	-	-	-
Accounts receivable	839,880	768,080	2,229,443	547,910	1,108,975	427,245	349,079	723,472	528,753	7,522,837
Pledges receivable	-	-	-	-	-	-	-	-	-	-
Cash held at county or district	-	-	-	-	-	-	-	-	-	-
Prepaid expenses and deposits	15,000	-	-	10,000	-	11,000	11,250	-	-	47,250
Deferred loss	-	-	-	-	-	-	-	-	-	-
Deferred charges	-	-	-	-	-	-	-	-	-	-
Intercompany Receivable	-	-	-	-	-	-	-	-	-	-
Total current assets	<u>1,281,064</u>	<u>446,408</u>	<u>2,123,068</u>	<u>428,732</u>	<u>1,748,262</u>	<u>809,016</u>	<u>78,310</u>	<u>467,687</u>	<u>807,582</u>	<u>8,190,129</u>
NONCURRENT ASSETS										
Restricted cash	-	-	-	-	-	-	-	-	-	-
Pledges receivable	-	-	-	-	-	-	-	-	-	-
Deferred Rent Due	-	-	-	-	-	-	-	-	-	-
Property and equipment, net	254,082	9,496	17,862	85,277	21,247	121,736	353,618	223,331	127,028	1,213,677
Deferred loss	-	-	-	-	-	-	-	-	-	-
Deferred charges	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 1,535,146</u>	<u>\$ 455,904</u>	<u>\$ 2,140,930</u>	<u>\$ 514,009</u>	<u>\$ 1,769,509</u>	<u>\$ 930,752</u>	<u>\$ 431,928</u>	<u>\$ 691,018</u>	<u>\$ 934,610</u>	<u>\$ 9,403,806</u>
CURRENT LIABILITIES										
Accounts payable	\$ 137,654	\$ 217,792	\$ 847,878	\$ 110,713	\$ 153,864	\$ 68,823	\$ 141,768	\$ 182,403	\$ 200,696	\$ 2,061,591
Accrued expenses	140,029	119,046	94,451	81,330	158,774	76,422	72,513	85,699	65,211	893,475
Deferred revenue	-	-	-	-	-	-	-	-	-	-
Lines of credit	-	-	-	-	-	-	-	-	-	-
Capital leases, current portion	-	-	-	-	-	-	-	-	-	-
Debt, current portion	541,462	22,845	1,089,156	300,000	845,000	485,000	20,092	-	405,000	3,708,555
Intercompany Payable	-	-	-	-	-	-	-	-	-	-
Total current liabilities	<u>819,145</u>	<u>359,683</u>	<u>2,031,485</u>	<u>492,043</u>	<u>1,157,638</u>	<u>630,245</u>	<u>234,373</u>	<u>268,102</u>	<u>670,907</u>	<u>6,663,621</u>
LONG-TERM DEBT										
Deferred Rent Due	-	-	-	-	-	-	-	-	-	-
Capital leases	-	-	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	60,000	-	150,000	210,000
Total liabilities	<u>819,145</u>	<u>359,683</u>	<u>2,031,485</u>	<u>492,043</u>	<u>1,157,638</u>	<u>630,245</u>	<u>294,373</u>	<u>268,102</u>	<u>820,907</u>	<u>6,873,621</u>
NET ASSETS										
Unrestricted	711,288	45,879	(125,833)	8,871	611,871	210,811	126,907	422,733	113,554	2,126,081
Temporarily restricted	4,713	50,342	235,278	13,095	-	89,696	10,648	183	149	404,104
Total net assets	<u>716,001</u>	<u>96,221</u>	<u>109,445</u>	<u>21,966</u>	<u>611,871</u>	<u>300,507</u>	<u>137,555</u>	<u>422,916</u>	<u>113,703</u>	<u>2,530,185</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,535,146</u>	<u>\$ 455,904</u>	<u>\$ 2,140,930</u>	<u>\$ 514,009</u>	<u>\$ 1,769,509</u>	<u>\$ 930,752</u>	<u>\$ 431,928</u>	<u>\$ 691,018</u>	<u>\$ 934,610</u>	<u>\$ 9,403,806</u>

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	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	Aspire Port City Academy	Aspire Vanguard College Prep Academy
CURRENT ASSETS										
Cash and cash equivalents	\$ 261,052	\$ 634,340	\$ 413,238	\$ 122,056	\$ 491,305	\$ 87,577	\$ 629,214	\$ (997,303)	\$ (485,978)	\$ 133,241
Restricted cash	-	-	-	-	-	-	-	-	-	-
Accounts receivable	749,138	477,757	781,229	828,988	1,095,231	815,448	818,148	1,056,397	1,117,830	526,558
Pledges receivable	-	-	-	-	-	-	-	-	-	-
Cash held at county or district	-	-	-	-	-	-	-	-	-	-
Prepaid expenses and deposits	345	-	13,750	-	-	6,667	-	-	25,000	10,000
Deferred loss	-	-	-	(5,669)	19,418	-	-	-	-	-
Deferred charges	-	-	-	-	-	-	-	-	-	-
Intercompany Receivable	-	-	-	-	-	-	-	-	-	-
Total current assets	<u>1,010,535</u>	<u>1,112,097</u>	<u>1,208,217</u>	<u>945,375</u>	<u>1,605,954</u>	<u>909,692</u>	<u>1,447,362</u>	<u>59,094</u>	<u>656,852</u>	<u>669,799</u>
NONCURRENT ASSETS										
Restricted cash	-	-	-	-	-	-	-	-	-	-
Pledges receivable	-	-	-	-	-	-	-	-	-	-
Deferred Rent Due	-	-	-	-	-	-	-	-	-	-
Property and equipment, net	774,650	5,983	52,814	6,967,239	8,863,634	129,265	8,908,227	103,929	90,428	12,418
Deferred loss	-	-	-	(111,955)	383,498	-	-	-	-	-
Deferred charges	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 1,785,185</u>	<u>\$ 1,118,080</u>	<u>\$ 1,261,031</u>	<u>\$ 7,800,659</u>	<u>\$ 10,853,086</u>	<u>\$ 1,038,957</u>	<u>\$ 10,355,589</u>	<u>\$ 163,023</u>	<u>\$ 747,280</u>	<u>\$ 682,217</u>
CURRENT LIABILITIES										
Accounts payable	\$ 76,604	\$ 89,053	\$ 83,034	\$ 57,424	\$ 73,559	\$ 206,930	\$ 94,189	\$ 67,337	\$ 62,671	\$ 79,853
Accrued expenses	118,403	81,241	116,216	80,890	137,432	78,945	187,301	114,659	104,777	83,432
Deferred revenue	-	-	-	-	-	-	-	-	-	-
Lines of credit	-	-	-	-	-	-	-	-	-	-
Capital leases, current portion	-	-	-	230,746	265,452	-	-	-	-	-
Debt, current portion	19,448	250,000	490,000	18,722	31,351	555,146	901,162	20,000	20,000	330,000
Intercompany Payable	-	-	-	-	-	-	-	-	-	-
Total current liabilities	<u>214,455</u>	<u>420,294</u>	<u>689,250</u>	<u>387,782</u>	<u>507,794</u>	<u>841,021</u>	<u>1,182,652</u>	<u>201,996</u>	<u>187,448</u>	<u>493,285</u>
LONG-TERM DEBT										
Deferred Rent Due	-	-	-	-	-	-	-	-	-	-
Capital leases	-	-	-	7,279,730	8,374,658	-	-	-	-	-
Debt	-	-	-	-	-	-	4,519,939	60,000	60,002	60,000
Total liabilities	<u>214,455</u>	<u>420,294</u>	<u>689,250</u>	<u>7,667,512</u>	<u>8,882,452</u>	<u>841,021</u>	<u>5,702,591</u>	<u>261,996</u>	<u>247,450</u>	<u>553,285</u>
NET ASSETS										
Unrestricted	1,570,730	694,278	502,295	133,147	1,818,127	190,391	4,652,998	(110,281)	499,830	118,284
Temporarily restricted	-	3,508	69,486	-	152,507	7,545	-	11,308	-	10,648
Total net assets	<u>1,570,730</u>	<u>697,786</u>	<u>571,781</u>	<u>133,147</u>	<u>1,970,634</u>	<u>197,936</u>	<u>4,652,998</u>	<u>(98,973)</u>	<u>499,830</u>	<u>128,932</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,785,185</u>	<u>\$ 1,118,080</u>	<u>\$ 1,261,031</u>	<u>\$ 7,800,659</u>	<u>\$ 10,853,086</u>	<u>\$ 1,038,957</u>	<u>\$ 10,355,589</u>	<u>\$ 163,023</u>	<u>\$ 747,280</u>	<u>\$ 682,217</u>

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	Alexander Twilight College Prep Academy	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	Aspire Junior Collegiate Academy	Aspire Titan Academy	Aspire Pacific Academy
CURRENT ASSETS										
Cash and cash equivalents	\$ (573,959)	\$ (120,515)	\$ (619,370)	\$ (25,102)	\$ 196,354	\$ 1,206,795	\$ 217,729	\$ (44,947)	\$ (289,326)	\$ (47,352)
Restricted cash	-	-	-	-	-	-	-	-	-	-
Accounts receivable	808,603	350,865	541,045	9,967,237	535,076	806,938	509,797	687,077	810,265	541,359
Pledges receivable	-	-	-	-	-	-	-	-	-	-
Cash held at county or district	-	-	-	-	-	-	150,000	150,000	150,000	-
Prepaid expenses and deposits	6,250	-	-	62,012	10,400	-	10,800	-	-	-
Deferred loss	-	-	-	13,749	-	-	-	-	-	-
Deferred charges	-	-	-	-	-	-	-	-	-	-
Intercompany Receivable	-	-	-	-	-	-	-	-	-	-
Total current assets	<u>240,894</u>	<u>230,350</u>	<u>(78,325)</u>	<u>10,017,896</u>	<u>741,830</u>	<u>2,013,733</u>	<u>888,326</u>	<u>792,130</u>	<u>670,939</u>	<u>494,007</u>
NONCURRENT ASSETS										
Restricted cash	-	-	-	-	-	-	-	-	-	-
Pledges receivable	-	-	-	-	-	-	-	-	-	-
Deferred Rent Due	-	-	-	-	-	-	-	-	-	-
Property and equipment, net	129,734	-	384,779	26,423,100	66,250	147,010	122,265	88,398	97,953	87,756
Deferred loss	-	-	-	271,543	-	-	-	-	-	-
Deferred charges	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 370,628</u>	<u>\$ 230,350</u>	<u>\$ 306,454</u>	<u>\$ 36,712,539</u>	<u>\$ 808,080</u>	<u>\$ 2,160,743</u>	<u>\$ 1,010,591</u>	<u>\$ 880,528</u>	<u>\$ 768,892</u>	<u>\$ 581,763</u>
CURRENT LIABILITIES										
Accounts payable	\$ 96,659	\$ 45,462	\$ 56,644	\$ 1,089,419	\$ 85,960	\$ 200,225	\$ 85,459	\$ 117,061	\$ 127,280	\$ 51,208
Accrued expenses	120,712	47,349	69,512	1,340,869	118,267	151,620	100,686	91,339	126,898	161,901
Deferred revenue	-	-	-	-	-	-	-	-	-	-
Lines of credit	-	-	-	-	-	-	-	-	-	-
Capital leases, current portion	-	-	-	496,198	-	-	-	-	-	-
Debt, current portion	20,030	9,020	23,709	2,688,588	304,704	610,481	330,127	50,000	50,000	-
Intercompany Payable	-	-	-	-	-	-	-	-	-	-
Total current liabilities	<u>237,401</u>	<u>101,831</u>	<u>149,865</u>	<u>5,615,074</u>	<u>508,931</u>	<u>962,326</u>	<u>516,272</u>	<u>258,400</u>	<u>304,178</u>	<u>213,109</u>
LONG-TERM DEBT										
Deferred Rent Due	-	-	-	-	-	-	-	-	-	-
Capital leases	-	-	-	15,654,388	-	-	-	-	-	-
Debt	59,998	-	-	4,759,939	-	-	180,000	180,000	179,997	-
Total liabilities	<u>297,399</u>	<u>101,831</u>	<u>149,865</u>	<u>26,029,401</u>	<u>508,931</u>	<u>962,326</u>	<u>696,272</u>	<u>438,400</u>	<u>484,175</u>	<u>213,109</u>
NET ASSETS										
Unrestricted	73,229	128,519	156,589	10,428,136	299,148	1,188,262	308,409	442,128	266,876	368,654
Temporarily restricted	-	-	-	255,002	1	10,155	5,910	-	17,841	-
Total net assets	<u>73,229</u>	<u>128,519</u>	<u>156,589</u>	<u>10,683,138</u>	<u>299,149</u>	<u>1,198,417</u>	<u>314,319</u>	<u>442,128</u>	<u>284,717</u>	<u>368,654</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 370,628</u>	<u>\$ 230,350</u>	<u>\$ 306,454</u>	<u>\$ 36,712,539</u>	<u>\$ 808,080</u>	<u>\$ 2,160,743</u>	<u>\$ 1,010,591</u>	<u>\$ 880,528</u>	<u>\$ 768,892</u>	<u>\$ 581,763</u>

ASPIRE PUBLIC SCHOOLS
(A California Non-Profit Public Benefit Corporation)
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	Aspire Firestone Academy	Aspire Gateway Academy	Total LA Region	Non Active Sites	Home Office	Total Aspire Public Schools	CFC, LLC	Eliminations	Total Consolidated
CURRENT ASSETS									
Cash and cash equivalents	\$ 393,976	\$ 325,272	\$ 1,958,501	\$ 6,736,326	\$ (560,345)	\$ 8,729,422	\$ 37,929	\$ -	\$ 8,767,351
Restricted cash	-	-	-	-	11,694	11,694	17,559,121	-	17,570,815
Accounts receivable	604,970	625,410	5,120,892	-	409,999	23,020,965	-	-	23,020,965
Pledges receivable	-	-	-	-	2,042,750	2,042,750	-	-	2,042,750
Cash held at county or district	250,000	250,000	950,000	-	-	950,000	-	-	950,000
Prepaid expenses and deposits	-	-	21,200	60,975	95,913	287,350	-	-	287,350
Deferred loss	-	-	-	-	-	13,749	-	-	13,749
Deferred charges	-	-	-	-	-	-	106,851	-	106,851
Intercompany Receivable	-	-	-	-	1,155,183	1,155,183	-	(1,155,183)	-
Total current assets	<u>1,248,946</u>	<u>1,200,682</u>	<u>8,050,593</u>	<u>6,797,301</u>	<u>3,155,194</u>	<u>36,211,113</u>	<u>17,703,901</u>	<u>(1,155,183)</u>	<u>52,759,831</u>
NONCURRENT ASSETS									
Restricted cash	-	-	-	-	-	-	6,622,518	-	6,622,518
Pledges receivable	-	-	-	-	432,861	432,861	-	-	432,861
Deferred Rent Due	-	-	-	-	-	-	1,149,354	(1,149,354)	-
Property and equipment, net	-	-	609,632	4,267,745	3,237,981	35,752,135	83,443,473	(1,032,128)	118,163,480
Deferred loss	-	-	-	-	-	271,543	-	-	271,543
Deferred charges	-	-	-	-	-	-	3,659,187	-	3,659,187
TOTAL ASSETS	<u>\$ 1,248,946</u>	<u>\$ 1,200,682</u>	<u>\$ 8,660,225</u>	<u>\$ 11,065,046</u>	<u>\$ 6,826,036</u>	<u>\$ 72,667,652</u>	<u>\$ 112,578,433</u>	<u>\$ (3,336,665)</u>	<u>\$ 181,909,420</u>
CURRENT LIABILITIES									
Accounts payable	\$ 150,501	\$ 167,929	\$ 985,623	\$ 85,745	\$ 1,448,660	\$ 5,671,038	\$ 2,080,841	\$ -	\$ 7,751,879
Accrued expenses	123,905	89,657	964,273	25,754	574,620	3,798,991	4,079,135	-	7,878,126
Deferred revenue	-	-	-	-	-	-	-	-	-
Lines of credit	-	-	-	-	-	-	-	-	-
Capital leases, current portion	-	-	-	-	101,293	597,491	-	-	597,491
Debt, current portion	482,500	452,500	2,280,312	-	313,254	8,990,709	-	-	8,990,709
Intercompany Payable	-	-	-	-	-	-	1,155,183	(1,155,183)	-
Total current liabilities	<u>756,906</u>	<u>710,086</u>	<u>4,230,208</u>	<u>111,499</u>	<u>2,437,827</u>	<u>19,058,229</u>	<u>7,315,159</u>	<u>(1,155,183)</u>	<u>25,218,205</u>
LONG-TERM DEBT									
Deferred Rent Due	-	-	-	-	1,149,354	1,149,354	-	(1,149,354)	-
Capital leases	-	-	-	-	2,170,611	17,824,999	-	-	17,824,999
Debt	187,500	187,500	914,997	5,719,652	5,212,066	16,816,654	93,295,000	-	110,111,654
Total liabilities	<u>944,406</u>	<u>897,586</u>	<u>5,145,205</u>	<u>5,831,151</u>	<u>10,969,858</u>	<u>54,849,236</u>	<u>100,610,159</u>	<u>(2,304,537)</u>	<u>153,154,858</u>
NET ASSETS									
Unrestricted	304,540	303,096	3,481,113	(394,631)	(13,590,701)	2,049,998	11,968,274	(1,032,128)	12,986,144
Temporarily restricted	-	-	33,907	5,628,526	9,446,879	15,768,418	-	-	15,768,418
Total net assets	<u>304,540</u>	<u>303,096</u>	<u>3,515,020</u>	<u>5,233,895</u>	<u>(4,143,822)</u>	<u>17,818,416</u>	<u>11,968,274</u>	<u>(1,032,128)</u>	<u>28,754,562</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,248,946</u>	<u>\$ 1,200,682</u>	<u>\$ 8,660,225</u>	<u>\$ 11,065,046</u>	<u>\$ 6,826,036</u>	<u>\$ 72,667,652</u>	<u>\$ 112,578,433</u>	<u>\$ (3,336,665)</u>	<u>\$ 181,909,420</u>

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

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
JUNE 30, 2011

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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	Total Bay Area Region
CHANGES IN UNRESTRICTED NET ASSETS										
SUPPORT AND REVENUE										
Private grants and contributions	\$ 36,646	\$ 46,845	\$ 187,864	\$ 23,450	\$ 72,009	\$ 62,223	\$ 239,755	\$ 305,223	\$ 94,744	\$ 1,068,759
Donated property and services	-	-	-	-	-	-	-	-	-	-
Federal revenue	469,474	660,331	491,182	372,747	571,853	152,678	170,880	296,001	631,140	3,816,286
Revenue limit sources:										
State aid portion of general purpose block grant	1,292,523	1,965,946	1,950,252	874,748	1,864,268	1,122,388	325,254	1,212,930	735,577	11,343,886
State revenue:										
Categorical block grant	350,831	346,152	354,255	173,086	332,979	98,229	109,638	227,419	288,382	2,280,971
All other state revenue	535,028	452,468	225,142	237,830	331,846	152,959	86,029	185,163	152,045	2,358,510
Local revenue:										
Cash in-lieu of property taxes	584,458	761,156	217,928	397,561	821,232	-	585,079	473,487	331,428	4,172,329
Interest income	-	-	-	-	-	-	-	-	-	-
All other local revenue	39,892	51,443	53,284	68,534	126,578	28,097	310,301	22,408	17,865	718,402
Subtotal	3,308,852	4,284,341	3,479,907	2,147,956	4,120,765	1,616,574	1,826,936	2,722,631	2,251,181	25,759,143
Net assets released from restrictions	333,462	622,866	344,698	274,022	330,989	613,292	426,447	646,735	349,058	3,941,569
Total support and revenue	3,642,314	4,907,207	3,824,605	2,421,978	4,451,754	2,229,866	2,253,383	3,369,366	2,600,239	29,700,712
PROGRAM EXPENSES										
Educational programs	3,063,202	4,180,462	3,622,266	1,942,606	3,752,968	1,930,243	2,468,375	2,723,687	1,938,150	25,621,959
SUPPORTING SERVICES										
Site support	-	-	-	-	-	-	-	-	-	-
Program development and expansion	-	-	-	-	-	-	-	-	-	-
Administration and general	-	-	-	-	-	-	-	-	-	-
Cost allocations and reserve	497,841	462,260	4,196	304,266	458,332	(159,506)	(80,099)	(78,086)	287,704	1,696,908
Total supporting services	497,841	462,260	4,196	304,266	458,332	(159,506)	(80,099)	(78,086)	287,704	1,696,908
Total expenses	3,561,043	4,642,722	3,626,462	2,246,872	4,211,300	1,770,737	2,388,276	2,645,601	2,225,854	27,318,867
OTHER INCOME										
TRANSFERS BETWEEN AFFILIATES	-	-	-	-	-	-	-	-	-	-
Increase (Decrease) in Unrestricted Net Assets	81,271	264,485	198,143	175,106	240,454	459,129	(134,893)	723,765	374,385	2,381,845
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:										
Private grants and contributions	-	35,000	-	-	-	170,000	85,000	75,000	-	365,000
Federal and state revenue	304,998	423,906	309,413	242,806	315,567	124,225	145,823	310,799	241,866	2,419,403
Net assets released from restrictions	(333,462)	(622,866)	(344,698)	(274,022)	(330,989)	(613,292)	(426,447)	(646,735)	(349,058)	(3,941,569)
Increase (Decrease) in Temporarily Restricted Net Assets	(28,464)	(163,960)	(35,285)	(31,216)	(15,422)	(319,067)	(195,624)	(260,936)	(107,192)	(1,157,166)
INCREASE (DECREASE) IN NET ASSETS	52,807	100,525	162,858	143,890	225,032	140,062	(330,517)	462,829	267,193	1,224,679
NET ASSETS - Beginning of Year	663,194	(4,304)	(53,413)	(121,924)	386,839	160,445	468,072	(39,913)	(153,490)	1,305,506
NET ASSETS - End of Year	\$ 716,001	\$ 96,221	\$ 109,445	\$ 21,966	\$ 611,871	\$ 300,507	\$ 137,555	\$ 422,916	\$ 113,703	\$ 2,530,185

ASPIRE PUBLIC SCHOOLS
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CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
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	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	Aspire Port City Academy	Aspire Vanguard College Prep Academy
CHANGES IN UNRESTRICTED NET ASSETS										
SUPPORT AND REVENUE										
Private grants and contributions	\$ 44,367	\$ 33,439	\$ 38,602	\$ 27,166	\$ 48,530	\$ 23,005	\$ 32,754	\$ 34,470	\$ 26,195	\$ 21,711
Donated property and services	-	-	-	-	-	-	-	-	-	-
Federal revenue	138,837	124,487	489,613	399,017	252,821	332,359	247,693	219,653	284,537	527,276
Revenue limit sources:										
State aid portion of general purpose block grant	1,329,556	892,961	1,559,883	1,429,038	2,468,135	1,014,803	1,455,288	1,799,507	1,975,373	880,975
State revenue:										
Categorical block grant	164,837	106,675	189,092	206,024	270,155	166,663	256,790	209,567	207,221	118,645
All other state revenue	438,237	387,069	394,683	556,949	532,953	252,577	299,985	268,141	280,398	55,594
Local revenue:										
Cash in-lieu of property taxes	448,823	305,090	237,094	459,677	731,853	277,322	292,156	333,478	-	471,894
Interest income	-	203	272	6	7	-	203	203	-	197
All other local revenue	152,401	41,033	75,119	104,303	119,117	42,462	18,406	36,859	56,677	127,787
Subtotal	2,717,058	1,890,957	2,984,358	3,182,180	4,423,571	2,109,191	2,603,275	2,901,878	2,830,401	2,204,079
Net assets released from restrictions	167,532	96,905	107,572	358,170	183,561	260,795	300,887	366,082	264,349	126,582
Total support and revenue	2,884,590	1,987,862	3,091,930	3,540,350	4,607,132	2,369,986	2,904,162	3,267,960	3,094,750	2,330,661
PROGRAM EXPENSES										
Educational programs	2,602,646	1,748,201	2,723,689	2,938,504	4,235,288	1,923,117	2,678,395	3,636,507	2,783,411	1,907,716
SUPPORTING SERVICES										
Site support	-	-	-	-	-	-	-	-	-	-
Program development and expansion	-	-	-	-	-	-	-	-	-	-
Administration and general	-	-	-	-	-	-	-	-	-	-
Cost allocations and reserve	394,532	207,257	447,591	299,446	267,434	206,820	240,757	(692,599)	(19,126)	68,777
Total supporting services	394,532	207,257	447,591	299,446	267,434	206,820	240,757	(692,599)	(19,126)	68,777
Total expenses	2,997,178	1,955,458	3,171,280	3,237,950	4,502,722	2,129,937	2,919,152	2,943,908	2,764,285	1,976,493
OTHER INCOME										
TRANSFERS BETWEEN AFFILIATES	-	-	-	-	-	-	-	-	-	-
Increase (Decrease) in Unrestricted Net Assets	(112,588)	32,404	(79,350)	302,400	104,410	240,049	(14,990)	324,052	330,465	354,168
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:										
Private grants and contributions	-	-	-	-	-	-	-	-	-	-
Federal and state revenue	162,403	94,048	100,946	352,330	170,166	257,318	294,731	344,910	252,771	116,754
Net assets released from restrictions	(167,532)	(96,905)	(107,572)	(358,170)	(183,561)	(260,795)	(300,887)	(366,082)	(264,349)	(126,582)
Increase (Decrease) in Temporarily Restricted Net Assets	(5,129)	(2,857)	(6,626)	(5,840)	(13,395)	(3,477)	(6,156)	(21,172)	(11,578)	(9,828)
INCREASE (DECREASE) IN NET ASSETS	(117,717)	29,547	(85,976)	296,560	91,015	236,572	(21,146)	302,880	318,887	344,340
NET ASSETS - Beginning of Year	1,688,447	668,239	657,757	(163,413)	1,879,619	(38,636)	4,674,144	(401,853)	180,943	(215,408)
NET ASSETS - End of Year	\$ 1,570,730	\$ 697,786	\$ 571,781	\$ 133,147	\$ 1,970,634	\$ 197,936	\$ 4,652,998	\$ (98,973)	\$ 499,830	\$ 128,932

ASPIRE PUBLIC SCHOOLS
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	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	Aspire Junior Collegiate Academy	Aspire Titan Academy	Aspire Pacific Academy
CHANGES IN UNRESTRICTED NET ASSETS										
SUPPORT AND REVENUE										
Private grants and contributions	\$ 30,851	\$ 5,082	\$ 10,913	\$ 377,085	\$ 20,246	\$ 34,679	\$ 19,602	\$ 23,457	\$ 23,977	\$ 23,103
Donated property and services	74,075	-	-	74,075	-	-	-	-	-	-
Federal revenue	653,347	329,540	349,247	4,348,427	309,944	674,727	384,291	496,434	697,929	663,929
Revenue limit sources:										
State aid portion of general purpose block grant	1,762,305	675,594	1,036,520	18,279,938	816,498	1,886,641	814,029	1,456,404	1,391,235	1,437,951
State revenue:										
Categorical block grant	203,567	92,828	111,751	2,303,815	199,684	437,353	196,443	267,786	271,442	246,336
All other state revenue	291,562	33,223	49,060	3,840,431	219,847	361,202	280,374	182,411	217,447	79,307
Local revenue:										
Cash in-lieu of property taxes	-	-	-	3,557,387	277,289	592,845	257,565	-	-	415,855
Interest income	-	-	-	1,091	-	-	-	-	-	-
All other local revenue	77,365	37,380	5,061	893,970	27,821	26,944	23,070	39,474	25,703	17,993
Subtotal	3,093,072	1,173,647	1,562,552	33,676,219	1,871,329	4,014,391	1,975,374	2,465,966	2,627,733	2,884,474
Net assets released from restrictions	244,793	222,241	272,190	2,971,659	274,031	763,184	309,226	239,000	153,429	526,255
Total support and revenue	3,337,865	1,395,888	1,834,742	36,647,878	2,145,360	4,777,575	2,284,600	2,704,966	2,781,162	3,410,729
PROGRAM EXPENSES										
Educational programs	2,634,423	1,354,653	1,563,183	32,729,733	1,751,574	3,577,619	1,877,439	2,345,235	2,358,483	3,232,214
SUPPORTING SERVICES										
Site support	-	-	-	-	-	-	-	-	-	-
Program development and expansion	-	-	-	-	-	-	-	-	-	-
Administration and general	-	-	-	-	-	-	-	-	-	-
Cost allocations and reserve	160,331	(91,783)	79,080	1,568,517	223,814	645,778	160,981	118,940	130,499	(265,338)
Total supporting services	160,331	(91,783)	79,080	1,568,517	223,814	645,778	160,981	118,940	130,499	(265,338)
Total expenses	2,794,754	1,262,870	1,642,263	34,298,250	1,975,388	4,223,397	2,038,420	2,464,175	2,488,982	2,966,876
OTHER INCOME										
TRANSFERS BETWEEN AFFILIATES	-	-	-	-	-	-	-	-	(7,500)	-
Increase (Decrease) in Unrestricted Net Assets	543,111	133,018	192,479	2,349,628	169,972	554,178	246,180	240,791	284,680	443,853
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:										
Private grants and contributions	-	150,000	150,000	300,000	-	40,357	-	-	-	343,938
Federal and state revenue	244,793	72,241	122,190	2,585,601	217,331	419,041	221,128	190,565	113,483	182,317
Net assets released from restrictions	(244,793)	(222,241)	(272,190)	(2,971,659)	(274,031)	(763,184)	(309,226)	(239,000)	(153,429)	(526,255)
Increase (Decrease) in Temporarily Restricted Net Assets:	-	-	-	(86,058)	(56,700)	(303,786)	(88,098)	(48,435)	(39,946)	-
INCREASE (DECREASE) IN NET ASSETS	543,111	133,018	192,479	2,263,570	113,272	250,392	158,082	192,356	244,734	443,853
NET ASSETS - Beginning of Year	(469,882)	(4,499)	(35,890)	8,419,569	185,877	948,025	156,237	249,772	39,983	(75,199)
NET ASSETS - End of Year	\$ 73,229	\$ 128,519	\$ 156,589	\$ 10,683,139	\$ 299,149	\$ 1,198,417	\$ 314,319	\$ 442,128	\$ 284,717	\$ 368,654

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

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
JUNE 30, 2011

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	Aspire Firestone Academy	Aspire Gateway Academy	Total LA Region	Non Active Sites	Home Office	Total Aspire Public Schools	CFC, LLC	Eliminations	Total Consolidated
CHANGES IN UNRESTRICTED NET ASSETS									
SUPPORT AND REVENUE									
Private grants and contributions	\$ 18,100	\$ 15,016	\$ 178,180	\$ -	\$ 1,854,753	\$ 3,478,777	\$ -	\$ -	\$ 3,478,777
Donated property and services	-	-	-	-	70,001	144,076	-	-	144,076
Federal revenue	481,976	486,527	4,195,757	-	1,529,125	13,889,595	-	-	13,889,595
Revenue limit sources:									
State aid portion of general purpose block grant	1,231,677	1,154,570	10,189,005	-	-	39,812,829	-	-	39,812,829
State revenue:									
Categorical block grant	294,200	262,695	2,175,939	-	-	6,760,725	-	-	6,760,725
All other state revenue	79,790	74,301	1,494,679	-	369,353	8,062,973	-	-	8,062,973
Local revenue:									
Cash in-lieu of property taxes	456,981	427,495	2,428,030	-	-	10,157,746	-	-	10,157,746
Interest income	-	-	-	-	3,546	4,637	1,917	-	6,554
All other local revenue	5,987	1,499	168,491	-	352,109	2,132,972	6,524,319	(6,524,319)	2,132,972
Subtotal	2,568,711	2,422,103	20,830,081	-	4,178,887	84,444,330	6,526,236	(6,524,319)	84,446,247
Net assets released from restrictions	372,438	360,943	2,998,506	14,763	4,195,659	14,122,156	-	-	14,122,156
Total support and revenue	2,941,149	2,783,046	23,828,587	14,763	8,374,546	98,566,486	6,526,236	(6,524,319)	98,568,403
PROGRAM EXPENSES									
Educational programs	2,187,838	2,073,096	19,403,498	118,236	-	77,873,426	5,681,048	(3,932,020)	79,622,454
SUPPORTING SERVICES									
Site support	-	-	-	-	9,859,606	9,859,606	-	(1,555,379)	8,304,227
Program development and expansion	-	-	-	-	4,024,136	4,024,136	-	(777,690)	3,246,446
Administration and general	-	-	-	-	3,625,099	3,625,099	-	(259,230)	3,365,869
Cost allocations and reserve	431,260	375,510	1,821,444	-	(5,086,869)	-	-	-	-
Total supporting services	431,260	375,510	1,821,444	-	12,421,972	17,508,841	-	(2,592,299)	14,916,542
Total expenses	2,619,098	2,448,606	21,224,942	118,236	12,421,972	95,382,267	5,681,048	(6,524,319)	94,538,996
OTHER INCOME									
TRANSFERS BETWEEN AFFILIATES	-	-	(7,500)	-	931,898	924,398	(924,398)	-	-
Increase (Decrease) in Unrestricted Net Assets	322,051	334,440	2,596,145	(103,473)	(3,115,528)	4,108,617	(79,210)	-	4,029,407
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:									
Private grants and contributions	175,000	175,000	734,295	-	3,796,681	5,195,976	-	-	5,195,976
Federal and state revenue	197,438	185,943	1,727,246	5,262,400	20,739	12,015,389	-	-	12,015,389
Net assets released from restrictions	(372,438)	(360,943)	(2,998,506)	(14,763)	(4,195,659)	(14,122,156)	-	-	(14,122,156)
Increase (Decrease) in Temporarily Restricted Net Assets:	-	-	(536,965)	5,247,637	(378,239)	3,089,209	-	-	3,089,209
INCREASE (DECREASE) IN NET ASSETS	322,051	334,440	2,059,180	5,144,164	(3,493,767)	7,197,826	(79,210)	-	7,118,616
NET ASSETS - Beginning of Year	(17,511)	(31,344)	1,455,840	89,731	(650,055)	10,620,590	12,047,484	(1,032,128)	21,635,946
NET ASSETS - End of Year	\$ 304,540	\$ 303,096	\$ 3,515,020	\$ 5,233,895	\$ (4,143,822)	\$ 17,818,416	\$ 11,968,274	\$ (1,032,128)	\$ 28,754,562

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

CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2011

Program Expenses

	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	Total Bay Area Region
Certificated salaries	\$ 1,368,494	\$ 1,499,905	\$ 1,274,874	\$ 813,920	\$ 1,844,630	\$ 872,244	\$ 842,785	\$ 1,143,549	\$ 750,278	\$ 10,410,679
Classified salaries	443,563	654,397	486,862	332,532	472,226	254,737	310,171	408,402	333,731	3,696,621
Employee benefits	507,669	574,541	463,648	287,128	608,393	284,328	293,850	376,787	268,145	3,664,489
Books and supplies	287,091	447,857	363,499	183,756	412,751	129,697	169,638	286,053	291,066	2,571,408
Services and other operating expenses	413,762	991,188	1,016,700	295,393	400,355	311,977	479,926	358,274	252,602	4,520,177
Depreciation and amortization	42,623	12,574	16,683	29,877	14,613	77,260	371,911	83,233	42,328	691,102
Capital outlay	-	-	-	-	-	-	94	67,389	-	67,483
Total	\$ 3,063,202	\$ 4,180,462	\$ 3,622,266	\$ 1,942,606	\$ 3,752,968	\$ 1,930,243	\$ 2,468,375	\$ 2,723,687	\$ 1,938,150	\$ 25,621,959

Program Expenses

	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	Aspire Port City Academy	Aspire Vanguard College Prep Academy
Certificated salaries	\$ 1,336,855	\$ 832,130	\$ 1,133,910	\$ 1,119,462	\$ 1,826,184	\$ 817,688	\$ 1,395,001	\$ 1,287,992	\$ 1,035,412	\$ 884,165
Classified salaries	230,162	183,962	376,673	320,526	319,698	250,354	203,078	368,711	376,520	188,698
Employee benefits	400,394	252,379	420,676	346,812	551,234	275,281	374,997	453,079	378,776	283,705
Books and supplies	134,070	116,938	241,615	188,439	283,853	266,723	111,391	278,545	122,710	193,538
Services and other operating expenses	404,984	358,505	434,044	669,993	901,143	241,831	277,334	1,154,173	849,307	345,850
Depreciation and amortization	96,181	4,287	116,771	293,272	353,176	71,240	316,594	94,007	20,686	11,760
Capital outlay	-	-	-	-	-	-	-	-	-	-
Total	\$ 2,602,646	\$ 1,748,201	\$ 2,723,689	\$ 2,938,504	\$ 4,235,288	\$ 1,923,117	\$ 2,678,395	\$ 3,636,507	\$ 2,783,411	\$ 1,907,716

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

CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2011

Program Expenses

	Aspire Alexander Twilight College Prep	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	Aspire Junior Collegiate Academy	Aspire Titan Academy	Aspire Pacific Academy
Certificated salaries	\$ 993,999	\$ 491,195	\$ 652,435	\$ 13,806,428	\$ 761,640	\$ 1,415,300	\$ 739,252	\$ 929,247	\$ 897,981	\$ 1,097,353
Classified salaries	282,691	230,077	183,374	3,514,524	233,257	559,079	218,226	224,697	195,626	413,502
Employee benefits	350,004	147,481	192,776	4,427,594	259,262	532,586	242,026	273,514	281,467	320,923
Books and supplies	287,715	170,339	224,843	2,620,719	188,131	325,614	238,671	299,933	332,631	393,777
Services and other operating expenses	703,020	315,561	255,950	6,911,695	270,832	702,040	313,902	587,603	624,538	996,128
Depreciation and amortization	16,994	-	53,805	1,448,773	38,452	43,000	125,362	30,241	26,240	10,531
Capital outlay	-	-	-	-	-	-	-	-	-	-
Total	\$ 2,634,423	\$ 1,354,653	\$ 1,563,183	\$ 32,729,733	\$ 1,751,574	\$ 3,577,619	\$ 1,877,439	\$ 2,345,235	\$ 2,358,483	\$ 3,232,214

Program Expenses

	Aspire Firestone Academy	Aspire Gateway Academy	Total Los Angeles Region	Non Active Sites	Total Aspire Public Schools Program Expenses	CFC, LLC	Eliminations	Total Expenses
Certificated salaries	\$ 1,119,622	\$ 1,041,097	\$ 8,001,492	\$ 57,530	\$ 32,276,129	\$ -	\$ -	\$ 32,276,129
Classified salaries	237,996	210,286	2,292,669	5,707	9,509,521	-	-	\$ 9,509,521
Employee benefits	295,426	280,223	2,485,427	4,968	10,582,478	-	-	\$ 10,582,478
Books and supplies	203,453	218,152	2,200,362	28,111	7,420,600	-	-	\$ 7,420,600
Services and other operating expenses	331,341	323,338	4,149,722	21,920	15,603,514	4,229,111	(3,932,020)	\$ 15,900,605
Depreciation and amortization	-	-	273,826	-	2,413,701	1,451,937	-	\$ 3,865,638
Capital outlay	-	-	-	-	67,483	-	-	67,483
Total	\$ 2,187,838	\$ 2,073,096	\$ 19,403,498	\$ 118,236	\$ 77,873,426	\$ 5,681,048	\$ (3,932,020)	\$ 79,622,454

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

CONSOLIDATING SCHEDULE OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2011

	Supporting Services						Total Consolidated
	Site support	Development and expansion	Administrative and general	Total Aspire Public Schools Supporting Expenses	CFC LLC	Eliminations	
Certificated salaries	\$ 1,866,650	\$ 647,018	\$ 295,038	\$ 2,808,706	\$ -	\$ -	\$ 2,808,706
Classified salaries	3,363,194	1,165,750	531,578	5,060,522	-	-	5,060,522
Employee benefits	1,352,228	468,709	213,730	2,034,667	-	-	2,034,667
Books and supplies	442,523	-	202,257	644,780	-	-	644,780
Services and other operating expenses	2,751,696	1,659,344	2,296,657	6,707,697	-	(2,592,299)	4,115,398
Depreciation and amortization	83,315	83,315	85,839	252,469	-	-	252,469
Capital outlay	-	-	-	-	-	-	-
Total	<u>\$ 9,859,606</u>	<u>\$ 4,024,136</u>	<u>\$ 3,625,099</u>	<u>\$ 17,508,841</u>	<u>\$ -</u>	<u>\$ (2,592,299)</u>	<u>\$ 14,916,542</u>