



**NEW VISION ACADEMY
CUYAHOGA COUNTY**

REGULAR AUDIT

FOR THE YEAR ENDED JUNE 30, 2006



Mary Taylor, CPA
Auditor of State

**NEW VISION ACADEMY
CUYAHOGA COUNTY**

TABLE OF CONTENTS

Independent Accountants' Report1

Independent Accountants' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Required by *Government Auditing Standards*3

Schedule of Findings.....5

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

New Vision Academy
Cuyahoga County
C/O Educational Resource Consultants of Ohio, Inc.
11260 Chester Road, Suite 230
Cincinnati, Ohio 45246

We were engaged to audit the financial statements of the New Vision Academy, Cuyahoga County, Ohio, (the Academy) as of and for the year ended June 30, 2006. The financial statements are the responsibility of the Academy's management.

The Academy failed to prepare financial statements for the period of time covered by the engagement to audit. Governmental Accounting Standards Board (GASB) Statement Number 34 provides the minimum requirements for external financial reporting, which include the Management Discussion and Analysis, (MD&A), the financial statements including the Statement of Net Assets, the Statement of Revenues, Expenses, and Changes in Net Assets, the Statement of Cash Flows, and the Notes to the Financial Statements.

Since the Academy did not provide the evidence described in the preceding paragraph, the scope of our auditing procedures was not sufficient to enable us to express, and we do not express an opinion on the financial activity of the Academy.

New Vision Academy ceased operations on January 18, 2006.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 30, 2008 on our consideration of the Academy's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and

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Mary Taylor, CPA
Auditor of State

May 30, 2008

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

New Vision Academy
Cuyahoga County
C/O Educational Resource Consultants of Ohio, Inc.
11260 Chester Road, Suite 230
Cincinnati, Ohio 45246

We were engaged to audit the basic financial statements of the New Vision Academy, Cuyahoga County, Ohio (the Academy) as of and for the year ended June 30, 2006 and have issued our report thereon dated May 30, 2008. Our report indicated that because the Academy failed to prepare the required Statement of Net Assets, Statement of Revenues, Expenses, and Changes in Net Assets, Statement of Cash Flows, and the note disclosures as required by Generally Accepted Accounting Principles we did not express an opinion. Our opinion also noted that New Vision Academy ceased operations on January 18, 2006.

Internal Control Over Financial Reporting

In planning and performing our engagement, we considered the Academy's internal control over financial reporting to determine our auditing procedures in order to express our opinion on the financial statements and not to opine on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Academy's ability to record, process, summarize, and report financial data consistent with management's assertions in the financial statements. The reportable conditions are described in the accompanying schedule of findings as items 2006-002 and 2006-003.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts material to the financial statements which, we were engaged to audit, may occur and not be timely detected by employees when performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered material weaknesses. We consider the reportable conditions 2006-002 and 2006-003 listed above to be material weaknesses.

Compliance and Other Matters

As part of reasonably assuring whether the Academy's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our engagement to audit and, accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as items 2006-001.

We intend this report solely for the information and use of the Sponsor, management and the Board of Trustees. It is not intended for anyone other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

May 30, 2008

**NEW VISION ACADEMY
CUYAHOGA COUNTY
FOR THE YEAR ENDED JUNE 30, 2006**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER	2006-001
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Financial Report Filing

Ohio Revised Code Section 117.38 provides that each public office shall file a financial report for each fiscal year, within one hundred and fifty days for entities reporting on a GAAP basis. The Auditor of State may prescribe forms by rule or may issue guidelines, or both, for such reports. If the Auditor of State has not prescribed a rule regarding the form for the report, the public office shall submit its report on the form utilized by the public office. In part, this report shall contain the following:

- Amount of collections and receipts, and accounts due from each source; and,
- Amount of expenditures for each purpose.

Ohio Administrative Code Section 117-2-03 (B) further clarifies the filing requirements of Ohio Revised Code Section 117.38. This section provides that all school districts, including educational service centers and community schools, shall file their annual financial reports pursuant to generally accepted accounting principles. Generally accepted accounting principles (GAAP) require the following:

- Management's Discussion and Analysis;
- Balance sheet as prescribed by GAAP standards;
- Income and expense statement as prescribed by GAAP;
- Cash flow statement as prescribed by GAAP; and,
- Notes to the financial statements as prescribed by GAAP;

The Academy did not file its financial statements for the year ended June 30, 2006.

We recommend the Academy organize its financial recordkeeping, develop tickler files as a reminder of filing dates and take all other steps necessary to file its financial statements within the prescribed time period. If these financial statements are not filed within the prescribed timetable the Academy may be assessed a late filing penalty.

FINDING NUMBER	2006-002
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Financial Reporting

Section 2200.102 and 2300.106 of the Codification of Governmental Accounting and Financial Reporting Standards provides the minimum requirements for general purpose external financial reporting as follows:

- Management's Discussion and Analysis;
- Basic financial statements which include:*
- Statement of Net Assets;
 - Statement of Revenues, Expenditures, and Changes in Net Assets;
 - Statement of Cash Flows; and
 - Note disclosures

**NEW VISION ACADEMY
CUYAHOGA COUNTY
FOR THE YEAR ENDED JUNE 30, 2006**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
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FINDING NUMBER	2006-002
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Financial Reporting (Continued)

The Academy failed to prepare financial statements for the period of time covered by this engagement. These financial statements were required to be prepared in accordance with Governmental Accounting Standards Board (GASB) Statement Number 34 to be in conformity with Accounting Principles Generally Accepted in the United States of America.

We recommend the Academy pay particular attention to financial reporting requirements in place in the United States of America.

FINDING NUMBER	2006-003
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Accurate Balances as of the Balance Sheet Date

Management is responsible for maintaining records which accurately record the financial position of the Academy. We were not provided with financial statements for fiscal year 2006.

Without accurate and complete financial records and the preparation of financial statements, the financial position of the Academy cannot be determined. Also, in the absence of complete and accurate records, the Academy could experience losses, lose assets, and have debt amounts in excess of their ability to repay.

It is imperative that accurate and complete records which exhibit true balances be maintained. If necessary, the Academy management should read and study the available authoritative literature, and develop a program of recordkeeping which will provide assurance of financial statement accuracy and integrity.

We did not receive a response from Officials to the findings reported above.



Mary Taylor, CPA
Auditor of State

NEW VISION ACADEMY

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JULY 8, 2008**