

ESCUELA TLATELOLCO CENTRO DE ESTUDIOS  
FINANCIAL STATEMENTS  
AUGUST 31, 2010  
(with summarized financial information at August 31, 2009)

ESCUELA TLATELOLCO CENTRO DE ESTUDIOS

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(with summarized financial information at August 31, 2009)

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees:

Escuela Tlatelolco Centro de Estudios  
Denver, Colorado

We have audited the accompanying statement of financial position of Escuela Tlatelolco Centro de Estudios (a not-for-profit organization) as of August 31, 2010, and the related statements of activities, functional expenses and cash flows for the year 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 audit. The prior year summarized comparative information has been derived from Escuela Tlatelolco Centro De Estudios 2009 financial statements and, in our report dated November 10, 2009, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 audit provides 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 Escuela Tlatelolco Centro de Estudios as of August 31, 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

MIDDLEMIST, CROUCH & CO., CPA's, P.C.

*Middlemist Crouch & Company, CPA's P.C.*

Boulder, Colorado  
November 12, 2010

FINANCIAL STATEMENTS

ESCUELA TLATELOLCO CENTRO DE ESTUDIOS  
 Statement of Financial Position  
 August 31, 2010  
 (with summarized financial information at August 31, 2009)

	2010	2009
<b>ASSETS</b>		
Cash and cash equivalents	\$ 21,394	\$ 2,032
Tuition and books receivable (net of allowance of \$1,225 and \$5,679)	4,415	9,559
Services revenue receivable	11,411	1,290
Grants receivable-restricted	85,068	10,000
Other receivables	19,800	5,945
Prepaid expenses	5,501	12,354
Deposits	6,152	6,152
Property and equipment	1,437,733	1,500,333
Assets whose use is limited	24,547	77,596
Bond issuance costs (net of amortization of \$43,025 and \$38,755)	46,653	50,923
 Total assets	 \$ 1,662,674	 \$ 1,676,183
 <b>COMMITMENTS AND CONTINGENCIES</b>		
 <b>LIABILITIES AND NET ASSETS</b>		
Accounts payable	\$ 158,695	\$ 81,220
Accrued expenses	65,392	47,968
Line of credit	60,000	2,988
Deferred tuition and services revenue	70,910	50,991
Short-term notes payable	25,000	50,937
Long-term leases	904	3,189
Long-term debt	-	200,138
Bonds payable	1,010,000	1,040,000
Total liabilities	1,390,901	1,477,431
 <b>NET ASSETS</b>		
Unrestricted	122,326	31,083
Temporarily restricted by donors	149,447	167,669
Total net assets	271,773	198,752
 Total liabilities and net assets	 \$ 1,662,674	 \$ 1,676,183

See accompanying notes to financial statements.

ESCUELA TLATELOLCO CENTRO DE ESTUDIOS  
 Statement of Activities  
 For the year ended August 31, 2010  
 (with summarized financial information at August 31, 2009)

	2010	2009
<b>CHANGES IN UNRESTRICTED NET ASSETS</b>		
Revenue and support		
Grants	\$ 388,323	\$ 246,375
Contributions	204,386	124,359
Special events (net of expenses of \$54,954 and \$40,365)	70,071	107,301
Tuition and books	104,948	118,678
Services income	677,535	611,338
Net investment income	90	695
Other income	37,423	5,351
Total revenue	1,482,776	1,214,097
 Net assets released from restrictions	 177,669	 248,726
 Total unrestricted revenue	 1,660,445	 1,462,823
 Expenses		
Program services	1,267,768	1,173,734
Fundraising	59,297	80,014
Management and general	242,136	143,722
Total unrestricted expenses	1,569,202	1,397,471
 Increase in unrestricted net assets	 91,243	 65,352
<b>CHANGES IN TEMPORARILY RESTRICTED NET ASSETS</b>		
Grants	159,447	157,669
Contributions	-	10,000
Net assets released from restrictions	(177,669)	(248,726)
(Decrease) in temporarily restricted net assets	(18,222)	(81,057)
 CHANGE IN NET ASSETS	 73,021	 (15,705)
 NET ASSETS--BEGINNING OF YEAR	 198,752	 214,456
 NET ASSETS--END OF YEAR	 \$ 271,773	 \$ 198,752

See accompanying notes to financial statements

ESCUELA TLATELOLCO CENTRO DE ESTUDIOS  
 Statement of Functional Expenses  
 For the year ended August 31, 2010  
 (with summarized financial information at August 31, 2009)

	Program Services	Fundraising	Management and General	2010 Total	2009 Total
Amortization	\$ 3,629	\$ -	\$ 642	\$ 4,270	4,270
Bad debts	-	-	5,173	5,173	18,552
Bank charges	-	-	20,640	20,640	7,415
Board expenses	-	-	4,149	4,149	1,685
Contract labor	188,930	22,227	11,114	222,270	182,887
Contribution	-	-	-	-	1,000
Depreciation	62,083	-	10,957	73,040	74,004
Employee benefits	49,143	2,891	5,782	57,815	52,593
Equipment rental	(1,552)	-	(274)	(1,826)	19,563
Fundraising	-	15,057	-	15,057	42,706
Instructional material	22,339	-	-	22,339	14,145
Insurance	8,896	-	1,570	10,466	9,711
Interest	155,213	-	27,389	182,602	132,864
Legal and accounting	37,623	-	20,258	57,881	20,886
Health clinic	2,930	-	-	2,930	6,593
Miscellaneous	2,922	-	514	3,436	6,171
Office supplies	9,005	-	3,000	12,005	8,626
Pension plan contribution	340	20	40	400	-
Postage	-	102	581	683	1,614
Program costs	127,088	-	-	127,088	70,594
Repairs and maintenance	27,203	-	27,203	54,405	37,434
Salaries and payroll tax	512,616	19,000	97,029	628,645	644,550
Security	1,124	-	199	1,323	720
Staff development	7,407	-	-	7,407	4,494
Taxes and licenses	56	-	315	371	106
Technology	20,205	-	-	20,205	4,128
Telephone	6,785	-	1,696	8,481	7,416
Transportation	223	-	-	223	239
Utilities	23,564	-	4,160	27,724	22,504
	-	-	-	-	-
<b>Total expenses</b>	<b>\$ 1,267,768</b>	<b>\$ 59,297</b>	<b>\$ 242,136</b>	<b>\$ 1,569,202</b>	<b>\$ 1,397,470</b>

See accompanying notes to financial statements

ESCUELA TLATELOLCO CENTRO DE ESTUDIOS  
 Statement of Cash Flows  
 For the year ended August 31, 2010  
 (with summarized financial information at August 31, 2009)

	2010	2009
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 73,021	\$ (15,704)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	77,310	78,274
Provision for losses on accounts receivable	(4,454)	1,467
Debt forgiveness	(200,138)	(21,000)
In-Kind revenue	(90,951)	(79,488)
In-Kind expense	90,951	79,488
(Increase) Decrease in accounts receivable-tuition	9,598	(2,712)
(Increase) Decrease in accounts receivable-services	(10,121)	(1,290)
(Increase) Decrease in grants receivable	(75,068)	56,000
(Increase) Decrease in prepaid expenses	6,853	(7,231)
(Increase) Decrease in other receivable	(13,855)	(2,147)
(Increase) Decrease in other assets	53,049	(31,567)
Increase (Decrease) in accrued liabilities	17,424	(34,361)
Increase (Decrease) in accounts payable	77,474	(6,814)
Increase (Decrease) in short-term note	(25,937)	50,937
Increase (Decrease) in deferred revenue	19,919	(9,706)
Net cash provided by operating activities	5,075	54,146
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property and equipment	(10,439)	(18,939)
Net cash (used) by investing activities	(10,439)	(18,939)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Principal payments on long-term debt	(32,285)	(53,735)
Net borrowings (payments) on line of credit	57,012	(7,230)
Net cash provided (used) by financing activities	24,727	(60,965)
<b>NET INCREASE (DECREASE) IN CASH</b>	19,362	(25,759)
<b>CASH AT BEGINNING OF YEAR</b>	2,032	27,791
<b>CASH AT END OF YEAR</b>	\$ 21,394	\$ 2,032
<b>Supplemental data:</b>		
Interest paid	\$ 182,602	\$ 132,864

See accompanying notes to financial statements



ESCUELA TLATELOLCO CENTRO DE ESTUDIOS  
Notes to Financial Statements  
August 31, 2010

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**NOTE 1- NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization and Nature of Activities**

Escuela Tlatelolco is a not-for-profit, year-round educational institution in north Denver serving over 120 youth and their families. Its mission is to liberate the minds of students, through the knowledge of cultural expression, moral courage and honorable behavior; to empower critical thinking, with the challenge of their own history, self-worth, and commitment to social justice; and, to reinforce education as knowledge learned and shared. Escuela achieves its mission through an innovative educational approach that incorporates Pablo Friere's concept of "Empowerment Education" and a dual-language learning philosophy.

The Escuela is a critical community asset providing after-school and continuing education programs that provide educational opportunities and supportive services for youth and adults in the local community.

At Escuela Tlatelolco youth and families are encouraged to beat the odds through an innovative educational curriculum that encourages academic excellence, cultural pride and community leadership.

The financial statements are prepared in accordance with the recommendations of the American Institute of Certified Public Accountants in its industry audit guide, Not-for-Profit Organizations. Accordingly, the financial statements are prepared on an accrual basis of accounting. The significant accounting policies followed are described below.

**Contributions and Grants**

All contributions and grants are available for unrestricted use unless specified by the donor. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction is satisfied, temporarily restricted net assets are reclassified to unrestricted net assets.

**Donated Investments, Equipment and Services**

Donated investments, equipment and services are recorded as contributions at their estimated fair values at the date of donation. Donations are reported as increases in unrestricted net assets unless the donor has restricted the donation to a specific purpose or time period.

**Allowance for Doubtful Accounts**

The Escuela provides an allowance for doubtful accounts equal to the estimated uncollectible portion of receivables. The estimate is based on historical collection experience and a review of the current status of the receivable accounts.

**Expense Allocation**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

ESCUELA TLATELOLCO CENTRO DE ESTUDIOS  
Notes to Financial Statements  
August 31, 2010

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NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- continued

Financial Statement Presentation

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its statement SFAS No. 117, "Financial Statements for Not-for-Profit Organizations." Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted, temporarily restricted and permanently restricted.

Cash and Cash Equivalents

The Escuela considers all highly liquid investments available for current use and those with an initial maturity of three months or less to be cash equivalents.

Property and Equipment

Property and equipment are recorded at cost or if donated at the approximate fair market value at the date of donation. All expenditures or donations of property and equipment in excess of \$500 are capitalized. Depreciation is computed on a straight-line basis over the useful lives of the assets.

Amortization of Bond Issuance costs

Certain costs related to the bond issue have been capitalized and are being amortized using the straight-line method over the term of the bond issue.

Income Taxes

No provision for taxes on earnings has been made in the financial statements as the Organization has qualified as a nonprofit organization under Section 501 (C)(3) of the Internal Revenue Code.

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.

NOTE 2- GRANTS RECEIVABLE

Grants receivable-restricted are summarized as follows:

	<u>2010</u>	<u>2009</u>
Due within one year	<u>\$ 85,068</u>	<u>\$ 10,000</u>

Two grants receivable accounted for 46% and 26% of the total receivables as of August 31, 2010. One grant receivable accounted for 100% of the total receivables as of August 31, 2009.

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**NOTE 3- PROPERTY AND EQUIPMENT**

Property and equipment consist of the following at August 31:

	2010	2009
Land	\$ 100,000	\$ 100,000
Building and improvements	1,897,205	1,897,205
Furniture and fixtures	38,373	37,379
Equipment	214,788	205,345
Website	900	900
Books	63,917	63,917
Total	2,315,183	2,304,746
Less accumulated depreciation	(877,450)	(804,413)
Total property and equipment	\$ 1,437,733	\$ 1,500,333

**NOTE 4- BONDS PAYABLE**

The acquisition of the building and some of the building renovation was refinanced and additional funds were provided for the completion of the renovation project by the Colorado Educational and Cultural Facilities Authority (the "Authority") through the issuance of Private School Revenue Bonds, in the aggregate amount of \$1,280,000. Two series of bonds were issued. Series A for \$1,225,000, bears interest at 8.5% annually and matures on June 1, 2022. Series B for \$55,000, with interest at 10% annually, matured on June 1, 2004. The Bonds were issued pursuant to a Trust Indenture (the "Indenture") dated August 1, 2000, between the Authority and American National Bank, formerly known as the Bank of Cherry Creek, (the Trustee). The Escuela borrowed the proceeds of the bonds under a Mortgage and Loan Agreement (the "Loan Agreement") dated August 1, 2000. The building serves as collateral for the loan.

Pursuant to the Indenture and the Loan Agreement, the Escuela must make monthly payments to the Trustee, to provide for the annual principal and semi-annual interest payment requirements.

Debt service requirements as of August 31, 2010, are as follows:

<u>Year ended</u> <u>August 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 45,000	\$ 85,850	\$ 130,850
2012	50,000	82,025	132,025
2013	55,000	77,775	132,775
2014	60,000	73,100	133,100
2015 and thereafter	800,000	367,201	1,167,201
Total	\$1,010,000	\$ 685,951	\$1,695,951

The Loan Agreement and the Indenture contain various restrictive covenants such as debt service coverage, limitations of liens and indebtedness, continued educational institution status, audit, financial reporting and insurance requirements. As of August 31, 2010, the Escuela was in compliance with all ratios except the Long-term debt service coverage ratio. The requirement is 1.1, Escuela's ratio was 0.29. The Escuela expects to be in compliance with the Long-term debt service coverage ratio in the next fiscal year due to an expanded contract with DPS, an aggressive fund-raising campaign and additional operating efficiency measures. As of August 31, 2009, the Escuela was in compliance with all ratios except the Long-term debt service coverage ratio. The requirement is 1.1, Escuela's ratio was 1.03.

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**NOTE 5- ASSETS WHOSE USE IS LIMITED – TRUSTEE HELD FUNDS**

Pursuant to the Loan Agreement (as described in Note 4), the Escuela is required to have \$60,000 on deposit in a Bond Reserve Fund with the Trustee to be used in the event moneys are insufficient to make debt service payments when due. As of August 31, 2010, the bond reserve fund had a balance of \$0. As of August 31, 2009, the Bond Reserve Fund had a balance of \$60,035. The shortfall was approved by the Trustee and an agreement to replenish the fund is in place.

Trustee held funds are invested by the Trustee in various short-term investment vehicles and are reflected at their fair market value.

The Escuela's contract with Denver Public Schools requires that 3% of the annual funding be set aside in the TABOR Reserve held by the District. As of August 31, 2010, the required reserve amount is \$24,547 and is reflected in assets whose use is limited and accrued expenses in the statement of financial position.

**NOTE 6- TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets consists of the following as of August 31:

	2010	2009
Time restrictions:		
General operating support	\$ 5,000	\$ 18,500
Child care programs	58,333	0
Primary classrooms	0	20,000
Expelled and at-risk students	86,113	129,169
Total temporarily restricted net assets	\$ 149,446	\$ 167,669

**NOTE 7- ACCRUED EXEPNSES**

Accrued expenses consist of the following as of August 31:

	2010	2009
Accrued vacation	\$ 9,411	\$ 7,206
Accrued expenses	5,212	3,433
Accrued reserve – Tabor	24,547	17,561
Current payroll liabilities	26,222	19,768
Total	\$ 65,392	\$ 47,968

**NOTE 8- LINE OF CREDIT**

The Escuela had a line of credit with American National Bank with a credit limit of \$25,000, an interest rate of 10.25%, and a maturity date of November 28, 2008. The line of credit was not renewed upon maturity and was closed. The outstanding balance as of August 31, 2010 and 2009, was \$0 and \$2,988.

In November of 2009, the Escuela obtained a line of credit with Seedco Financial with a credit limit of \$90,000, interest at 8% and a maturity of October 2012. The outstanding balance as of August 31, 2010, was \$60,000.

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**NOTE 9- LONG-TERM DEBT**

The Escuela had the following long-term debt at August 31,

	2010	2009
Note payable to the City and County of Denver, dated September 27, 1995, fourth amendment dated November 2, 2004, amended amount \$305,138, secured by 2 <sup>nd</sup> Deed of Trust, payments deferred (see below)	\$ 0	\$ 200,138
Total	\$ 0	\$ 200,138

In November 2004, the City and County of Denver amended its agreement with the Escuela in an effort to assist the Escuela in its mission to provide education and opportunities to low-income families. The payment terms of the Note were amended as follows: Repayment of the current outstanding balance of \$305,138 shall be deferred provided the Escuela remains in compliance with its obligations pursuant to the Loan Agreement. The Note's outstanding balance shall automatically be reduced by \$21,000 for each calendar year of compliance and shall be forgiven in full on January 1, 2020. The obligations include, without limitation, using the property to assist low and moderate income households and individuals, which assistance shall be documented to the satisfaction of the City's Division of Housing and Neighborhood Development.

In January of 2010, the City and County of Denver forgave the outstanding loan amount of \$200,138 note in full.

**NOTE 10- OBLIGATIONS UNDER CAPITAL LEASES**

The Escuela leases security and telephone equipment under capital leases which expires in 2009 and 2011. The leases have been recorded in the accompanying financial statements at the present value of future minimum lease payments, discounted at an interest rate of 12.5%. The cost of the equipment and accumulated depreciation, was \$17,454 and \$7,071, respectively, at August 31, 2010.

Future minimum lease payments under the capital leases are:

2011	\$ 905
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**NOTE 11- DONATIONS IN-KIND**

The value of donated materials and services included in contributions and the corresponding expenditures for the years ended August 31, are as follows:

	2010	2009
Contributions:		
Donated services	\$ 91,351	\$ 79,488
Total contributions:	\$ 91,351	\$ 79,488
Expenditures:		
Contract labor	\$ 24,224	\$ 65,527
Repairs and maintenance	20,497	13,961
Professional fees	46,630	0
Supplies	0	0
Total expenditures:	\$ 91,351	\$ 79,488

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**NOTE 11-DONATIONS IN-KIND-continued**

Donated services consist of tutoring and maintenance. The Escuela also receives donated services that do not meet the recognition requirements under SFAS No. 116. These include clerical and janitorial services with a fair market value of \$29,814 as of August 31, 2010 and \$22,431 as of August 31, 2009.

**NOTE 12-SERVICES INCOME**

The Escuela has a contract with Denver Public School District to provide educational services to at-risk students in grades 1 to 12 in a non-traditional educational environment. The current contract requires the Escuela to serve up to 129 full-time students in the 2010-2011 school year. The contract amount is equal to 88% of the applicable per pupil revenues paid to the District from the Colorado Department of Education. The contract amount for 2010-2011 school year is \$7,724 per student with an estimated 129 full-time students, or \$876,828.

The contract amount for the 2009-2010 school year was \$7,689 per student, or \$575,150.

The contract is renewed on a year-to-year basis and represents approximately 46% of Escuela's total revenues.

**NOTE 13-TUITION AND BOOKS**

The Escuela charges tuition and an annual book fee for the Circulo Montessori program on a sliding scale based on the ability of the student's family to pay.

**NOTE 14-NET INVESTMENT INCOME**

The following schedule summarizes the investment income reported in the statement of activities:

	<u>2010</u>	<u>2009</u>
Interest and dividend income	\$ 90	\$ 695
Net investment income	<u>\$ 90</u>	<u>\$ 695</u>

**NOTE 15-COMMITMENTS AND CONTINGENCIES**

Operating Lease

The Escuela leases office equipment under an operating lease which expires in 2012.

Future minimum lease payments under the operating lease are:

2011	\$ 9,504
2012	9,504

ESCUELA TLATELOLCO CENTRO DE ESTUDIOS  
Notes to Financial Statements  
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**NOTE 15-COMMITMENTS AND CONTINGENCIES-continued**

**Noncompliance with Donor-imposed Restrictions**

As of August 31, 2010, the Organization's non-compliance with donor time restrictions resulted from the organization's failure to maintain an appropriate composition of assets in amounts needed to comply with all donor time restrictions. Total donor time restrictions were \$149,446, (see Note 6), while cash and receivables available to comply with those time restrictions were \$142,088, a deficit of \$(7,358). The circumstances causing the non-compliance are that the Organization is using net assets restricted for next year to fund current year operations.

As of August 31, 2009, the Organization's non-compliance with donor time restrictions resulted from the organization's failure to maintain an appropriate composition of assets in amounts needed to comply with all donor time restrictions. Total donor time restrictions were \$167,669, (see Note 6), while cash and receivables available to comply with those time restrictions were \$28,826, a deficit of \$(138,843). The circumstances causing the non-compliance are that the Organization is using net assets restricted for next year to fund current year operations.

**Payroll Taxes**

During a prior year, the Escuela was issued a Notice of Federal Tax Liens for nonpayment of federal payroll taxes. The lien related to the periods ended June 30 2005, September 30 2005, December 31 2005, March 31 2006, June 30 2006, September 30 2006 and December 31, 2006. As of August 31, 2008, the Escuela owed federal payroll taxes of \$25,328. Interest and penalties paid related to the past due amounts as of August 31, 2009.

On August 15, 2009, the Escuela paid all of the outstanding taxes, penalties and interest due and all liens were released.

**NOTE 16-RETIREMENT PLAN**

The Organization implemented a Simple IRA plan in November of 2005. Employees can contribute up to the annual maximum contribution set by the IRS. The Organization matches employee contributions up to 3%. Contributions for the year ended August 31, 2010 and 2009, were \$400 and \$0, respectively.

**NOTE 17-FAIR VALUE OF FINANCIAL INSTRUMENTS**

**Assets and Liabilities Measured on a Recurring Basis**

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value.

Cash and cash equivalents, receivables, accounts payable and accrued expenses, and short-term notes and liabilities: Level 1: the carrying amounts reported in the statements of financial position approximate fair values because of the short maturities of those instruments.

ESCUELA TLATELOLCO CENTRO DE ESTUDIOS  
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**NOTE 17-FAIR VALUE OF FINANCIAL INSTRUMENTS-continued**

The following table sets forth the Organization's assets at fair value as of August 31:

	<u>2010</u>	<u>2009</u>
Financial assets:		
Cash and cash equivalents	\$ 21,394	\$ 2,032
Receivables	120,696	26,794
Financial liabilities:		
Payables and accrued expenses	238,603	129,188
Short-term notes and liabilities	25,904	50,947

**NOTE 18- SUBSEQUENT EVENTS**

The Escuela expanded its contract with Denver Public Schools to include the elementary school under PPOR which will result in estimated additional income of \$270,000 for fiscal year 2010-2011.

The Organization did not have any subsequent events through November 10, 2010, which is the date the financial statements were available to be issued (or "were issued" based on clients facts and circumstances) for events requiring recording or disclosure in the financial statements for the year ended August 31, 2010.