

## Summary of Significant Changes

Owl Charter, Inc.

Year Ended June 30, 2018

The significant changes in the financial reporting of a non-profit charter holder of multiple charter schools are summarized below.

Description	Page Numbers *	Justification
<p>Unit name for this <u>new</u> set of illustrated statements is Owl Charter, Inc., the non-profit charter holder for multiple schools.</p> <p>This change is recommended but is not required for reports until the year ending June 30, 2019.</p>	<p>Various.</p>	<p>GASB standards apply to the legal entity, not to a report for a part of the legal entity.</p> <p>For a discussion, see the <i>Audit and Accounting Guide – State and Local Governments</i>, March 1, 2017, ¶1.01-1.02 and ¶3.16.</p>
<p>Alternative graphics for Figure 1 of the MD&amp;A outlining the relationships of the components of the annual financial report.</p>	<p>MD&amp;A pages 35-H.2-16. See separate file titled <i>Appendix - Alternative Graphics for Consideration - Arial</i></p>	<p>An additional format for your convenience, a Word document <i>Picture (Enhanced Metafile)</i> with instructions has been provided for each of the various report relationships applicable to charter schools.</p> <p>The prior Figure 1 presentation can still be used as a picture or Word document text.</p>
<p>Tables for the Management Discussion and Analysis and for the Notes to the Financial Statements are provided in a separate Excel file “Tables of the MDA and Notes”.</p>	<p>MD&amp;A pages 35-H.2-19, 35-H.2-20, 35-H.2-21 and 35-H.2-22 of the financial statements.</p> <p>Notes pages 35-H.2-37, 35-H.2-40, 35-H.2-41, 35-H.2-43, 35-H.2-44, 35-H.2-45, 35-H.2-46, 35-H.2-47, 35-H.2-48, 35-H.2-49, 35-H.2-50, 35-H.2-51, 35-H.2-52 and 35-H.2-53.</p>	<p>Tables from the Excel file have been presented in these sample statements as a Word document <i>Picture (Enhanced Metafile)</i>. There are other methods to include this information.</p> <p>Preparers should use the method that works best in their circumstances.</p>
<p>Updating references to NC General Statutes.</p>	<p>Pages 35-H.2-33, 35-H.2-34, 35-H.2-41, 35-H.2-42 and 35-H.2-47.</p>	<p>Reflect recodification of laws related to charter schools.</p>

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Description	Page Numbers *	Justification
Note I introductory paragraph, Note I.A. and Note I.B.	Page 35-H.2-33.	Update the description of the reporting entity and provide the justification for the application of GASB standards to a non-profit entity.
A reconciliation from the budget to actual results for each <u>separate school</u> for the components of the change in fund balances for governmental funds and for the change in net position of the enterprise funds is illustrated.	Pages 35-H.2-81 through 35-H.2-87.	Other approaches may be acceptable but must be for each separate school.

\* Page numbers are to Sample Statement, PDF document, unless otherwise indicated.