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Form 990  
Department of the Treasury  
Internal Revenue Service

## Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

► Do not enter Social Security numbers on this form as it may be made public.

► Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

2013

Open to Public  
Inspection

A For the 2013 calendar year, or tax year beginning JUL 1, 2013 and ending JUN 30, 2014

B Check if applicable	C Name of organization <b>INLY SCHOOL, INC.</b>		D Employer identification number <b>04-2526455</b>
	Doing Business As		E Telephone number <b>781-545-5544</b>
	Number and street (or P.O. box if mail is not delivered to street address) <b>46 WATCH HILL DRIVE</b>	Room/suite	G Gross receipts \$ <b>5,563,666.</b>
	City or town, state or province, country, and ZIP or foreign postal code <b>SCITUATE, MA 02066</b>		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	F Name and address of principal officer: <b>JOHN GIDMAN, TREASURER SAME AS C ABOVE</b>		H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)
I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c)( ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	J Website: ► <b>INLYSCHOOL.ORG</b>		H(c) Group exemption number ►
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ►	L Year of formation: <b>1973</b>		M State of legal domicile: <b>MA</b>

## Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities <b>TO OPERATE A PRIVATE SCHOOL EMPHASIZING THE USE OF MONTESSORI METHODS AND TECHNIQUES IN TEACHING</b>		
	2 Check this box ► <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	20
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	20
	5 Total number of individuals employed in calendar year 2013 (Part V, line 25)	5	94
	6 Total number of volunteers (estimate if necessary)	6	200
	7 a Total unrelated business revenue from Part VIII, column (C), line 12 b Net unrelated business taxable income from Form 990-T, line 34	7a	0.
	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	434,500.	493,440.
	9 Program service revenue (Part VIII, line 2g)	4,830,666.	5,010,157.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	894.	532.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<27,196. >	<11,173. >
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	5,238,864.	5,492,956.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	410,316.	420,621.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	3,244,934.	3,476,532.
	16a Professional fundraising fees (Part IX, column (A), line 11e) b Total fundraising expenses (Part IX, column (D), line 25) ► <b>194,178.</b>	0.	0.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	1,183,736.	1,279,757.
	18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	4,838,986.	5,176,910.
	19 Revenue less expenses Subtract line 18 from line 12	399,878.	316,046.
Net Assets or Fund Balances	Beginning of Current Year	End of Year	
	20 Total assets (Part X, line 16)	8,594,632.	9,111,077.
	21 Total liabilities (Part X, line 26)	4,714,837.	4,915,236.
	22 Net assets or fund balances Subtract line 21 from line 20	3,879,795.	4,195,841.

## Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here	Signature of officer <b>JOHN GIDMAN, TREASURER</b>	Date <b>5/16/15</b>
	Type or print name and title	

Paid Preparer	Print/Type preparer's name <b>JOSEPH P. COSTELLO</b>	Preparer's signature <b>JOSEPH P. COSTELLO</b>	Date <b>04/24/15</b>	Check <input checked="" type="checkbox"/> if self-employed	PTIN <b>P00165973</b>
Use Only	Firm's name ► <b>JOSEPH P. COSTELLO CPA</b>	Firm's EIN ► <b>04-2777001</b>			
	Firm's address ► <b>35 BRAINTREE HILL OFFICE PK STE 205 BRAINTREE, MA 02184</b>			Phone no. <b>(781) 848-2396</b>	

May the IRS discuss this return with the preparer shown above? (see instructions)

 Yes  No

332001 10-29-13 LHA For Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2013)

SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

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## Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III 

1 Briefly describe the organization's mission:

**INLY SCHOOL IS A PARTNERSHIP OF CHILDREN, TEACHERS AND FAMILIES, DEDICATED TO THE JOYFUL DISCOVERY OF EACH CHILD'S INNATE CAPABILITIES AND POTENTIAL. OUR COMMUNITY OF LEARNERS INSPIRES AND NURTURES CHILDREN TO BECOME GLOBAL CITIZENS BY EMBRACING THE PHILOSOPHY AND**

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code \_\_\_\_\_) (Expenses \$ 3,777,821. including grants of \$ 420,621. ) (Revenue \$ 5,010,157. )  
**TO OPERATE A PRIVATE SCHOOL EMPHASIZING THE USE OF THE MONTESSORI METHODS AND TECHNIQUES IN TEACHING CHILDREN FROM 18 MONTHS TO 14 YEARS OF AGE.**

\_\_\_\_\_

\_\_\_\_\_

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\_\_\_\_\_

4b (Code \_\_\_\_\_) (Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_ ) (Revenue \$ \_\_\_\_\_ )

\_\_\_\_\_

\_\_\_\_\_

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4c (Code \_\_\_\_\_) (Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_ ) (Revenue \$ \_\_\_\_\_ )

\_\_\_\_\_

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\_\_\_\_\_

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\_\_\_\_\_

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\_\_\_\_\_

4d Other program services (Describe in Schedule O)

(Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_ ) (Revenue \$ \_\_\_\_\_ )

4e Total program service expenses ► 3,777,821.

## Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	1 X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors?</i>	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	3 X	
4 <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	4 X	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	5 X	
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	6 X	
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	7 X	
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	8 X	
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	9 X	
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	10 X	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable <ul style="list-style-type: none"> <li>a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i></li> <li>b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i></li> <li>c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i></li> <li>d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i></li> <li>e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i></li> <li>f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i></li> </ul>	11a X 11b X 11c X 11d X 11e X 11f X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	12a X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	12b X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13 X	
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a X	
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	14b X	
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	15 X	
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>	16 X	
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>	17 X	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18 X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19 X	
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	20a X	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b X	

## Part IV Checklist of Required Schedules (continued)

		Yes	No
21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	X
22	Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	X
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No", go to line 25a	24a	X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	X
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	X
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	X
25a	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b	X
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If so, complete Schedule L, Part II	26	X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III	27	X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a	X
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	28c	X
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29	X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30	X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	33	X
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	34	X
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b	
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37	X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	38	X

**Note.** All Form 990 filers are required to complete Schedule O

**Part V Statements Regarding Other IRS Filings and Tax Compliance**Check if Schedule O contains a response or note to any line in this Part V 

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	47
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	94
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <i>Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)</i>	2b	X
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	X
b	If "Yes," has it filed a Form 990-T for this year? <i>If "No," to line 3b, provide an explanation in Schedule O</i>	3b	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b	If "Yes," enter the name of the foreign country. ► <i>See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts</i>	5a	
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	<b>Organizations that may receive deductible contributions under section 170(c).</b>	7a	X
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7b	X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7c	X
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7d	
d	If "Yes," indicate the number of Forms 8282 filed during the year	7e	X
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7f	X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7g	
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7h	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	8	
8	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	9a	
9	<b>Sponsoring organizations maintaining donor advised funds.</b>	9b	
a	Did the organization make any taxable distributions under section 4966?	10a	
b	Did the organization make a distribution to a donor, donor advisor, or related person?	10b	
10	<b>Section 501(c)(7) organizations.</b> Enter	11a	
a	Initiation fees and capital contributions included on Part VIII, line 12	11b	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	12a	
11	<b>Section 501(c)(12) organizations.</b> Enter	12b	
a	Gross income from members or shareholders	13a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	13b	
12a	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	13c	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	14a	X
13	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>	14b	
a	Is the organization licensed to issue qualified health plans in more than one state? <i>Note. See the instructions for additional information the organization must report on Schedule O</i>		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans		
c	Enter the amount of reserves on hand		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		
b	If "Yes," has it filed a Form 720 to report these payments? <i>If "No," provide an explanation in Schedule O</i>		

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions

Check if Schedule O contains a response or note to any line in this Part VI

### Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	20	
1b		20	
2			X
3			X
4			X
5			X
6			X
7a			X
7b			X
8a		X	
8b		X	
9			X

### Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a		X
b		
10b		
11a	X	
b		
12a	X	
b		
c		
12b	X	
12c	X	
13	X	
14	X	
a		
b		
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)		
15a	X	
15b	X	
16a		X
b		
16b		

### Section C. Disclosure

17	List the states with which a copy of this Form 990 is required to be filed ► <b>MA</b>
18	Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply
	<input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> Other (explain in Schedule O)
19	Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ► _____ <b>DONNA MILANI LUTHER - 781-545-5544</b>
	<b>46 WATCH HILL DRIVE, SCITUATE, MA 02066</b>

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

 Check if Schedule O contains a response or note to any line in this Part VII 
**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation
- Enter 0 in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee"
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order: individual trustees or directors; institutional trustees, officers; key employees, highest compensated employees, and former such persons

 Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)					(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee			
(1) PAUL ANTICO TRUSTEE	1.00	X					0.	0.	0.
(2) JOHN GIDMAN TREASURER	1.00	X	X				0.	0.	0.
(3) SANDY KRONITIS-SIPOLS VICE PRESIDENT	1.00	X	X				0.	0.	0.
(4) ROB DEMARCO TRUSTEE	1.00	X					0.	0.	0.
(5) LORY NEWMAYER TRUSTEE	1.00	X					0.	0.	0.
(6) MIKE SHEEHAN TRUSTEE	1.00	X					0.	0.	0.
(7) URSULA KNIGHT TRUSTEE	1.00	X					0.	0.	0.
(8) ANDREW SULLIVAN TRUSTEE	1.00	X					0.	0.	0.
(9) DAVENPORT CROCKER JR PRESIDENT	1.00	X	X				0.	0.	0.
(10) JEFF MORRIS TRUSTEE	1.00	X					0.	0.	0.
(11) CHRISTOPHER DEMURIAS TRUSTEE	1.00	X					0.	0.	0.
(12) KATIE SULLIVAN TRUSTEE	1.00	X					0.	0.	0.
(13) MICHAEL GREALISH TRUSTEE	1.00	X					0.	0.	0.
(14) SHANNON HARPER-BISON CLERK	1.00	X	X				0.	0.	0.
(15) STACEY BEST TRUSTEE	1.00	X					0.	0.	0.
(16) CHARLES CELLA TRUSTEE	1.00	X					0.	0.	0.
(17) BILL HOOVER TRUSTEE	1.00	X					0.	0.	0.

## Part VII

## Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)					(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee			
(18) STEPHEN HULL TRUSTEE	1.00	X					0.	0.	0.
(19) CHRISTINE SILVERS TRUSTEE	1.00	X					0.	0.	0.
(20) CARLOS PEREZ TRUSTEE	1.00	X					0.	0.	0.
(21) DONNA MILANI LUTHER HEAD OF SCHOOL	40.00			X			286,874.	0.	8,133.
(22) JULAINA MCINNIS BUSINESS MANAGER	40.00				X		127,532.	0.	9,133.
<b>1b Sub-total</b>							<b>414,406.</b>	0.	<b>17,266.</b>
<b>c Total from continuation sheets to Part VII, Section A</b>							<b>0.</b>	0.	<b>0.</b>
<b>d Total (add lines 1b and 1c)</b>							<b>414,406.</b>	0.	<b>17,266.</b>
<b>2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization</b>									

2

3 Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual

4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual

5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
3		X
4	X	
5		X

## Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
NONE		
<b>2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization</b>	<b>0</b>	

Form 990 (2013)

## Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII 

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a			
	b Membership dues	1b			
	c Fundraising events	1c	29,989.		
	d Related organizations	1d			
	e Government grants (contributions)	1e			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	463,451.		
	g Noncash contributions included in lines 1a-1f \$		26,391.		
	h Total. Add lines 1a-1f ►		493,440.		
Program Service Revenue	2 a TUITION & FEES	Business Code 611110	4,682,117.	4,682,117.	
	b ANCILLARY SERVICES	611110	277,012.	277,012.	
	c MISCELLANEOUS INCOME	611110	51,028.	51,028.	
	d				
	e				
	f All other program service revenue				
	g Total. Add lines 2a-2f ►		5,010,157.		
	3 Investment income (including dividends, interest, and other similar amounts) ►		532.		532.
4 Income from investment of tax-exempt bond proceeds ►					
5 Royalties ►					
6 a Gross rents	(i) Real	(ii) Personal			
b Less rental expenses					
c Rental income or (loss)					
d Net rental income or (loss) ►					
7 a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
b Less cost or other basis and sales expenses					
c Gain or (loss)					
d Net gain or (loss) ►					
8 a Gross income from fundraising events (not including \$ 29,989. of contributions reported on line 1c) See Part IV, line 18	a	59,537.			
b Less direct expenses	b	70,710.			
c Net income or (loss) from fundraising events ►		<11,173.>			<11,173.>
9 a Gross income from gaming activities See Part IV, line 19	a				
b Less direct expenses	b				
c Net income or (loss) from gaming activities ►					
10 a Gross sales of inventory, less returns and allowances	a				
b Less cost of goods sold	b				
c Net income or (loss) from sales of inventory ►					
Miscellaneous Revenue	Business Code				
11 a					
b					
c					
d All other revenue					
e Total. Add lines 11a-11d ►					
12 Total revenue See instructions. ►		5,492,956.	5,010,157.	0.	<10,641.>

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A)

Check if Schedule O contains a response or note to any line in this Part IX 

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	420,621.	420,621.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	255,615.		230,053.	25,562.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	2,432,339.	1,910,426.	416,781.	105,132.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	580,015.	405,795.	146,146.	28,074.
10 Payroll taxes	208,563.	145,917.	52,551.	10,095.
11 Fees for services (non-employees)				
a Management				
b Legal	14,951.		14,951.	
c Accounting	16,800.		16,800.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	1,750.		1,750.	
12 Advertising and promotion	70,448.		59,835.	10,613.
13 Office expenses	46,536.		46,536.	
14 Information technology				
15 Royalties				
16 Occupancy	320,592.	288,532.	32,060.	
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	100,055.	90,049.	10,006.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	252,164.	216,003.	36,161.	
23 Insurance	35,149.	31,634.	3,515.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <b>INSTRUCTION AND SUPPLIES</b>	207,470.	207,470.		
b <b>STUDENT ACTIVITIES</b>	64,273.	35,869.	28,404.	
c <b>STRATEGIC PLANNING</b>	38,500.		38,500.	
d <b>LEASED EQUIPMENT</b>	33,508.	25,505.	8,003.	
e All other expenses	77,561.		62,859.	14,702.
<b>25 Total functional expenses</b> Add lines 1 through 24e	5,176,910.	3,777,821.	1,204,911.	194,178.
<b>26 Joint costs</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ►  if following SOP 98-2 (ASC 958-720)

## Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X 

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	2,837,884.	1	3,606,557.
	2 Savings and temporary cash investments	102,037.	2	102,048.
	3 Pledges and grants receivable, net	199,753.	3	46,944.
	4 Accounts receivable, net	21,886.	4	3,427.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	770.
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr) Complete Part II of Sch L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	46,103.	9	29,819.
	10a Land, buildings, and equipment. cost or other basis Complete Part VI of Schedule D	10a 7,946,532.		
	b Less accumulated depreciation	10b 2,738,292.	10c	5,208,240.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities See Part IV, line 11		12	
	13 Investments - program-related See Part IV, line 11		13	
	14 Intangible assets	83,413.	14	95,470.
	15 Other assets See Part IV, line 11	225,446.	15	17,802.
	16 Total assets. Add lines 1 through 15 (must equal line 34)	8,594,632.	16	9,111,077.
Liabilities	17 Accounts payable and accrued expenses	74,835.	17	56,976.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities	2,363,302.	20	2,322,851.
	21 Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D			
	26 Total liabilities. Add lines 17 through 25	2,276,700.	25	2,535,409.
Net Assets or Fund Balances	27 Unrestricted net assets	3,789,854.	27	4,057,055.
	28 Temporarily restricted net assets	39,213.	28	57,092.
	29 Permanently restricted net assets	50,728.	29	81,694.
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	3,879,795.	33	4,195,841.
	34 Total liabilities and net assets/fund balances	8,594,632.	34	9,111,077.

Form 990 (2013)

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response or note to any line in this Part XI 

- 1 Total revenue (must equal Part VIII, column (A), line 12)
- 2 Total expenses (must equal Part IX, column (A), line 25)
- 3 Revenue less expenses Subtract line 2 from line 1
- 4 Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))
- 5 Net unrealized gains (losses) on investments
- 6 Donated services and use of facilities
- 7 Investment expenses
- 8 Prior period adjustments
- 9 Other changes in net assets or fund balances (explain in Schedule O)
- 10 Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))

1	5,492,956.
2	5,176,910.
3	316,046.
4	3,879,795.
5	
6	
7	
8	
9	0.
10	4,195,841.

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response or note to any line in this Part XII **X**

- 1 Accounting method used to prepare the Form 990  Cash  Accrual  Other

If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O

- 2a Were the organization's financial statements compiled or reviewed by an independent accountant?

If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both.

 Separate basis  Consolidated basis  Both consolidated and separate basis

- 2b Were the organization's financial statements audited by an independent accountant?

If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both.

 Separate basis  Consolidated basis  Both consolidated and separate basis

- 2c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?

If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O

- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?

- 3b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		<b>X</b>
2b	<b>X</b>	
2c	<b>X</b>	
3a		<b>X</b>
3b		

Form 990 (2013)

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

## Public Charity Status and Public Support

Department of the Treasury  
Internal Revenue Service

**Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.**

► **Information about Schedule A (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

OMB No 1545-0047

2013

**Open to Public  
Inspection**

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**Name of the organization**

**Employer identification number**

ONLY SCHOOL, INC.

04-2526455

**Part I Reason for Public Charity Status** (All organizations must complete this part) See instructions

**The organization is not a private foundation because it is (For lines 1 through 11, check only one box )**

1	<input type="checkbox"/>	A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).				
2	<input checked="" type="checkbox"/>	A school described in section 170(b)(1)(A)(ii). (Attach Schedule E)				
3	<input type="checkbox"/>	A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).				
4	<input type="checkbox"/>	A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state: _____				
5	<input type="checkbox"/>	An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II)				
6	<input type="checkbox"/>	A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).				
7	<input type="checkbox"/>	An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II)				
8	<input type="checkbox"/>	A community trust described in section 170(b)(1)(A)(vi). (Complete Part II)				
9	<input type="checkbox"/>	An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Complete Part III)				
10	<input type="checkbox"/>	An organization organized and operated exclusively to test for public safety. See section 509(a)(4).				
11	<input type="checkbox"/>	An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h				
	a <input type="checkbox"/>	Type I	b <input type="checkbox"/>	Type II		
	c <input type="checkbox"/>	Type III - Functionally integrated		d <input type="checkbox"/>	Type III - Non-functionally integrated	
e	<input type="checkbox"/>	By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)				
f	If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box					<input type="checkbox"/>
g	Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?					
(i)	A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?					
(ii)	A family member of a person described in (i) above?					
(iii)	A 35% controlled entity of a person described in (i) or (ii) above?					
h	Provide the following information about the supported organization(s)					

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

**LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ**

Schedule A (Form 990 or 990-EZ) 2013

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 <b>Total.</b> Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
<b>6 Public support.</b> Subtract line 5 from line 4						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
<b>11 Total support.</b> Add lines 7 through 10						
<b>12 Gross receipts from related activities, etc (see instructions)</b>					12	

**13 First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ►

**Section C. Computation of Public Support Percentage**

<b>14</b> Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	14	%
<b>15</b> Public support percentage from 2012 Schedule A, Part II, line 14	15	%
<b>16a 33 1/3% support test - 2013.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization	► <input type="checkbox"/>	
<b>b 33 1/3% support test - 2012.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization	► <input type="checkbox"/>	
<b>17a 10% -facts-and-circumstances test - 2013.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here</b> . Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	► <input type="checkbox"/>	
<b>b 10% -facts-and-circumstances test - 2012.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here</b> . Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	► <input type="checkbox"/>	
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and <b>see instructions</b>	► <input type="checkbox"/>	

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total.</b> Add lines 1 through 5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
<b>c</b> Add lines 7a and 7b						
<b>8 Public support</b> (Subtract line 7c from line 6)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
<b>13 Total support.</b> (Add lines 8, 10c, 11, and 12)						
<b>14 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b>						► <input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	%
<b>16</b> Public support percentage from 2012 Schedule A, Part III, line 15	16	%

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f))	17	%
<b>18</b> Investment income percentage from 2012 Schedule A, Part III, line 17	18	%

**19a 33 1/3% support tests - 2013.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization



**b 33 1/3% support tests - 2012.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization



**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions



**Part IV Supplemental Information.** Provide the explanations required by Part II, line 10, Part II, line 17a or 17b, and Part III, line 12

Also complete this part for any additional information (See instructions)

**SCHEDULE D**  
(Form 990)

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

OMB No. 1545-0047

**2013**

Open to Public  
Inspection

► Complete if the organization answered "Yes," to Form 990,  
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

► Attach to Form 990.

► Information about Schedule D (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

INLY SCHOOL, INC.

Employer identification number

04-2526455

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the

organization answered "Yes" to Form 990, Part IV, line 6

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?  Yes  No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?  Yes  No

**Part II Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7

1 Purpose(s) of conservation easements held by the organization (check all that apply)

Preservation of land for public use (e.g., recreation or education)  Preservation of an historically important land area  
 Protection of natural habitat  Preservation of a certified historic structure  
 Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
2a	
2b	
2c	
2d	

a Total number of conservation easements

b Total acreage restricted by conservation easements

c Number of conservation easements on a certified historic structure included in (a)

d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► \_\_\_\_\_

4 Number of states where property subject to conservation easement is located ► \_\_\_\_\_

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?  Yes  No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ► \_\_\_\_\_

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► \$ \_\_\_\_\_

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?  Yes  No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 8

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ \_\_\_\_\_  
(ii) Assets included in Form 990, Part X ► \$ \_\_\_\_\_

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenues included in Form 990, Part VIII, line 1 ► \$ \_\_\_\_\_  
b Assets included in Form 990, Part X ► \$ \_\_\_\_\_

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)**

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

a  Public exhibition      d  Loan or exchange programs  
 b  Scholarly research      e  Other \_\_\_\_\_  
 c  Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No

b If "Yes," explain the arrangement in Part XIII and complete the following table

	Amount
1c	
1d	
1e	
1f	

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

2a Did the organization include an amount on Form 990, Part X, line 21?

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Yes  No

**Part V Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	89,941.	46,800.	35,847.	22,584.	16,690.
b Contributions	231,023.	136,624.	590,187.	63,290.	45,526.
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs	182,178.	93,483.	579,234.	50,027.	39,632.
f Administrative expenses					
g End of year balance	138,786.	89,941.	46,800.	35,847.	22,584.

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a Board designated or quasi-endowment ►        %

b Permanent endowment ► 58.86 %

c Temporarily restricted endowment ► 41.14 %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by.

	Yes	No
3a(i)		X
3a(ii)		X
3b		

(i) unrelated organizations

(ii) related organizations

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		858,151.		858,151.
b Buildings		6,440,133.	2,242,474.	4,197,659.
c Leasehold improvements				
d Equipment		648,248.	495,818.	152,430.
e Other				

Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) ►

5,208,240.

**Part VII Investments - Other Securities.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
<b>Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ►</b>		

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
<b>Total (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ►</b>		

**Part IX Other Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ►</b>	

**Part X Other Liabilities.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) PREPAID TUITION AND DEPOSITS	
(3) RECEIVED	2,504,274.
(4) MISCELLANEOUS LIABILITIES	31,135.
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ►</b>	2,535,409.

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a

1	Total revenue, gains, and other support per audited financial statements	1	5,537,275.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII )	2d	44,319.
e	Add lines 2a through 2d	2e	44,319.
3	Subtract line 2e from line 1	3	5,492,956.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII )	4b	
c	Add lines 4a and 4b	4c	0.
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	5,492,956.

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a

1	Total expenses and losses per audited financial statements	1	5,221,229.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII )	2d	44,319.
e	Add lines 2a through 2d	2e	44,319.
3	Subtract line 2e from line 1	3	5,176,910.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1.		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII )	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	5,176,910.

**Part XIII Supplemental Information.**

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b Also complete this part to provide any additional information

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**PART XI, LINE 2D - OTHER ADJUSTMENTS:****COST OF SPECIAL EVENTS AND ACTIVITIES: \$44,319****PART XII, LINE 2D - OTHER ADJUSTMENTS:****COST OF SPECIAL EVENTS AND ACTIVITIES: \$44,319****PART XII, LINE 2D - OTHER ADJUSTMENTS:**

**EXPLANATION: COSTS RELATED TO SPECIAL EVENTS AND ACTIVITIES HAVE BEEN INCLUDED IN FUNDRAISING EXPENSES ON THE AUDITED FINANCIAL STATEMENTS.**

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Part XIII | **Supplemental Information (continued)**

**SCHEDULE E**

(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service**Schools**

OMB No 1545-0047

**2013**Open to Public  
Inspection► Complete if the organization answered "Yes" to Form 990, Part IV, line 13,  
or Form 990-EZ, Part VI, line 48.

► Attach to Form 990 or Form 990-EZ.

► Information about Schedule E (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

**INLY SCHOOL, INC.**

Employer identification number

**04-2526455****Part I**

- 1 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?
- 2 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?
- 3 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe. If "No," please explain.

If you need more space, use Part II

**SEE PART II**

	YES	NO
1	X	
2	X	
3	X	
4a	X	
4b	X	
4c	X	
4d	X	
5a	X	
5b	X	
5c	X	
5d	X	
5e	X	
5f	X	
5g	X	
5h	X	
6a	X	
6b	X	
7	X	

- 4 Does the organization maintain the following?

- a Records indicating the racial composition of the student body, faculty, and administrative staff?
- b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?
- c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?
- d Copies of all material used by the organization or on its behalf to solicit contributions?

If you answered "No" to any of the above, please explain. If you need more space, use Part II

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- 5 Does the organization discriminate by race in any way with respect to

- a Students' rights or privileges?
- b Admissions policies?
- c Employment of faculty or administrative staff?
- d Scholarships or other financial assistance?
- e Educational policies?
- f Use of facilities?
- g Athletic programs?
- h Other extracurricular activities?

If you answered "Yes" to any of the above, please explain. If you need more space, use Part II

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- 6a Does the organization receive any financial aid or assistance from a governmental agency?

- b Has the organization's right to such aid ever been revoked or suspended?

If you answered "Yes" to either line 6a or line 6b, explain on Part II

- 7 Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," explain on Part II

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or Form 990-EZ.

Schedule E (Form 990 or 990-EZ) (2013)

**Part II** **Supplemental Information.** Provide the explanations required by Part I, lines 3, 4d, 5h, 6b, and 7, as applicable. Also complete this part to provide any other additional information

LINE 3 - EXPLANATION OF NONDISCRIMINATION POLICY:

EXPLANATION: THE POLICY IS PUBLICIZED BY THE ASSOCIATION OF INDEPENDENT

SCHOOLS IN NEW ENGLAND (AISNE). PUBLISHED IN THE BOSTON GLOBE

AND ON ITS WEBSITE AT [WWW.AISNE.ORG](http://WWW.AISNE.ORG). THE PUBLIC

ANNOUNCEMENTS INCLUDES A STATEMENT THAT THE SCHOOL DOES NOT

DISCRIMINATE ON THE BASIS OF RACE, COLOR, RELIGIOUS

**AFFILIATION, NATIONAL AND ETHNIC ORIGIN OR QUALIFIED HANDICAPPED STUDENTS.**

**SCHEDULE G**  
**(Form 990 or 990-EZ)**

## **Supplemental Information Regarding Fundraising or Gaming Activities**

OMB No 1545-0047

**2013**

## Open To Public Inspection

Department of the Treasury  
Internal Revenue Service

**Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.**

► Attach to Form 990 or Form 990-EZ.

► **Information about Schedule G (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form\\_990](http://www.irs.gov/form_990).**

Name of the organization

**Employer identification number**  
**04-2526455**

## ONLY SCHOOL, INC.

**Part I** **Fundraising Activities.** Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities      Check all that apply

- a Mail solicitations
- b Internet and email solicitations
- c Phone solicitations
- d In-person solicitations
- e Solicitation of non-government grants
- f Solicitation of government grants
- g Special fundraising events

**2 a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?

Yes

No

**b** If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?	(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization	
		Yes	No			
<b>Total</b>						

**Total** ►

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing

**Part II Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000

Revenue		(a) Event #1 <b>SPRING AUCTION</b> (event type)	(b) Event #2 <b>SPEAKER SERIES</b> (event type)	(c) Other events <b>NONE</b> (total number)	(d) Total events (add col (a) through col (c))
1	Gross receipts	82,705.	6,821.		89,526.
2	Less Contributions	29,989.			29,989.
3	Gross income (line 1 minus line 2)	52,716.	6,821.		59,537.
4	Cash prizes				
5	Noncash prizes				
6	Rent/facility costs	0.			
7	Food and beverages	8,700.			8,700.
8	Entertainment				
9	Other direct expenses	41,278.	20,732.		62,010.
10	Direct expense summary Add lines 4 through 9 in column (d)				► 70,710.
11	Net income summary Subtract line 10 from line 3, column (d)				► <11,173. >

**Part III Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a

Revenue		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col. (c))
1	Gross revenue				
2	Cash prizes				
3	Noncash prizes				
4	Rent/facility costs				
5	Other direct expenses				
6	Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
7	Direct expense summary Add lines 2 through 5 in column (d)				►
8	Net gaming income summary Subtract line 7 from line 1, column (d)				►

9 Enter the state(s) in which the organization operates gaming activities \_\_\_\_\_

a Is the organization licensed to operate gaming activities in each of these states?  Yes  No

b If "No," explain \_\_\_\_\_

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?  Yes  No

b If "Yes," explain \_\_\_\_\_

11 Does the organization operate gaming activities with nonmembers?  Yes  No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?  Yes  No

13 Indicate the percentage of gaming activity operated in:

- a The organization's facility
- b An outside facility

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name ► \_\_\_\_\_

Address ► \_\_\_\_\_

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue?  Yes  No

b If "Yes," enter the amount of gaming revenue received by the organization ► \$ \_\_\_\_\_ and the amount of gaming revenue retained by the third party ► \$ \_\_\_\_\_ .

c If "Yes," enter name and address of the third party:

Name ► \_\_\_\_\_

Address ► \_\_\_\_\_

## 16 Gaming manager information

Name ► \_\_\_\_\_

Gaming manager compensation ► \$ \_\_\_\_\_

Director/officer       Employee       Independent contractor

**17 Mandatory distributions:**

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?  Yes  No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$

## Part IV

**Supplemental Information.** Provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).



**Part III** Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22

Part III can be duplicated if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
FINANCIAL AID	41	0.	420,621	BOOK	REDUCTION IN TUITION AND FEES FOR ELIGIBLE STUDENTS.

**Part IV** Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**SCHEDULE J**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

► Complete if the organization answered "Yes" on Form 990, Part IV, line 23.

► Attach to Form 990. ► See separate instructions.

► Information about Schedule J (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

**2013**

Open to Public  
Inspection

Name of the organization

**INLY SCHOOL, INC.**

Employer identification number

**04-2526455**

**Part I Questions Regarding Compensation**

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)

1b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III

<input type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract
<input type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization

a Receive a severance payment or change-of-control payment?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

**Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.**

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

a The organization?

b Any related organization?

If "Yes" to line 5a or 5b, describe in Part III

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of

a The organization?

b Any related organization?

If "Yes" to line 6a or 6b, describe in Part III

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2013

## Part II Officers Directors

Key Features and Highest

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii).  
Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Do not duplicate copies if accurate space is needed.

Do not list any individuals that are not listed in the table below.

**Note** The sum of columns (B) through (E) for each listed individual must equal the total amount of Form 990 Part VII Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)-(D)	(F) Compensation reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) DONNA MILANI LUTHER HEAD OF SCHOOL	(i) <b>286,874.</b> 0.	0.	0.	0.	<b>4,600.</b> 0.	<b>3,533.</b> 0.	<b>295,007.</b> 0.
	(ii)						
	(iii)						
	(iv)						
	(v)						
	(vi)						
	(vii)						
	(viii)						
	(ix)						
	(x)						
	(xi)						
	(xii)						
	(xiii)						
	(xiv)						
	(xv)						
	(xvi)						
	(xvii)						
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INLY SCHOOL, INC.

### **Part III Supplemental Information**

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information

**SCHEDULE K**  
(Form 990)  
Department of the Treasury  
Internal Revenue Service

**Supplemental Information on Tax-Exempt Bonds**

► Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.  
► Attach to Form 990. ► See separate instructions. ► Information about Schedule K (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047  
**2013**  
Open to Public  
Inspection

Name of the organization

ONLY SCHOOL, INC.

SEE PART VI FOR COLUMN (A) CONTINUATIONS

Part I	Bond Issues	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased (h) On behalf of issuer	(i) Pooled financing
								Yes	No
								Yes	No
		MASSACHUSETTS A DEVELOPMENT FINANCE AGEN		NONE	12/31/10	2,465,000	2011 PROJECT COSTS	X	X
B									
C									
D									

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired		142,149.		
2	Amount of bonds legally defeased				
3	Total proceeds of issue		2,465,000.		
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds		64,475.		
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds		558,392.		
11	Other spent proceeds		1,842,133.		
12	Other unspent proceeds				
13	Year of substantial completion				
14	Were the bonds issued as part of a current refunding issue?	Yes	No	Yes	No
15	Were the bonds issued as part of an advance refunding issue?				
16	Has the final allocation of proceeds been made?				
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X			

Part III Private Business Use

		A	B	C	D
		Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?				
2	Are there any lease arrangements that may result in private business use of bond-financed property?				

	A	B	C	D
	Yes	No	Yes	No
<b>3a</b> Are there any management or service contracts that may result in private business use of bond-financed property?		X		
<b>b</b> If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?				
<b>c</b> Are there any research agreements that may result in private business use of bond-financed property?		X		
<b>d</b> If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?				
<b>4</b> Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	▲	%	%	%
<b>5</b> Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government	▲	%	%	%
<b>6</b> Total of lines 4 and 5		X		
<b>7</b> Does the bond issue meet the private security or payment test?				
<b>8a</b> Has there been a sale or disposition of any of the bond-financed property to a non-governmental person other than a 501(c)(3) organization since the bonds were issued?		X		
<b>b</b> If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of		%	%	%
<b>c</b> If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1 141-12 and 1 145-2?				
<b>9</b> Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1 141-12 and 1 145-2?		X		
<b>Part IV Arbitrage</b>				
<b>1</b> Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?	A	B	C	D
	Yes	No	Yes	No
<b>2</b> If "No" to line 1, did the following apply?		X		
<b>a</b> Rebate not due yet?		X		
<b>b</b> Exception to rebate?		X		
<b>c</b> No rebate due?		X		
If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed				
<b>3</b> Is the bond issue a variable rate issue?				
<b>4a</b> Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		
<b>b</b> Name of provider				
<b>c</b> Term of hedge				
<b>d</b> Was the hedge superintegrated?				
<b>e</b> Was the hedge terminated?				

	A	B	C	D
	Yes	No	Yes	No
5a Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		
b Name of provider				
c Term of GIC				
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?				
6 Were any gross proceeds invested beyond an available temporary period?				
7 Has the organization established written procedures to monitor the requirements of section 148?				

## Part V Procedures To Undertake Corrective Action

	A	B	C	D
	Yes	No	Yes	No
Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations?				

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K (see instructions)

## SCHEDULE K, PART I, BOND ISSUES:

(A) ISSUER NAME: MASSACHUSETTS DEVELOPMENT FINANCE AGENCY



Complete if the organization answered "Yes" on Form 990, Part IV, line

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c

## **Part V Supplemental Information**

Provide additional information for responses to questions on Schedule L (see instructions)

SCHEDULE L, PART II, LOANS TO AND FROM INTERESTED PERSONS:

(A) NAME OF PERSON: DONNA MILANI LUTHER

(B) RELATIONSHIP WITH ORGANIZATION: KEY EMPLOYEE - HEAD OF SCHOOL

(C) PURPOSE OF LOAN: PURCHASE OF COMPUTER

SCHEDULE L, PART II, LOANS TO AND FROM INTERESTED PERSONS:

THE ORGANIZATION ALLOWS FACULTY AND STAFF TO ACQUIRE COMPUTERS THROUGH

THE ORGANIZATION AND PAY FOR THEM THROUGH PAYROLL DEDUCTIONS. THIS

ADVANCE IS BEING REPAYED BY 12 MONTHLY PAYROLL DEDUCTIONS OF \$128.41.

**SCHEDULE M**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Noncash Contributions**

OMB No 1545-0047

**2013**

Open to Public  
Inspection

Name of the organization

**INLY SCHOOL, INC.**

Employer identification number

**04-2526455**

**Part I Types of Property**

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded				
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► ( <u>AUCTION ITEMS</u> )	X	64	26,391.	LESSER OF STATED VAL
26 Other ► ( _____ )				
27 Other ► ( _____ )				
28 Other ► ( _____ )				

29 Number of Forms 8283 received by the organization during the tax year for contributions  
for which the organization completed Form 8283, Part IV, Donee Acknowledgement

**29**

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 - 28, that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?

b If "Yes," describe the arrangement in Part II

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

b If "Yes," describe in Part II

33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II

	Yes	No
30a		X
31		X
32a		X

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule M (Form 990) (2013)

## Part II

**Supplemental Information.** Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

► Attach to Form 990 or 990-EZ.

► Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2013**

Open to Public  
Inspection

Name of the organization

INLY SCHOOL, INC.

Employer identification number  
04-2526455

**FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:**

CHILDREN FROM 18 MONTHS TO 14 YEARS OF AGE.

**FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:**

METHODS OF DR. MARIA MONTESSORI, IN HARMONY WITH OTHER COMPATIBLE AND  
INNOVATIVE PRACTICES.

**FORM 990, PART VI, SECTION B, LINE 11:**

**EXPLANATION:** THE FORM 990 IS TO BE REVIEWED AND APPROVED BY THE FINANCE  
COMMITTEE OF THE BOARD OF TRUSTEES, THE TREASURER AND THE PRESIDENT OF THE  
BOARD OF TRUSTEES. AFTER THE RETURN HAS BEEN APPROVED IT IS SENT TO THE  
APPROPRIATE OFFICERS FOR A FINAL REVIEW AND SIGNING OF THE RETURN.

**FORM 990, PART VI, SECTION B, LINE 12C:**

**EXPLANATION:** MEMBERS OF THE BOARD OF TRUSTEES ARE REQUIRED TO DISCLOSE IN  
WRITING IF THEY OR ANY MEMBER OF THEIR FAMILIES, OR ANY ORGANIZATION WITH  
WHICH THEY ARE AFFILIATED, PRESENTLY TRANSACT ANY BUSINESS OR MIGHT  
REASONABLY BE EXPECTED TO DO SO IN THE FUTURE. MINUTES OF APPROPRIATE  
MEETINGS ARE TO REFLECT SUCH DISCLOSURE AND THAT SUCH BOARD MEMBER  
ABSTAINED FROM VOTING AND WAS NOT COUNTED FOR THE PURPOSE OF DETERMINING A  
QUORUM. BOARD MEMBERS MAINTAINING NO SUCH RELATIONSHIPS ATTEST TO THAT  
FACT IN WRITING AND AGREE TO NOTIFY THE BOARD SHOULD THEIR STATUS CHANGE.

**FORM 990, PART VI, SECTION B, LINE 15:**

**EXPLANATION:** (A) THE ORGANIZATION HAS ADOPTED A POLICY FOR HIRING AND FOR  
SETTING COMPENSATION FOR THE HEAD OF SCHOOL WHICH PROVIDES FOR A THOROUGH

Name of the organization

INLY SCHOOL, INC.

Employer identification number

04-2526455

REVIEW TO DETERMINE SUITABLE COMPENSATION. THE REVIEW INCLUDES A REVIEW OF COMPARABILITY DATA FROM VARIOUS SOURCES FOR SIMILAR ORGANIZATIONS. THE BOARD WILL RETAIN DOCUMENTATION OF DELIBERATIONS AND DECISIONS.

(B) THE ORGANIZATION HAS ADOPTED A POLICY FOR HIRING AND FOR SETTING COMPENSATION FOR OTHER KEY EMPLOYEES WHICH PROVIDES FOR A THOROUGH REVIEW TO DETERMINE SUITABLE COMPENSATION. THE REVIEW INCLUDES A REVIEW OF COMPENSATION PAID FOR SIMILAR POSITIONS FROM VARIOUS SOURCES FOR SIMILAR ORGANIZATIONS. THE COMPENSATION AMOUNT WILL THEN BE INCLUDED IN AN EMPLOYMENT CONTRACT FOR THESE KEY EMPLOYEES.

FORM 990, PART VI, SECTION C, LINE 19:

EXPLANATION: INDIVIDUALS MAY CONTACT THE BUSINESS OFFICE TO SCHEDULE AN APPOINTMENT DURING NORMAL BUSINESS HOURS TO REVIEW THE DOCUMENTS. COPIES WILL BE PROVIDED FOR IN-PERSON, WRITTEN, TELEPHONE OR E-MAIL REQUESTS.

PART XII FINANCIAL STATEMENTS AND REPORTING QUESTION 2C

EXPLANATION: THE ORGANIZATION USES AN AUDIT COMMITTEE TO SELECT THE AUDITORS AND APPROVE THE AUDITED FINANCIAL STATEMENTS. THIS PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR.

Depreciation and Amortization  
(Including Information on Listed Property)

990

OMB No 1545-0172

2013

Attachment  
Sequence No 179

Name(s) shown on return

Business or activity to which this form relates

Identifying number

INLY SCHOOL, INC.

FORM 990 PAGE 10

04-2526455

## Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I

1 Maximum amount (see instructions)	1	500,000.
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	2,000,000.
4 Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7 Listed property Enter the amount from line 29	7	
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from line 13 of your 2012 Form 4562	10	
11 Business income limitation Enter the smaller of business income (not less than zero) or line 5	11	
12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13 Carryover of disallowed deduction to 2014 Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property Instead, use Part V

## Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property )

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	136,885.

## Part III MACRS Depreciation (Do not include listed property ) (See instructions )

## Section A

17 MACRS deductions for assets placed in service in tax years beginning before 2013	17	106,615.
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	<input type="checkbox"/>	

## Section B - Assets Placed in Service During 2013 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property		63,334.	10 YRS.	HY	SL	3,166.
e 15-year property		2,595.	15 YRS.	HY	SL	87.
f 20-year property		42,037.	20 YRS.	HY	SL	1,052.
g 25-year property			25 yrs		S/L	
h Residential rental property	/		27 5 yrs	MM	S/L	
i Nonresidential real property	/		27 5 yrs	MM	S/L	
	/		39 yrs	MM	S/L	
	/			MM	S/L	

## Section C - Assets Placed in Service During 2013 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year	10 / 13	262,166.	40 yrs	MM	S/L	1,231.

## Part IV Summary (See instructions )

21 Listed property Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations - see instr	22	249,036.
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

**Part V**

**Listed Property** (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

**Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles )**

**24a** Do you have evidence to support the business/investment use claimed?  Yes  No **24b** If "Yes," is the evidence written?  Yes  No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
--	-------------------------------------	--	-------------------------------	--	---------------------------	------------------------------	----------------------------------	---------------------------------------

**25** Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use

25

**26** Property used more than 50% in a qualified business use

	%							
	%							
	%							

**27** Property used 50% or less in a qualified business use

	%			S/L -		
	%			S/L -		
	%			S/L -		

**28** Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1

28

**29** Add amounts in column (i), line 26. Enter here and on line 7, page 1

29

**Section B - Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle	(b) Vehicle	(c) Vehicle	(d) Vehicle	(e) Vehicle	(f) Vehicle						
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

**Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

**Note:** If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles

**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
-----------------------------	------------------------------------	------------------------------	------------------------	---	--------------------------------------

**42** Amortization of costs that begins during your 2013 tax year

**BOND ISSUANCE COSTS** 050114 15,185. 320M 95.

**43** Amortization of costs that began before your 2013 tax year

43

3,033.

**44** Total. Add amounts in column (f) See the instructions for where to report

44

3,128.

## Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

- File a separate application for each return.
- Information about Form 8868 and its instructions is at [www.irs.gov/form8868](http://www.irs.gov/form8868).

- If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box ..... ►
- If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II (on page 2 of this form).

*Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.*

**Electronic filing (e-file).** You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on e-file for Charities & Nonprofits.

### Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only ..... ►

*All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.*

Enter filer's identifying number

Type or print	Name of exempt organization or other filer, see instructions.  <u>INLY SCHOOL, INC.</u>	Employer identification number (EIN) or  <u>04-2526455</u>
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions.  <u>46 WATCH HILL DRIVE</u>	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.  <u>SCITUATE, MA 02066</u>	

Enter the Return code for the return that this application is for (file a separate application for each return) ..... 0  1

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

**JULAIN MCINNIS**

- The books are in the care of ► 46 WATCH HILL DRIVE - SCITUATE, MA 02066
- Telephone No. ► 781-545-5544 Fax No. ► \_\_\_\_\_
- If the organization does not have an office or place of business in the United States, check this box ..... ►
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box ►  . If it is for part of the group, check this box ►  and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until

FEBRUARY 15, 2015 , to file the exempt organization return for the organization named above. The extension

is for the organization's return for:

- calendar year \_\_\_\_\_ or
- tax year beginning JUL 1, 2013 , and ending JUN 30, 2014 .

2 If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  
 Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

**Caution.** If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

INLY SCHOOL, INC.

FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

INLY SCHOOL, INC.

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**JOSEPH P. COSTELLO**  
*Certified Public Accountant*

35 BRAINTREE HILL OFFICE PARK  
BRAINTREE, MASSACHUSETTS 02184  
TEL: 781-848-2396  
FAX: 781-848-2399

**INDEPENDENT AUDITOR'S REPORT**

The Board of Trustees  
Inly School, Inc.

I have audited the accompanying financial statements of Inly School, Inc. which comprise the balance sheets as of June 30, 2014 and 2013, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Inly School, Inc. as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink, appearing to read "Joseph P. Costello".

Braintree, Massachusetts  
December 8, 2014

INLY SCHOOL, INC.

BALANCE SHEETS

JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 3,708,605	\$ 2,939,921
Cash-bond escrow	-	108,376
Accounts receivable net	3,427	21,886
Current portion of contributions receivable	37,010	172,112
Prepaid expenses and other receivables	<u>43,874</u>	<u>47,712</u>
<b>TOTAL CURRENT ASSETS</b>	<u>3,792,916</u>	<u>3,290,007</u>
<b>PROPERTY AND EQUIPMENT AT COST</b>		
Land	858,151	858,151
Buildings and improvement	6,440,133	6,135,744
Furniture and equipment	<u>648,248</u>	<u>709,777</u>
Less: accumulated depreciation	<u>7,946,532</u>	<u>7,703,672</u>
	<u>2,738,292</u>	<u>2,625,562</u>
<b>NET PROPERTY AND EQUIPMENT</b>	<u>5,208,240</u>	<u>5,078,110</u>
<b>OTHER ASSETS</b>		
Cash-bond escrow	-	101,911
Contributions receivable	9,934	27,641
Refinancing costs, net of accumulated amortization of \$10,711 and \$7,583 in 2014 and 2013, respectively	95,470	83,413
Website development, net of accumulated amortization of \$52,253 and \$43,220 in 2014 and 2013, respectively	<u>4,517</u>	<u>13,550</u>
<b>TOTAL OTHER ASSETS</b>	<u>109,921</u>	<u>226,515</u>
<b>TOTAL ASSETS</b>	<u>\$ 9,111,077</u>	<u>\$ 8,594,632</u>

<u>LIABILITIES AND NET ASSETS</u>		
	<u>2014</u>	<u>2013</u>
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 56,976	\$ 74,835
Prepaid tuition and deposits	2,504,274	2,251,382
Accrued expenses	31,135	25,318
Current portion of mortgage payable	<u>53,893</u>	<u>45,420</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>2,646,278</u>	<u>2,396,955</u>
<b>LONG-TERM LIABILITIES</b>		
Mortgage payable net of current installments	<u>2,268,958</u>	<u>2,317,882</u>
<b>NET ASSETS</b>		
Permanently restricted	81,694	50,728
Temporarily restricted	57,092	39,213
Unrestricted	<u>4,057,055</u>	<u>3,789,854</u>
<b>TOTAL NET ASSETS</b>	<u>4,195,841</u>	<u>3,879,795</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 9,111,077</b>	<b>\$ 8,594,632</b>

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

INLY SCHOOL, INC.

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<b>CHANGES IN UNRESTRICTED NET ASSETS:</b>		
<b>SUPPORT AND REVENUE</b>		
Tuition and fees	\$ 4,682,117	\$ 4,556,390
Ancillary services	277,012	237,724
Donations	206,037	206,723
Fundraising events	89,526	148,529
Investment income	532 ✓	894 ✓
Miscellaneous income	51,028	36,552
Net assets released from donor restrictions	<u>182,178</u>	<u>93,483</u>
<b>TOTAL SUPPORT AND REVENUE</b>	<u>5,488,430</u>	<u>5,280,295</u>
<b>EXPENSES</b>		
Program services	3,777,821	3,494,859
General and administrative	1,204,911	1,164,419
Fundraising	<u>238,497</u>	<u>264,280</u>
<b>TOTAL EXPENSES</b>	<u>5,221,229</u>	<u>4,923,558</u>
<b>INCREASE IN UNRESTRICTED NET ASSETS</b>	<u>267,201</u>	<u>356,737</u>
<b>CHANGES IN TEMPORARILY RESTRICTED NET ASSETS</b>		
Donations	200,057	85,896
Net assets released from donor restrictions	<u>(182,178)</u>	<u>(93,483)</u>
<b>INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS</b>	<u>17,879</u>	<u>(7,587)</u>
<b>CHANGES IN PERMANENTLY RESTRICTED NET ASSETS</b>		
Donations	<u>30,966</u>	<u>50,728</u>
<b>INCREASE IN PERMANENTLY RESTRICTED NET ASSETS</b>	<u>30,966</u>	<u>50,728</u>
<b>INCREASE IN NET ASSETS</b>	<u>316,046</u>	<u>399,878</u>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>3,879,795</u>	<u>3,479,917</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 4,195,841</u>	<u>\$ 3,879,795</u>

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

INLY SCHOOL, INC.  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Increase in net assets	\$ 316,046	\$ 399,878
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	240,003	231,544
Amortization	12,161	17,011
Changes in assets and liabilities:		
Decrease (increase) in accounts receivable	18,459	(4,568)
Decrease (increase) in prepaid expenses and other receivables	3,838	(6,277)
Decrease in pledges receivable	152,809	148,940
Increase (decrease) in accounts payable	(17,859)	23,173
Increase (decrease) in prepaid tuition and deposits	252,892	(19,794)
Increase in accrued expenses	<u>5,817</u>	<u>565</u>
Total Adjustments	<u>668,120</u>	<u>390,594</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>984,166</u>	<u>790,472</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Decrease in cash-bond escrow	210,287	121,317
Purchases of property and equipment	(370,133)	(161,673)
Investment in other assets	<u>(15,185)</u>	<u>-</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(175,031)</u>	<u>(40,356)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayment of mortgages payable	<u>(40,451)</u>	<u>(42,078)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(40,451)</u>	<u>(42,078)</u>
NET INCREASE (DECREASE) IN CASH	768,684	708,038
CASH, BEGINNING OF YEAR	<u>2,939,921</u>	<u>2,231,883</u>
CASH, END OF YEAR	<u>\$ 3,708,605</u>	<u>\$ 2,939,921</u>

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

INLY SCHOOL, INC.  
STATEMENTS OF FUNCTIONAL EXPENSES  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	2014				
	<u>Program Services</u>	<u>Fund-Raising</u>	<u>General and Administrative</u>	<u>Total</u>	
Salaries	\$ 1,910,426	\$ 130,694	\$ 646,834	\$ 2,687,954	
Employee benefits	405,795	28,074	146,146	580,015	
Financial assistance	420,621			420,621	
Repairs and maintenance	228,083		25,343	253,426	
Depreciation	216,003		24,000	240,003	
Payroll taxes	145,917	10,095	52,551	208,563	
Instruction and supplies	207,470			207,470	
Interest expense	90,049		10,006	100,055	
Public relations		10,613	59,835	70,448	
Utilities	60,449		6,717	67,166	
Student activities	35,869		28,404	64,273	
Fundraising direct expense		59,021		59,021	
Office supplies and postage			46,536	46,536	
Strategic planning			38,500	38,500	
Insurance	31,634		3,515	35,149	
Leased equipment	25,505		8,003	33,508	
Professional fees			33,501	33,501	
Bad debts			22,857	22,857	
Dues and subscriptions			18,339	18,339	
Telephone			14,533	14,533	
Amortization			12,161	12,161	
Entertainment and recognition			7,130	7,130	
	<u>\$ 3,777,821</u>	<u>\$ 238,497</u>	<u>\$ 1,204,911</u>	<u>\$ 5,221,229</u>	

**2013**

<u>Program Service</u>	<u>Fund- Raising</u>	<u>General and Administrative</u>	<u>Total</u>
\$ 1,814,357	\$ 125,522	\$ 653,434	\$ 2,593,313
314,605	21,765	113,304	449,674
410,316			410,316
193,595		21,511	215,106
208,390		23,154	231,544
141,288	9,775	50,884	201,947
180,379			180,379
94,329		10,481	104,810
53,446	15,971	46,833	62,804
38,674		5,938	59,384
		15,830	54,504
	91,247		91,247
		63,752	63,752
		14,576	14,576
25,370		2,819	28,189
20,110		6,310	26,420
		52,106	52,106
		31,781	31,781
		16,968	16,968
		11,770	11,770
		17,011	17,011
		5,957	5,957
<hr/>	<hr/>	<hr/>	<hr/>
\$ 3,494,859	\$ 264,280	\$ 1,164,419	\$ 4,923,558

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

INLY SCHOOL, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization and Nature of Activities

Inly School, Inc. (The School), is a co-educational day school in Scituate, Massachusetts. The School is a partnership of children, teachers, and families, dedicated to the joyful discovery of each child's innate capabilities and potential. This community of learners inspires and nurtures children to become global citizens by embracing the philosophy and methods of Dr. Maria Montessori, in harmony with other compatible and innovative practices.

Revenue Recognition

The financial statements of Inly School, Inc. have been prepared on the accrual basis of accounting.

Public Support and Revenues

Income from tuition and fees is deferred and recognized over the periods to which they relate.

Contributions are generally available for unrestricted use in the fiscal year unless specifically restricted by the donor. Unconditional promises to give are recorded when received. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value.

Grants and other contributions of cash and other assets are recorded as temporarily restricted support or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or restricted purpose is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from donor restrictions. Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues of the temporarily restricted net asset class.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash includes amounts invested in a money market mutual fund and amounts deposited in interest and non-interest bearing accounts at Massachusetts commercial banks whose federally insured limits may at times be less than the School's balances. At June 30, 2014 and 2013 amounts invested in money market mutual funds were \$102,048 and \$102,037, respectively.

Accounts Receivable

Accounts receivable represents outstanding balances for tuition, fees and other services. It is management's policy to review the outstanding accounts receivable at year end and establish an allowance for uncollectible amounts based on the amounts outstanding and prior bad debt experience.

INLY SCHOOL, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

JUNE 30, 2014 AND 2013

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Contributions Receivable**

Contributions receivable is stated in the balance sheet at its estimated realizable value. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with risk and duration involved. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. In addition to the discount, an allowance for uncollectible contributions receivable is provided based upon management's judgment of potential defaults. The determination includes such factors as prior collection history, type of contribution and nature of fund raising activity.

**Property and Equipment**

Property and equipment purchased for \$1,000 or more is capitalized at cost and depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings	30 – 50
Building improvements	10 – 50
Furniture and equipment	3 – 10

Expenditures for maintenance and repairs are charged to expense as incurred; major improvements are capitalized. Amortization of equipment acquired under a capital lease has been included in depreciation.

**Other Assets**

Refinance costs are amortized over the related loan term which is five to thirty years. The costs associated with the website development are amortized over five to fifteen years.

**Net Assets**

Unrestricted net assets consist of amounts not subject to donor restriction.

Temporarily restricted net assets consist of amounts subject to donor restrictions for specified program costs or property and equipment acquisition.

Permanently restricted net assets consist of amounts subject to donor restrictions which provide that only the income is available for operations.

**Functional Allocation of Expenses**

The cost 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 between the program service and general and administrative expenses. Payroll taxes, worker's compensation insurance and employee benefits are allocated based on direct payroll. Occupancy costs including depreciation, utilities, insurance, interest and repairs and maintenance are allocated to programs and administration based on square footage.

INLY SCHOOL, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

JUNE 30, 2014 AND 2013

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Income Tax Status

Inly School, Inc. qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes.

Management believes that the Organization has no material uncertainties in income taxes. The Organization's Form 990, Return of Organization Exempt from Income Tax, for the years 2011, 2012 and 2013 are subject to examination by the Internal Revenue Service, generally for three years after they were filed.

Advertising Costs

The School's policy is to expense advertising costs in the period for which the benefit is incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

Subsequent events have been reviewed through December 8, 2014 which is the date which the financial statements were available to be issued.

**NOTE 2 ACCOUNTS RECEIVABLE**

Accounts receivable consists of unpaid tuition and child care fees of \$8,427 and \$71,886 in 2014 and 2013, respectively, less an allowance for uncollectible accounts of \$5,000 and \$50,000 at June 30, 2014 and 2013, respectively.

**NOTE 3 CONTRIBUTIONS RECEIVABLE**

Contributions receivable consists of the outstanding balance of pledges received for the purchase of real property adjacent to the school and the establishment of an endowment fund. At June 30 the contributions receivable consists of the following:

	<u>2014</u>	<u>2013</u>
Receivable in less than one year	\$ 42,100	\$ 187,600
Receivable in one to five years	10,000	32,700
Total pledge receivable	52,100	220,300
Less discount to net present value at rates from .18% to .33%	(156)	(547)
Less allowance for uncollectible amounts	(5,000)	(20,000)
	<u>\$ 46,944</u>	<u>\$ 199,753</u>

INLY SCHOOL, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

JUNE 30, 2014 AND 2013

**NOTE 3 CONTRIBUTIONS RECEIVABLE (CONT'D)**

Included in donations of permanently restricted net assets for the year ended June 30, 2014 and 2013 is \$30,966 and \$50,728, respectively, for the establishment of an endowment fund and of temporarily restricted net assets for the years ended June 30, 2014 and 2013 consists of \$15,425 and \$20,882, respectively, related to the purchase of real property.

**NOTE 4 NOTES PAYABLE**

The Company has a working capital line of credit of \$200,000 with RBS Citizens, National Association which is secured by substantially all assets of the school. Amounts drawn under the line of credit bear interest at the LIBOR rate plus 3.00%. At June 30, 2014 and 2013 there were no amounts outstanding under its line of credit.

**NOTE 5 MORTGAGE PAYABLE**

Mortgage payable consists of an obligation payable to RBS Citizens, National Association, as lender, under escrow agreement dated as of December 1, 2010, among Massachusetts Development Finance Agency and Inly School, Inc. and RBS Citizens, National Association, in the original amount of \$2,465,000, dated December 30, 2010. The mortgage is secured by all assets of the school. In 2014 the interest rate was lowered from 4.338% to 3.5% and provides for monthly principal and interest payments of \$11,194 through May 1, 2024. Additionally, the mortgage provides for an interest rate adjustment on May 1, 2024 and every fifth year thereafter and the adjusted interest rate will be the rate announced by the Federal Home Loan Bank of Boston as its "Classic Advance Rate" for advances with a five year term multiplied by the tax exempt equivalent adjustment factor plus 250 basis points. The monthly mortgage payments will also be adjusted to amortize the remaining outstanding balance through December 30, 2040. The loan is due no later than December 30, 2040.

Mortgage payable for the five years commencing after June 30, 2014 matures as follows: \$53,893 in 2015, \$55,810 in 2016, \$57,795 in 2017, \$59,850 in 2018 and \$61,979 in 2019.

**NOTE 6 ENDOWMENT FUNDS**

The school applies accounting principles generally accepted in the United States of America regarding net asset classification of donor-restricted endowment funds.

The Board of Trustees of the school has interpreted the Massachusetts Uniform Prudent Management of Institutional Funds Act and the Massachusetts Attorney General Position Statement issued in January 2004 as requiring the preservation of the fair value of the original gift absent explicit donor stipulations to the contrary.

At June 30, 2014 \$35,750 has been collected on pledges for donor-restricted endowment funds. This has been retained in a cash account at the school pending the establishment of an investment policy.

INLY SCHOOL, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

JUNE 30, 2014 AND 2013

**NOTE 6 ENDOWMENT FUNDS (CONT'D)**

The changes in donor-restricted endowment funds are as follows:

	<u>2014</u>	<u>2013</u>
Balance beginning of year	\$ 50,728	\$ -
Contributions	<u>30,966</u>	<u>50,728</u>
Balance end of year	<u>\$ 81,694</u>	<u>\$ 50,728</u>

At June 30, 2014 and 2013 the school only has donor-restricted endowment funds.

**NOTE 7 LEASES**

The school leases a modular classroom under a non-cancellable operating lease agreement which provides for monthly payments of \$1,950 through September 2015. The total future lease payments for the two years ended June 30, 2016 are as follows:

2015	\$ 23,400
2016	<u>5,850</u>
	<u>\$ 29,250</u>

Total rent expense for equipment and the modular classroom was \$33,508 and \$26,420 in 2014 and 2013, respectively.

**NOTE 8 RETIREMENT PLAN**

The School sponsors contributory retirement plans under Internal Revenue Code Section 403(b). Under one of the plans, for participants over age 21, the School may match employee contributions based on a formula which is established annually by the Board of Trustees. The Plans are operating based on amendments which have not been formally adopted. The school made matching contributions of \$44,737 and \$43,175 in 2014 and 2013, respectively. The employee salary deferral contributions from participants were \$99,705 and \$105,854 in 2014 and 2013, respectively.

**NOTE 9 SUPPLEMENTAL DISCLOSURES REGARDING CASH FLOWS**

Payments made by the School for interest expense were \$93,280 and \$104,966 in 2014 and 2013, respectively.

**NOTE 10 COMPENSATED ABSENCES**

The School has not accrued compensated absences because the amount cannot be reasonably estimated. Management believes that the amount, if calculated, would not be material to the financial statements.