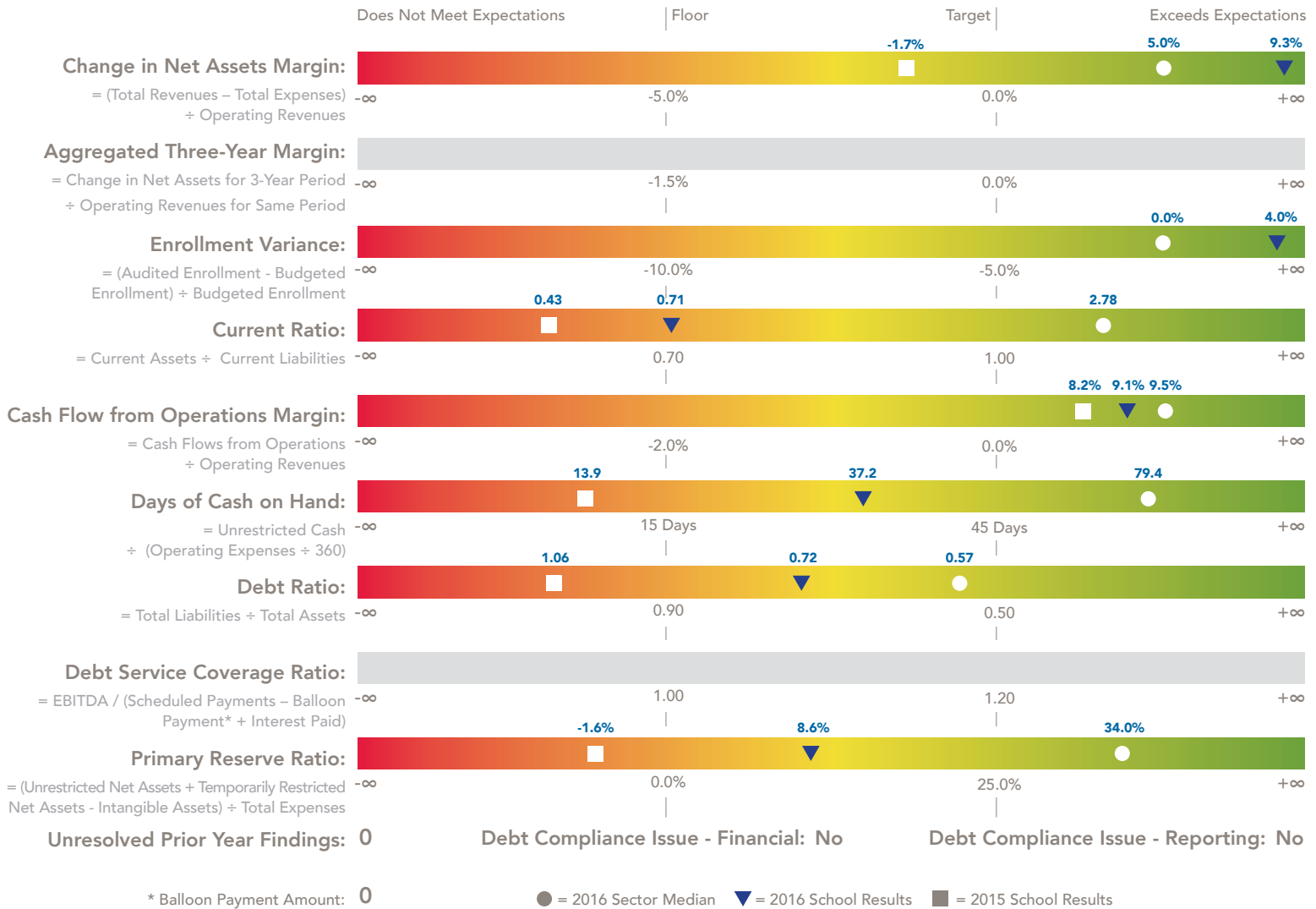
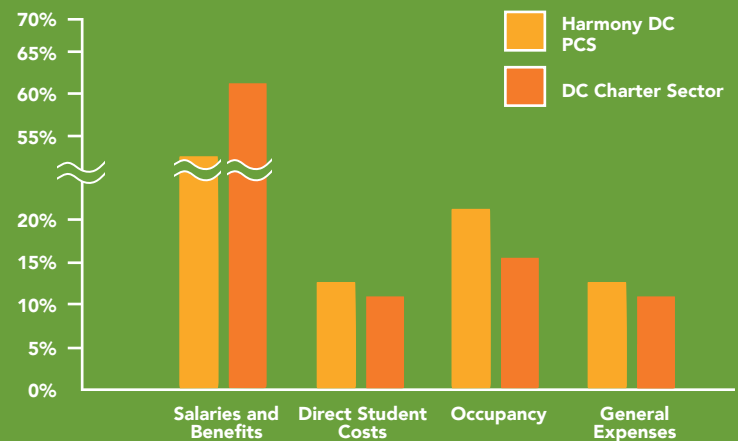


KEY FINANCIAL INDICATORS



Comments from the School

PCS EXPENSES BY CATEGORY



HARMONY DC PCS

FY2016 Financial Report Card

FINANCIAL POSITION

	2016	2015
Total Assets	\$609,025	\$530,506
Current Assets	\$290,044	\$185,877
Total Liabilities	\$440,958	\$562,170
Current Liabilities	\$411,225	\$434,839
Net Asset Position	\$168,067	\$(31,664)

FINANCIAL ACTIVITIES

	2016	2015
Revenues and Support	\$2,156,806	\$1,900,398
Expenses	\$1,957,075	\$1,932,062
Non-operating Revenues (Expenses)	\$-	\$-
Surplus (Deficit)	\$199,731	\$(31,664)

AUDIT FINDINGS

	2016	2015
Qualified/Modified/Adverse Opinion on the Financial Statements	No	No
Material Weakness in Internal Control over Financial Reporting (GAS)	No	No
Non-compliance Material to the Financial Statements (GAS)	No	No
Modified Opinion on Major Federal Award Programs (Uniform Guidance)	No	No
Material Weaknesses in the Internal Control over Compliance with Major Federal Programs (Uniform Guidance)	No	No
Findings and Questioned Costs	0	0
Going-Concern Issue	No	No

REVENUES/EXPENSES PER STUDENT

	2016	2015	2016 Sector Median
DC Funding per Student	\$17,557	\$17,288	\$17,657
Philanthropic Funding per Student	\$672	\$1,582	\$581
Total Revenues per Student	\$20,541	\$28,794	\$20,775
Expenses per Student	\$18,639	\$29,274	\$19,644

PCSB OBSERVATIONS

RELATED PARTY:

See the following page for information about the School's relationship Harmony Public Schools.

DEBT:

\$198,210 outstanding on a \$350,000 revolving Line of Credit from East West Bank with an initial maturity date of November 14, 2015, extended to January 14, 2017. This line bears interest at a variable rate of prime+2.0%. If the school did not have this line of credit, it would have had less than one day of cash on hand.

FACILITIES:

\$322,673 in rent expense for lease agreement of a school building located at 62 T St, NE. The lease expires June 30, 2019, with an option to renew for an additional five years. Rent abatement in the first year of the lease has resulted in a \$198,548 deferred rent liability at year-end.

School Name	FY16 Revenues	FY16 Operating Result
Harmony DC PCS	\$2,156,806	\$199,731
Management Organization ("MO") / Related Party ("RP")	MO/RP Tax Status	Most Recent Public Financials
Harmony Public Schools	Non-Profit	http://www.guidestar.org/FinDocuments/2015/760/615/2015-760615245-0c6b7d12-9.pdf
Highest Paid Employee / Head of MO / RP	Title	Total Compensation
Dr. Soner Tarim	CEO	\$175,000
Services Provided	FY16 Payment	% of School Revenue
Educational technology services, data network solutions, teacher and leadership coaching, human resources and financial services		0%
Total		0%
DC PCSB Comments		
<p>Harmony Public Schools, a Texas non-profit, is the sole member and school management organization of Harmony DC PCS. The CEO and Superintendent of Schools for Harmony Public Schools was the board president of Harmony DC PCS throughout the fiscal year and the Harmony Public Schools Director of Communications served as a Harmony DC PCS board member through April 2016.</p> <p>Harmony Public Schools provides education technology services, data network solutions, teacher and leadership coaching, human resources, and financial services to the School. In addition, the School uses trademarks, licensed marks, and other intellectual property owned by Harmony Public Schools. Transactions between the two organizations in 2016 include:</p> <p>\$49,358 as a donated license fee, and \$32,209 for both School services and reimbursable expenses.</p> <p>Please note that the highest paid employee above was taken from the most recent 990 available at the time this report was produced.</p>		
School Comments		