ECCS Building Corp.

September, 2007 Information - UNAUDITED Presented by Helen Sneed and Joanna Jasmin

OVERVIEW

Attached are:

- 1. Audited Balance Sheet for 6/30/07 (p. 5 of audited statements);
- 2. Audited Income Statement for the period 7/1/06 6/30/07 (p. 6 of audited statements);
- 3. Un-audited Balance Sheet for 9/30/07;
- 4. Un-audited Income Statement for the period 7/1/07 9/30/07 (Quarter 1 FY08).

BALANCE SHEET

The Balance Sheet represents ECCS Building Corp. financial status at a stated moment in time. This statement illustrated what is owned (assets), what is owed (liabilities), and what remains (QB presents this as "Equity").

Changes from un-audited 6/30/07 Balance Sheet: Based on prior discussion with the auditors, \$273,545 of building expenses and the \$165,000 Sale of the Modular Facility were budgeted from Legacy Academy's Operating Fund and Capital Reserve Fund. During the audit, it was determined that these expenses should have been listed as Transfers Out for the Operating and Capital Reserve Funds and "Capital Outlay" (not as expenses). This change affected the Balance Sheet for both Legacy Academy and ECCS Building Corp. as of 6/30/07.

Additionally, there was an audit adjustment to record adjustments to interest expense and accrued interest payable (\$74,328).

Assets – On September 30th, the Building Corp. had current assets of \$648,176, land value of \$347,000, building and improvements value of \$5,465,722 and issuance costs of \$194,952. Total assets were \$6,655,850.

For comparison, total assets September 30, 2006: \$6,313,884.

Liabilities – On September 30th, the Building Corp. had total liabilities of \$6,011,116. For comparison, total liabilities September 30, 2006: \$5,908,646.

Equity – Total Equity as of September 30th was \$644,734. For comparison, total equity September 30, 2006:\$405,238.

INCOME STATEMENT

The Income Statement quantifies financial activity over a given period of time. This statement illustrates the amount of income earned (by source of income), the amount spent, and the remaining balance (Net Income or Net Loss). While a balance sheet measures financial status on a given date (typically the end of a month), an income statement denotes changes in financial position that occur in between balance sheet dates.

Changes from un-audited 6/30/07 Income Statement: Based the above change of classification of the \$273,545 of building expenses budgeted from Legacy Academy's Operating Fund, these transactions had been posted to "Buildings and Improvements"; with the change of classification, these transactions have been posted to "Transfers In" (an "Other Income" item on the Income Statement).

Income – Total income for the period of July 1, 2007 – September 30, 2007 was \$128,226. Interest Income was \$2,946.

Expense - Total Expense for the period of July 1, 2007 - September 30, 2007 was \$217,638. Interest Expense was \$216,909, Transaction Fees were \$729.

Net Income – As of September 30th, ECCS Building Corp. has recorded a net loss of \$89,412.

ECCS Building Corp. Report September '07

For board meeting November 13, 2007

ECCS Building Corp Balance Sheet As of June 30, 2007

	Jun 30, 07	Jun 30, 06
ASSETS Current Assets Checking/Savings		
Principal Fund CT2004-3304 Interest CT2004-3304-01 Reserve 1004 CT-3304-02 Project Fund 2004 CT-3304-03 R&R Fund CT2004-3304-05	23,009 158,844 504,125 0 51,611	15,852 161,215 504,125 596,177 25,102
Total Checking/Savings	737,588	1,302,470
Total Current Assets	737,588	1,302,470
Fixed Assets Land Buildings and Improvements Construction in Process Issuance Costs	347,000 5,465,722 0 194,952	347,000 199,319 4,869,016 200,891
Total Fixed Assets	6,007,674	5,616,226
TOTAL ASSETS	6,745,262	6,918,696
LIABILITIES & EQUITY Liabilities Current Liabilities Accounts Payable Accounts Payable Retainage Payable	. 0	260,551 130,620
Total Accounts Payable	0	391,171
Other Current Liabilities Current Portion Long Term Debt Accrued Interest Payable	65,000 144,606	60,000 145,956
Total Other Current Liabilities	209,606	205,956
Total Current Liabilities	209,606	597,127
Long Term Liabilities Discount on Debt Issuance Loss on Bond Refunding Long Term Debt -Par	-39,262 -49,229 5,890,000	-40,716 -65,638 5,955,000
Total Long Term Liabilities	5,801,509	5,848,646
Total Liabilities	6,011,116	6,445,772
Equity Beginning Fund Balance Retained Earnings Net Income	456,441 16,482 261,223	456,441 -248,486 264,969
Total Equity	734,147	472,924
TOTAL LIABILITIES & EQUITY	6,745,262	6,918,696

ECCS Building Corp Balance Sheet As of September 30, 2007

Current Assets		Sep 30, 07	Sep 30, 06
Checking/Savings Principal Fund CT2004-3304 39,537 26,852 Interest CT2004-3304-01 52,308 57,940 Reserve 1004 CT-3304-02 504,125 504,125 Project Fund 2004 CT-3304-03 0 1,361 R&R Fund CT2004-3304-05 52,207 25,400 Total Checking/Savings 648,176 615,678 Total Current Assets 648,176 615,678 Fixed Assets 1 347,000 347,000 Buildings and Improvements 5,465,722 199,319 199,319 Construction in Process 0 4,950,996 189,096 Issuance Costs 194,952 200,891 100,096 Total Fixed Assets 6,007,674 5,698,206 TOTAL ASSETS 6,655,850 6,313,884 LIABILITIES & EQUITY Liabilities 0 60,000 Current Portion Long Term Debt 65,000 60,000 Accrued Interest Payable 144,606 0 Total Current Liabilities 209,606 60,000 Long Term Liabilities 209	ASSETS		
Principal Fund CT2004-3304 39,537 26,852 Interest CT2004-3304-01 52,308 57,940 Reserve 1004 CT-3304-02 504,125 504,125 Project Fund 2004 CT-3304-03 0 1,361 R&R Fund CT2004-3304-05 52,207 25,400 Total Checking/Savings 648,176 615,678 Total Current Assets 648,176 615,678 Fixed Assets 648,176 615,678 Fixed Assets 347,000 347,000 Buildings and Improvements 5,465,722 199,319 Construction in Process 0 4,950,996 Issuance Costs 194,952 200,891 Total Fixed Assets 6,007,674 5,698,206 TOTAL ASSETS 6,655,850 6,313,884 LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 209,606 60,000 Total Other Current Liabilities 209,606 60,000 Total Current Liabilities 209,606 60,000 Long Term Liabilities 209,606 60,00	Current Assets		
Interest CT2004-3304-01	Checking/Savings		
Reserve 1004 CT-3304-02 504,125 Project Fund 2004 CT-3304-03 0 1,361 R&R Fund CT2004-3304-05 52,207 25,400 Total Checking/Savings 648,176 615,678 Total Current Assets 648,176 615,678 Total Current Assets 648,176 615,678 Fixed Assets	Principal Fund CT2004-3304	•	26,852
Project Fund 2004 CT-3304-03 R&R Fund CT2004-3304-05 0 1,361 R2,207 25,400 25,400 Total Checking/Savings 648,176 615,678 Total Current Assets 648,176 615,678 Fixed Assets Land 347,000 347,000 347,000 347,000 Buildings and Improvements 5,465,722 4,950,996 199,319 4,950,996 Issuance Costs 194,952 200,891 200,891 Total Fixed Assets 6,007,674 5,698,206 TOTAL ASSETS 6,655,850 6,313,884 LIABILITIES & EQUITY Liabilities Current Liabilities 65,000 60,000 60,000 Total Other Current Liabilities 209,606 60,000 Total Current Liabilities 209,606 60,000 Long Term Liabilities 209,606 60,000 Long Term Liabilities 209,606 60,000 Loss on Bond Refunding 49,229 -65,638 -65,638 Long Term Debt -Par 5,890,000 5,955,000 Total Long Term Liabilities 6,011,116 5,908,646 Equity Beginning Fund Balance 456,441 456,441 456,441 456,441 45		•	•
R&R Fund CT2004-3304-05 52,207 25,400 Total Checking/Savings 648,176 615,678 Total Current Assets 648,176 615,678 Fixed Assets 347,000 347,000 Buildings and Improvements 5,465,722 199,319 Construction in Process 0 4,950,996 Issuance Costs 194,952 200,891 Total Fixed Assets 6,607,674 5,698,206 TOTAL ASSETS 6,655,850 6,313,884 LIABILITIES & EQUITY Liabilities Current Liabilities Current Portion Long Term Debt 65,000 60,000 Accrued Interest Payable 144,606 0 0 Total Other Current Liabilities 209,606 60,000 Total Current Liabilities 209,606 60,000 Long Term Liabilities -39,262 -40,716 Loss on Bond Refunding -49,229 -65,638 Long Term Debt -Par 5,890,000 5,955,000 Total Long Term Liabilities 5,801,509 5,848,646 Total Liabilities			·
Total Current Assets 648,176 615,678 Fixed Assets 648,176 615,678 Fixed Assets 347,000 347,000 Buildings and Improvements 5,465,722 199,319 Construction in Process 0 4,950,996 Issuance Costs 194,952 200,891 Total Fixed Assets 6,007,674 5,698,206 TOTAL ASSETS 6,655,850 6,313,884 LIABILITIES & EQUITY Liabilities Current Liabilities Current Portion Long Term Debt Accrued Interest Payable 65,000 60,000 Accrued Interest Payable 144,606 0 Total Other Current Liabilities 209,606 60,000 Long Term Liabilities 209,606 60,000 Long Term Liabilities -39,262 -40,716 Loss on Bond Refunding -49,229 -65,638 Long Term Debt -Par 5,890,000 5,955,000 Total Long Term Liabilities 5,801,509 5,848,646 Total Liabilities 6,011,116 5,908,646 Equity 8eginning Fund		•	•
Total Current Assets	R&R Fund CT2004-3304-05	52,207	25,400
Fixed Assets 347,000 347,000 Buildings and Improvements 5,465,722 199,319 Construction in Process 0 4,950,996 Issuance Costs 194,952 200,891 Total Fixed Assets 6,007,674 5,698,206 TOTAL ASSETS 6,655,850 6,313,884 LIABILITIES & EQUITY Liabilities Current Liabilities Current Portion Long Term Debt Accrued Interest Payable 65,000 60,000 Accrued Interest Payable 144,606 0 Total Other Current Liabilities 209,606 60,000 Total Current Liabilities 209,606 60,000 Long Term Liabilities 29,262 -40,716 Loss on Bond Refunding -49,229 -65,638 Long Term Debt -Par 5,890,000 5,955,000 Total Long Term Liabilities 5,801,509 5,848,646 Total Liabilities 6,011,116 5,908,646 Equity Beginning Fund Balance 456,441 456,441 Retained Earnings 277,705 16,482 Net In	Total Checking/Savings	648,176	615,678
Land 347,000 347,000 Buildings and Improvements 5,465,722 199,319 Construction in Process 0 4,950,996 Issuance Costs 194,952 200,891 Total Fixed Assets 6,007,674 5,698,206 TOTAL ASSETS 6,655,850 6,313,884 LIABILITIES & EQUITY Liabilities Current Liabilities Current Portion Long Term Debt Accrued Interest Payable 65,000 60,000 Accrued Interest Payable 144,606 0 Total Other Current Liabilities 209,606 60,000 Long Term Liabilities 209,606 60,000 Long Term Liabilities 209,606 60,000 Loss on Bond Refunding -49,229 -65,638 Long Term Debt -Par 5,890,000 5,955,000 Total Long Term Liabilities 5,801,509 5,848,646 Total Liabilities 6,011,116 5,908,646 Equity Beginning Fund Balance 456,441 456,441 Retained Earnings 277,705 16,482 Net Income	Total Current Assets	648,176	615,678
Buildings and Improvements 5,465,722 199,319 Construction in Process 0 4,950,996 Issuance Costs 194,952 200,891 Total Fixed Assets 6,007,674 5,698,206 TOTAL ASSETS 6,655,850 6,313,884 LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 65,000 60,000 Accrued Interest Payable 144,606 0 Total Other Current Liabilities 209,606 60,000 Total Current Liabilities 209,606 60,000 Long Term Liabilities 209,606 60,000 Long Term Liabilities -39,262 -40,716 Loss on Bond Refunding -49,229 -65,638 Long Term Debt -Par 5,890,000 5,955,000 Total Long Term Liabilities 5,801,509 5,848,646 Total Liabilities 6,011,116 5,908,646 Equity Beginning Fund Balance 456,441 456,441 Retained Earnings 277,705 16,482 Net Income <td< td=""><th>Fixed Assets</th><td></td><td></td></td<>	Fixed Assets		
Construction in Process Issuance Costs 0 194,952 200,891 4,950,996 Total Fixed Assets 6,007,674 5,698,206 TOTAL ASSETS 6,655,850 6,313,884 LIABILITIES & EQUITY Liabilities Current Liabilities Current Portion Long Term Debt Accrued Interest Payable 65,000 60,000 60,000 Accrued Interest Payable 144,606 0 0 Total Other Current Liabilities 209,606 60,000 60,000 Long Term Liabilities 209,606 60,000 60,000 Long Term Liabilities -39,262 -40,716 -40,716 Loss on Bond Refunding -49,229 -65,638 -65,638 -65,638 Long Term Debt -Par -5,890,000 -5,955,000 5,955,000 Total Liabilities 5,801,509 -5,848,646 Total Liabilities 6,011,116 -5,908,646 Equity -6,644 -6,441 -6,441 -6,441 456,441 -6,441 Retained Earnings -6,653,441 -6,685 456,441 -6,442 Net Income -8,412 -67,685 -67,685 Total Equity -6,435 -6,441 -6,445 405,238	Land	347,000	•
Issuance Costs	· ·	5,465,722	•
Total Fixed Assets 6,007,674 5,698,206 TOTAL ASSETS 6,655,850 6,313,884 LIABILITIES & EQUITY Current Liabilities Current Liabilities Current Portion Long Term Debt Accrued Interest Payable 65,000 60,000 60,000 Accrued Interest Payable 144,606 0 0 Total Other Current Liabilities 209,606 60,000 60,000 Long Term Liabilities 209,606 60,000 60,000 Long Term Liabilities -39,262 -40,716 49,229 -65,638 49,229 4		0 -	, ,
TOTAL ASSETS 6,655,850 6,313,884 LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities Current Portion Long Term Debt 65,000 60,000 Accrued Interest Payable 144,606 0 Total Other Current Liabilities 209,606 60,000 Long Term Liabilities 209,606 60,000 Long Term Liabilities 39,262 -40,716 Loss on Bond Refunding -49,229 -65,638 Long Term Debt -Par 5,890,000 5,955,000 Total Long Term Liabilities 5,801,509 5,848,646 Total Liabilities 6,011,116 5,908,646 Equity 8eginning Fund Balance 456,441 456,441 Retained Earnings 277,705 16,482 Net Income -89,412 -67,685 Total Equity 644,735 405,238	Issuance Costs	194,952	200,891
LIABILITIES & EQUITY Liabilities Current Liabilities Other Current Liabilities 65,000 60,000 Accrued Interest Payable 144,606 0 Total Other Current Liabilities 209,606 60,000 Long Term Liabilities 209,606 60,000 Long Term Liabilities 39,262 -40,716 Loss on Bond Refunding -49,229 -65,638 Long Term Debt -Par 5,890,000 5,955,000 Total Long Term Liabilities 5,801,509 5,848,646 Total Liabilities 6,011,116 5,908,646 Equity Beginning Fund Balance 456,441 456,441 Retained Earnings 277,705 16,482 Net Income -89,412 -67,685 Total Equity 644,735 405,238	Total Fixed Assets	6,007,674	5,698,206
Liabilities Current Liabilities Current Portion Long Term Debt 65,000 60,000 Accrued Interest Payable 144,606 0 Total Other Current Liabilities 209,606 60,000 Total Current Liabilities 209,606 60,000 Long Term Liabilities -39,262 -40,716 Loss on Bond Refunding -49,229 -65,638 Long Term Debt -Par 5,890,000 5,955,000 Total Long Term Liabilities 5,801,509 5,848,646 Total Liabilities 6,011,116 5,908,646 Equity 8eginning Fund Balance 456,441 456,441 Retained Earnings 277,705 16,482 Net Income -89,412 -67,685 Total Equity 644,735 405,238	TOTAL ASSETS	6,655,850	6,313,884
Other Current Liabilities Current Portion Long Term Debt 65,000 60,000 Accrued Interest Payable 144,606 0 Total Other Current Liabilities 209,606 60,000 Total Current Liabilities 209,606 60,000 Long Term Liabilities -39,262 -40,716 Loss on Bond Refunding -49,229 -65,638 Long Term Debt -Par 5,890,000 5,955,000 Total Long Term Liabilities 5,801,509 5,848,646 Total Liabilities 6,011,116 5,908,646 Equity Beginning Fund Balance 456,441 456,441 Retained Earnings 277,705 16,482 Net Income -89,412 -67,685 Total Equity 644,735 405,238			
Accrued Interest Payable 144,606 0 Total Other Current Liabilities 209,606 60,000 Total Current Liabilities 209,606 60,000 Long Term Liabilities -39,262 -40,716 Loss on Bond Refunding -49,229 -65,638 Long Term Debt -Par 5,890,000 5,955,000 Total Long Term Liabilities 5,801,509 5,848,646 Total Liabilities 6,011,116 5,908,646 Equity 8eginning Fund Balance 456,441 456,441 Retained Earnings 277,705 16,482 Net Income -89,412 -67,685 Total Equity 644,735 405,238			
Total Other Current Liabilities 209,606 60,000 Total Current Liabilities 209,606 60,000 Long Term Liabilities -39,262 -40,716 Loss on Bond Refunding -49,229 -65,638 Long Term Debt -Par 5,890,000 5,955,000 Total Long Term Liabilities 5,801,509 5,848,646 Total Liabilities 6,011,116 5,908,646 Equity 8eginning Fund Balance 456,441 456,441 Retained Earnings 277,705 16,482 Net Income -89,412 -67,685 Total Equity 644,735 405,238	Current Portion Long Term Debt	65,000	60,000
Total Current Liabilities 209,606 60,000 Long Term Liabilities -39,262 -40,716 Loss on Bond Refunding -49,229 -65,638 Long Term Debt -Par 5,890,000 5,955,000 Total Long Term Liabilities 5,801,509 5,848,646 Total Liabilities 6,011,116 5,908,646 Equity 8eginning Fund Balance 456,441 456,441 Retained Earnings 277,705 16,482 Net Income -89,412 -67,685 Total Equity 644,735 405,238	Accrued Interest Payable	144,606	0
Long Term Liabilities -39,262 -40,716 Loss on Bond Refunding -49,229 -65,638 Long Term Debt -Par 5,890,000 5,955,000 Total Long Term Liabilities 5,801,509 5,848,646 Total Liabilities 6,011,116 5,908,646 Equity 8eginning Fund Balance 456,441 456,441 Retained Earnings 277,705 16,482 Net Income -89,412 -67,685 Total Equity 644,735 405,238	Total Other Current Liabilities	209,606	60,000
Discount on Debt Issuance -39,262 -40,716 Loss on Bond Refunding -49,229 -65,638 Long Term Debt -Par 5,890,000 5,955,000 Total Long Term Liabilities 5,801,509 5,848,646 Total Liabilities 6,011,116 5,908,646 Equity Beginning Fund Balance 456,441 456,441 Retained Earnings 277,705 16,482 Net Income -89,412 -67,685 Total Equity 644,735 405,238	Total Current Liabilities	209,606	60,000
Loss on Bond Refunding -49,229 -65,638 Long Term Debt -Par 5,890,000 5,955,000 Total Long Term Liabilities 5,801,509 5,848,646 Total Liabilities 6,011,116 5,908,646 Equity 8eginning Fund Balance 456,441 456,441 Retained Earnings 277,705 16,482 Net Income -89,412 -67,685 Total Equity 644,735 405,238			
Long Term Debt -Par 5,890,000 5,955,000 Total Long Term Liabilities 5,801,509 5,848,646 Total Liabilities 6,011,116 5,908,646 Equity Beginning Fund Balance 456,441 456,441 Retained Earnings 277,705 16,482 Net Income -89,412 -67,685 Total Equity 644,735 405,238			
Total Long Term Liabilities 5,801,509 5,848,646 Total Liabilities 6,011,116 5,908,646 Equity Beginning Fund Balance 456,441 456,441 Retained Earnings 277,705 16,482 Net Income -89,412 -67,685 Total Equity 644,735 405,238		•	
Total Liabilities 6,011,116 5,908,646 Equity 8eginning Fund Balance 456,441 456,441 Retained Earnings 277,705 16,482 Net Income -89,412 -67,685 Total Equity 644,735 405,238	Long Term Debt -Par	5,890,000	5,955,000
Equity 456,441 456,441 Retained Earnings 277,705 16,482 Net Income -89,412 -67,685 Total Equity 644,735 405,238	Total Long Term Liabilities	5,801,509	5,848,646
Beginning Fund Balance 456,441 456,441 Retained Earnings 277,705 16,482 Net Income -89,412 -67,685 Total Equity 644,735 405,238	Total Liabilities	6,011,116	5,908,646
Beginning Fund Balance 456,441 456,441 Retained Earnings 277,705 16,482 Net Income -89,412 -67,685 Total Equity 644,735 405,238	Equity		
Net Income -89,412 -67,685 Total Equity 644,735 405,238	Beginning Fund Balance	•	,
Total Equity 644,735 405,238	-		
	Net Income	-89,412	-67,685
TOTAL LIABILITIES & EQUITY 6,655,850 6,313,884	Total Equity	644,735	405,238
	TOTAL LIABILITIES & EQUITY	6,655,850	6,313,884

ECCS Building Corp Income Statement July 2006 through June 2007

	Jul - Sep 06	Oct - Dec 06	Jan - Mar 07	Apr - Jun 07	TOTAL
Ordinary Income/Expense Income Building Lease Operating Inco Interest Income Non-Operating	125,042 9,562	124,467	125,121	124,705	499,335 37,011
Total Income	134,605	136,804	128,340	136,598	536,347
Expense Depreciation	0	0 (0	150,375	150,375
Amortization Expense Interest Expense	0 201,228	00	0 218,934	5,939 -29,767	390,396 390,396
Transaction Fees	1,061	94	734	70	1,959
Total Expense	202,290	94	219,668	126,617	548,668
Net Ordinary Income	-67,685	136,710	-91,328	9,981	-12,322
Other Income/Expense Other Income Transfer In - ECCS	0		• • • • • • • • • • • • • • • • • • •	273,545	273,545
Total Other Income	0	0	0	273,545	273,545
Net Other Income	0	0	0	273,545	273,545
Net Income	-67,685	136,710	-91,328	283,526	261,223

ECCS Building Corp Income Statement July through September 2007

	Jul 07	Aug 07	Sep 07	TOTAL
Ordinary Income/Expense Income Building Lease Operating Inco Interest Income Non-Operating	41,568.23	42,143.23 1,024.86	41,568.23	125,279.69
Total Income	42,376.05	43,168.09	42,681.60	128,225.74
Expense Interest Expense Transaction Fees	0.00	0.00	216,909.38 61.13	216,909.38 728.51
Total Expense	41.04	626.34	216,970.51	217,637.89
Net Ordinary Income	42,335.01	42,541.75	-174,288.91	-89,412.15
Net Income	42,335.01	42,541.75	-174,288.91	-89,412.15