

Legacy Academy

FINANCIAL REPORT - UNAUDITED

August, 2008 Information

Presented by Helen Sneed and Joanna Jasmin

OVERVIEW

Attached are:

- A. Balance Sheet dated August 31st;
- B. Detailed Income Statement representing activity for July and August, 2008;
- C. Budget vs. Actual reports for the Capital Reserve Fund, the CDE Grant, the Walton Grant and General Fund (General Fund includes "all other school information");
- D. Cash Flow Statement.

BALANCE SHEET

The Balance Sheet represents Legacy Academy's 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").

Assets – On August 31st Legacy Academy had total assets of \$866,229; all cash.

For comparison, total assets August 31, 2007: \$711,759.

Liabilities – On August 31st Legacy Academy had the following liabilities: \$3,022 Retirement Bonus Liability; \$9,327 in Deferred Revenue (\$5,677 Walton Grant; monies received, not spent; \$1,000 Parker Orthodontics revenue received, not spent; and \$2,650 balance of Golf Tournament Fundraising); Accrued Salaries & Benefits of \$25,502 (2/12 of July, 2009 payroll – salaries and benefits); and PR Liabilities of \$25,095. Total Liabilities were \$62,945.

For comparison, total liabilities August 31, 2007: \$57,707.

Equity – Total Equity as of August 31st was \$803,284; \$99,955 is reserved for TABOR requirement.

For comparison, total equity August 31, 2007: \$654,253.

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.

Income – Total income for the period of July 1, 2008 – August 31, 2008 was \$470,310. The majority of income is from PPR (\$437,192). Earnings on investments were \$2,861; and Lunch Program receipts were \$9,248. Inter-fund transfers net to \$0; Walton Grant funds of \$2,001 were posted as income August, 2008.

Expense- Total Expenses for the period of July 1, 2008 – August 31, 2008 were \$364,931. Salaries and benefits were \$183,213, purchased professional and technical services were \$13,781, purchased property services were \$87,538 other purchased services were \$7,899, materials and supplies were \$62,706, property was \$8,406 and other expenses were \$1,388.

Net Income – As of August 31st Legacy Academy recorded net income of \$105,378.

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BUDGET VERSUS ACTUAL

The Budget to Actual Report measures income and expenditures for a given period and compares the actual amounts to budgeted amounts by category.

There are Budget to Actual Reports for: General Fund (includes Walton and CDE Grant) and the Capital Reserve Fund. Individual budgets for the Walton Grant and CDE Grant have been provided; this information is also included in the General Fund budget to actual report.

Walton Grant and CDE grant income and expenses have not been included in the 2007 / 2008 Budget to Actual Report; these are reported separately. The report time for Walton Grant is July 2005 through current period.

GENERAL FUND:

Income - For the period of July and August, 2008, 95% of total income budgeted for this time had been received. PPR received 94% of the amount budgeted (based on original student count data; or, 111% of current projected PPR based on student count; this would mean returning funds to the district or having future PPR payments reduced). Earnings on investments received 57% of the amount budgeted.

Expenses – For the period of July and August, 2008, 63% of total expenses budgeted for this time had been paid or encumbered. Salaries were 55% of budget, benefits were 67%, purchased professional and technical services were 65%, purchased property services were 19% other purchased services were 55%, materials and supplies were 105%, property was 110% and other was 104%.

CDE GRANT: Legacy Academy High School has completed the 3 year grant cycle available through this program. The Budget versus Actual Report presented is for 7/1/07 – 9/30/08 to demonstrate full activity (a few transactions were posted by 9/3/08). Both a narrative report and a Financial Report have been submitted to CDE. This is the final month this grant will be individually reported.

WALTON GRANT: The Budget to Actual Report for the Walton Grant is produced for the viewing period 7/1/2005 – 8/31/08 to view progress against the original budget for this grant. As of 8/31/08, \$5,677 remains from the original \$60,000 Walton Grant Budget.

CAPITAL RESERVE FUND:

Income - For the period of July – August, 2008, 100% of total income budgeted for this time had been received.

Expenses – For the period of July – August, 2008, 100% of total expenses budgeted for this time had been paid or encumbered.

CASH FLOW STATEMENT

A statement of cash flows shows the increases and decreases in cash for a given period. With accrual accounting, increases and decreases in cash do not necessarily coincide with income and expenditures.

Net running cash should always be positive. Income and expenses are actual data. Notes are included at bottom of statement. A “worst-case” scenario has been developed based on actual student count PPR projections. Budget revisions will be discussed at the 9/20/08 BOD meeting.