



School Business Solutions, Inc.

Lakes International Language Academy August 2008 Financial Statements Overview

Attached are the monthly financial statements for Lakes International Language Academy. School Business Solutions, Inc. (SBS) compiled the financial statements from information supplied by the management of Lakes International Language Academy. The summary below highlights information from the compiled financial statements.

Balance Sheet

Assets

- LILA closed the month of July with a reconciled cash balance of \$415,308 and \$400,000 in CDs.
- Estimated FY08 State Aids Receivables are \$206,036 at month end.
- Estimated FY08 Federal Aids Receivables are \$3,492 for the FY08 Title Funds.
- The school's fixed assets amounted to \$128,731 with an accumulated depreciation of (\$44,787).

Liabilities

- LILA ended the month with \$9,518 in TRA & PERA retirement liabilities that will be paid in September.
- LTD deductions were at (\$332) which represents the September payment that will be offset by withholdings from the September payroll.

SBS is not aware of additional liabilities incurred by the school during the month.

Fund Balance The un-audited unreserved fund balance was \$663,604. The combined net income for FY09 is \$194,243 with a net income of \$196,778 for the General Fund & (\$2,535) in the Community Fund.

Income Statement

Revenues

During the month, LILA received \$335,715 in revenue. The year to date revenue of \$645,566 represents 17% of the FY09 revenue budget.

Expenditures

During the month of August, the school expended \$298,868. The year to date expenses of \$451,323 represents 12% of the FY09 expense budget.

Please note that \$26,566 from MFIG and a \$25,000 match from LILA Building Company funded the check written to Watson-Forsberg on 8/01/08 in the amount of \$51,566.

Included with the reports are the cash flow statement and disbursements register for the month. The cash flow has been updated with actual data through the month of August.

Should there be questions regarding the information above or contained within the enclosed financial statements, please direct them to SBS using the contact information listed below.

Overview Prepared by:

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**Lakes International Language Academy
Summary Income Expense Statement
Fiscal Year 2009
For Period Ending August 31, 2008**

	Monthly Activity	Year-To-Date Activity	Original Budget	Budget Amount Remaining	% of Budget
Fund 01 - General Fund					
Revenue					
State Revenue					
State General Education Aid	264,606.47	531,355.25	2,718,879.90	2,187,524.65	20%
State Lease Aid	-	-	579,600.00	579,600.00	0%
State Sped Aid	4,481.82	4,481.82	-	(4,481.82)	N/A
Total State Revenue	269,088.29	535,837.07	3,298,479.90	2,762,642.83	16%
Federal Revenue					
Federal Title Monies	-	-	16,314.00	16,314.00	0%
Federal FLAP Grant	-	-	264,946.00	264,946.00	0%
Federal Renovation Grant	26,566.00	26,566.00	-	(26,566.00)	N/A
Total Federal Revenue	26,566.00	26,566.00	281,260.00	254,694.00	9%
General Local Revenue					
Interest Earned	150.34	229.41	8,000.00	7,770.59	3%
Misc. Rev. Local	3,660.00	4,133.00	7,609.94	3,476.94	54%
Rent	-	-	10,000.00	10,000.00	0%
Tuition Payments	-	-	7,000.00	7,000.00	0%
Federal Grant Equipment Sale	-	-	1,300.00	1,300.00	0%
Medtronic Grant	-	-	100.00	100.00	0%
Field Trips	100.00	3,750.00	24,000.00	20,250.00	16%
Insurance Recovery	23,098.40	23,098.40	-	(23,098.40)	N/A
Total General Local Revenue	27,008.74	31,210.81	58,009.94	26,799.13	54%
Total Revenue	322,663.03	593,613.88	3,637,749.84	3,044,135.96	16%
Expenditures					
Administration					
Salaries and Wages	14,005.11	19,661.60	175,999.20	156,337.60	11%
Benefits	3,263.42	9,800.45	72,948.03	63,147.58	13%
Purchased Services	8,394.32	14,508.08	103,000.00	88,491.92	14%
Supplies	2,245.92	2,175.64	16,750.00	14,574.36	13%
Equipment	-	-	1,000.00	1,000.00	0%
Financing Expenses	-	-	200.00	200.00	0%
Dues and Membership	838.00	838.00	15,550.00	14,712.00	5%
Total Administration	28,746.77	46,983.77	385,447.23	338,463.46	12%
General Education					
Salaries and Wages	50,351.87	52,026.37	1,304,097.60	1,252,071.23	4%
Benefits	8,327.77	18,292.85	306,013.90	287,721.05	6%
Purchased Services	321.01	321.01	25,542.25	25,221.24	1%
Supplies	8,902.40	8,818.90	46,816.00	37,997.10	19%
Equipment	6,171.16	6,171.16	28,000.00	21,828.84	22%
Dues and Membership	40.00	4,952.50	3,454.00	(1,498.50)	143%
Total General Education	74,114.21	90,582.79	1,713,923.75	1,623,340.96	5%

**Lakes International Language Academy
Summary Income Expense Statement
Fiscal Year 2009
For Period Ending August 31, 2008**

	Monthly Activity	Year-To-Date Activity	Original Budget	Budget Amount Remaining	% of Budget
State Special Education					
Salaries and Wages	2,363.64	2,363.64	-	(2,363.64)	N/A
Employee Benefits	225.02	225.02	-	(225.02)	N/A
Purchased Services	-	-	40,000.00	40,000.00	0%
Total State Special Education	2,588.66	2,588.66	40,000.00	37,411.34	6%
Title Funds					
Salaries and Wages	120.00	371.00	12,573.60	12,202.60	3%
Benefits	15.78	15.78	2,090.56	2,074.78	1%
Total General Education	135.78	386.78	14,664.16	14,277.38	3%
Instructional Support Services					
Salaries and Wages	19,469.41	28,359.41	114,940.80	86,581.39	25%
Benefits	2,542.62	4,100.22	22,949.78	18,849.56	18%
Purchased Services	1,253.11	5,800.11	16,450.00	10,649.89	35%
Supplies	-	-	9,661.20	9,661.20	0%
Equipment	-	-	1,000.00	1,000.00	0%
Dues and Membership	-	-	150.00	150.00	0%
Total Instructional Support	23,265.14	38,259.74	165,151.78	126,892.04	23%
Student Support Services					
Salaries and Wages	693.72	1,365.60	34,528.00	33,162.40	4%
Benefits	98.16	193.23	5,442.55	5,249.32	4%
Supplies	-	-	500.00	500.00	0%
Equipment	-	-	3,630.00	3,630.00	0%
Dues and Membership	-	-	585.00	585.00	0%
Total Student Support Services	791.88	1,558.83	44,685.55	43,126.72	3%
Leases and Maintenance					
Salaries and Wages	8,284.87	12,640.70	102,169.60	89,528.90	12%
Benefits	1,133.27	3,226.28	26,989.40	23,763.12	12%
Purchased Services	3,913.37	20,394.79	175,200.00	154,805.21	12%
Facility	49,916.67	99,833.34	644,000.00	544,166.66	16%
Supplies	5,388.60	6,318.71	26,700.00	20,381.29	24%
Leasehold Improvements	51,566.00	51,566.00	-	(51,566.00)	
Total Leases and Maintenance	120,202.78	193,979.82	975,059.00	781,079.18	20%
Federal FLAP Grant					
Salaries and Wages	11,130.00	19,272.77	124,459.96	105,187.19	15%
Benefits	1,406.66	2,119.50	30,489.81	28,370.31	7%
Purchased Services	753.21	1,103.21	43,391.43	42,288.22	3%
Supplies	-	-	22,000.00	22,000.00	0%
Equipment	-	-	50,000.00	50,000.00	0%
Total Federal Grant	13,289.87	22,495.48	270,341.20	247,845.72	8%
Total Expenditures	263,135.09	396,835.87	3,609,272.67	3,212,436.80	11%
General Fund Net Income	59,527.94	196,778.01	28,477.17	(168,300.84)	

**Lakes International Language Academy
Summary Income Expense Statement
Fiscal Year 2009
For Period Ending August 31, 2008**

	Monthly Activity	Year-To-Date Activity	Original Budget	Budget Amount Remaining	% of Budget
Fund 04 - Community Service Fund					
Amigos					
Revenue					
Local Revenue	12,422.85	31,791.20	172,525.00	140,733.80	18%
Total Revenue	12,422.85	31,791.20	172,525.00	140,733.80	18%
Expenditures					
Salaries and Wages	16,343.53	23,143.59	101,933.00	78,789.41	23%
Benefits	2,141.13	4,231.26	23,626.30	19,395.04	18%
Purchased Services	1,025.62	1,495.78	7,100.00	5,604.22	21%
Supplies and Materials	1,339.23	2,393.35	11,000.00	8,606.65	22%
Total Expenditures	20,849.51	31,263.98	143,659.30	112,395.32	22%
Amigos Net Income	(8,426.66)	527.22	28,865.70	28,338.48	
Camp Del Sol					
Revenue					
Local Revenue	200.00	10,700.00	10,600.00	(100.00)	101%
Total Revenue	200.00	10,700.00	10,600.00	(100.00)	101%
Expenditures					
Salaries and Wages	10,482.60	16,643.61	8,320.00	(8,323.61)	200%
Benefits	1,351.67	1,351.67	1,166.88	(184.79)	116%
Purchased Services	-	42.00	100.00	58.00	42%
Supplies and Materials	1,697.83	1,697.83	1,000.00	(697.83)	170%
Total Expenditures	13,532.10	19,735.11	10,586.88	(9,148.23)	186%
Camp Del Sol Net Income	(13,332.10)	(9,035.11)	13.12	9,048.23	
Amiguitos					
Revenue					
Local Revenue	429.40	9,460.65	90,000.00	80,539.35	11%
Total Revenue	429.40	9,460.65	90,000.00	80,539.35	11%
Expenditures					
Salaries and Wages	1,140.78	2,943.18	45,773.00	42,829.82	6%
Benefits	210.39	544.86	9,630.81	9,085.95	6%
Supplies and Materials	-	-	2,100.00	2,100.00	0%
Total Expenditures	1,351.17	3,488.04	57,503.81	54,015.77	6%
Camp Del Sol Net Income (Loss)	(921.77)	5,972.61	32,496.19	26,523.58	
COMBINED FUND 04 - NET INCOME	(22,680.53)	(2,535.28)	61,375.01	63,910.29	
Net Income - All Funds	36,847.41	194,242.73	89,852.18	(104,390.55)	

Lakes International Language Academy
Balance Sheet
Fiscal Year 2009
As of August 31, 2008

	General Education	Community Service	Fixed Assets	Total All Funds
Assets				
Current Assets				
Cash	258,070	157,238	-	415,308
Investments in CDs	400,000	-	-	400,000
State Aids Receivable	206,036	-	-	206,036
Federal Aids Receivable	3,492	-	-	3,492
Total Current Assets	867,598	157,238	-	1,024,836
Fixed Assets				
Equipment	-	-	128,731	128,731
Accumulated Depreciation	-	-	(44,787)	(44,787)
Total Fixed Assets	-	-	83,944	83,944
TOTAL ASSETS	867,598	157,238	83,944	1,108,780
Liabilities and Fund Balance				
Current Liabilities				
TRA & PERA	7,670	1,848	-	9,518
EE LTD Deduct	(454)	122	-	(332)
Total Current Liabilities	7,216	1,970	-	9,186
Equity & Fund Balance				
Investment in Fixed Assets	-	-	83,944	83,944
Unreserved Fund Balance - 06/30/08	663,604	157,804	-	821,407
Net Income FY09	196,778	(2,535)	-	194,243
Total Equity & Fund Balance	860,382	155,268	83,944	1,099,594
Total Liabilities, Equity & Fund Balance	867,598	157,238	83,944	1,108,780

Footnote:

State Holdback Calculation:

Total Fiscal Year School Budgeted State Revenues	3,298,480
Prorated Fiscal Year-to-Date (2 of 12 Months)	17%
Total Fiscal Year-to-Date Budget (August 2008)	549,747
State Holdback Percentage	10%
Total Estimated Year-to-Date Holdback	<u>54,975</u>

Lakes International Language Academy
Cash Flow Projection FY 2009

This is a working draft based on best estimate at this time

	Estimated Receipts By Category						School Disbursements			Estimated Accumulative Cash Balance	
	FY 08-09 State Rev.	FY 07-08 State, Fed. Holdback	Other Local Receipts	Investments	FY 08-09 Federal Rev.	Total Revenues	Payroll Disbursements	FY 08-09 Acct. Payable Disbursements	Total Disbursements		
2008											
Jul 1-15	133,374	14,929	-	-	20,042	168,345	46,854	6,358	53,211	196,124	
Jul 16-31	133,374	-	32,164	-	-	165,539	24,173	134,273	158,446	203,217	
Aug 1-15	135,129	-	8,095	-	47,318	190,542	27,691	52,999	80,691	313,068	
Aug 16-31	133,959	113,529	60,176	-	-	307,665	111,621	93,803	205,425	415,308	
Sep 1-15	129,071	-	26,900	-	-	155,971	89,722	102,579	192,301	378,978	
Sep 16-30	129,071	97,830	9,883	-	70,315	307,099	66,856	78,143	144,999	541,078	
Oct 1-15	129,071	-	17,874	-	-	146,945	86,509	66,805	153,314	534,708	
Oct 16-31	129,071	83,854	6,473	-	1,631	221,029	89,790	180,589	270,379	485,358	
Nov 1-15	129,071	-	17,241	-	70,315	216,626	92,016	59,908	151,924	550,061	
Nov 16-30	129,071	-	5,279	-	1,631	135,981	108,214	80,281	188,496	497,546	
Dec 1-15	129,071	-	26,528	-	-	155,599	83,926	32,177	116,103	537,042	
Dec 16-31	129,071	-	7,979	-	1,631	138,682	80,967	5,902	86,869	588,855	
2009											
Jan 1-15	129,071	-	23,861	-	-	152,932	93,555	129,309	222,864	518,923	
Jan 16-31	129,071	13,976	11,624	-	1,631	156,303	78,375	21,028	99,403	575,823	
Feb 1-15	129,071	-	12,935	-	70,315	212,321	87,003	42,100	129,102	659,041	
Feb 16-28	129,071	-	18,572	-	1,631	149,274	87,594	162,200	249,794	558,522	
Mar 1-15	129,071	-	9,179	-	-	138,249	83,304	39,741	123,044	573,727	
Mar 16-31	129,071	-	59,816	-	1,631	190,518	87,372	74,582	161,955	602,290	
Apr 1-15	129,071	-	23,522	-	-	152,593	62,502	29,245	91,747	663,137	
Apr 16-30	129,071	-	12,146	-	1,631	142,848	101,276	64,957	166,232	639,752	
May 1-15	129,071	-	2,568	-	54,001	185,640	90,266	22,797	113,063	712,330	
May 16-31	129,071	-	3,292	-	1,631	133,995	114,263	55,357	169,620	676,704	
Jun 1-15	-	-	1,620	-	-	1,620	107,730	15,690	123,420	554,905	
Jun 16-30	129,071	-	2,051	-	1,631	132,754	319,751	42,103	361,855	325,804	
Total Estimate	2,988,185	324,118	399,777	-	346,989	4,059,070	2,221,332	1,592,924	3,814,256		
FY09 Budget	3,298,480	-	331,135	-	281,260	3,910,875	2,286,738	1,534,285	3,821,023		
FY08 Accruals	-	279,515	-	-	-	279,515	-	3,350	3,350		
FY09 Accruals	(329,848)	-	-	-	(1,631)	(331,479)	-	(3,350)	(3,350)		
	2,968,632	279,515	331,135	-	279,629	3,858,910	2,286,738	1,534,285	3,821,023		
	(19,553)	(44,604)	(68,642)	-	(67,360)	(200,160)	65,405	(58,638)	6,767		

Lakes International Language Academy
Disbursements Register
For the Month of August 31, 2008

VENDOR	DESCRIPTION	CHECK	DATE	AMOUNT
MESPA	PROFESSIONAL DUES 2008-2009	3089	8/1/2008	838.00
MN ASSOC OF IB WORLD SCHOOLS	REGISTRATION FEE FOR WRITTEN CURRICULUM	3090	8/11/2008	600.00
MICASITA	FIELDTRIP TO MICASITA- LUNCH	3091	8/14/2008	239.29
SIGSTAD'S MILL-DIRECT CARPET	5 CLASSROOM RUGS	3092	8/14/2008	1,000.00
MN DEPARTMENT OF EDUCATION	MANDATORY CHARTER SPONSOR WORKSHOP	3093	8/15/2008	45.00
US CABLE	INTERNET SERVICE AUGUST 2008	3094	8/20/2008	139.90
DOMINOS PIZZA	PIZZA FOR AMIGOS LUNCH	3095	8/22/2008	70.00
COMMERCIAL PARTNERS	TITLE SERVICES FOR MEDIA CENTER PROJECT	3096	8/22/2008	250.00
TEACHER RETIREMENT ASSOCIATION	PAYROLL 8/15/08 TEACHERS RETIREMENT	3097	8/29/2008	1,544.98
HARMONY NURSERY AND GARDEN CENTER		3098	8/28/2008	187.50
INSTITUTE FOR ENVIRONMENTAL ASSESSMENT, INC.		6713	8/26/2008	12,374.39
AMERICAN HEALTH RESOURCES		6727	8/15/2008	2,131.00
ANDERSON, LAUREN	CHECK 6713 BANK RECORDED	6728	8/15/2008	15.81
DIETER, JANET	CONVERTIBLE HEALTH PLAN	6729	8/15/2008	110.37
HERVIG, SUSAN	CAMP DEL SOL SUPPLIES	6730	8/15/2008	34.47
HILLYARD, INC. MINNEAPOLIS	POSTAGE CARDSTOCK FOR TEACHER	6731	8/15/2008	575.68
HOWARD, ANDREA	BUILDING MAINTENANCE	6732	8/15/2008	118.93
HYLDEN, JOCELYN	CAMP DEL SOL MATERIALS	6733	8/15/2008	228.11
JOHN CAIRNS LAW, PA.	REIMBURSEMENT FOR TRAVEL	6734	8/15/2008	3,210.00
MADISON NATIONAL LIFE INSURANCE CO.	LEGAL SERVICES- \$960,	6735	8/15/2008	584.48
MARKETPLACE FOODS	LONG-TERM DISABILITY FOR	6738	8/15/2008	631.97
MCGRAW HILL EDUCATION	AMIGOS FOOD CAMO DEL SOL SNACK FOOD	6739	8/15/2008	4,044.01
MENARDS FOREST LAKE	MATH CURRICULUM	6740	8/15/2008	23.12
MUTUAL OF OMAHA	MAINTENANCE SUPPLIES	6741	8/15/2008	234.00
PREFEREDONE ADMINISTRATIVE SERVICES	LIFE INSURANCE, ACCIDENTAL	6742	8/15/2008	2,029.67
PRINTING SOLUTIONS	SEPTEMBER 2008 COBRA HEALTH	6743	8/15/2008	360.00
QWEST	BUSINESS CARDS	6744	8/15/2008	339.33
SCAN AIR FILTER, INC.	AUGUST 2008 PHONE EXPENSES	6745	8/15/2008	833.23
SCHOLASTIC, INC.	FILTERS FOR ALL AIR HANDLERS-	6746	8/15/2008	710.39
SCHOOL BUSINESS SOLUTIONS	2ND GRADE CLASSROOM	6747	8/15/2008	3,181.63
SLIPKA-DEAKMAN ASSOCIATES, INC.	CONTRACTED SERVICES	6748	8/15/2008	1,500.00
SWENSON, REBECCA	FIRST HALF PAYMENT FOR	6749	8/15/2008	33.00
THE MINNEAPOLIS INSTITUTE OF ARTS	CAMP DEL SOL MATERIALS-	6750	8/15/2008	160.00
THORP, AMY	CURRICULUM KID RENTAL	6751	8/15/2008	380.00
TOSHIBA FINANCIAL SERVICES	TRAVEL TO IB TRAINING	6752	8/15/2008	160.18
VISA CORPORATE ACCT.	RISOGRAPH LEASE	6754	8/15/2008	2,760.65
WASTE MANAGEMENT	VISA PURCHASES	6755	8/15/2008	290.19
WITTRICK, JEFF	GARGABE SERVICES AUGUST 2008	6756	8/15/2008	306.64
XCEL ENERGY	CAMP DEL SOL SUPPLIES	6757	8/15/2008	2,582.25
ZITZER, ANGELA	ENERGY CHARGES 7/6/08-8/4/08.	6758	8/15/2008	6.20
ACTFL C/O LASER REGISTRATION	IMMERSION 101 TRAINING-	6759	8/28/2008	188.00
ALEKS CORPORATION	CONFERENCE REGISTRATION	6760	8/28/2008	40.00
DAVCO TECHNOLOGIES, INC.	K-12 52 WEEK SUBSCRIPTION -	6761	8/28/2008	1,412.11
	COMMUNICATION WIRES, BUILDING SPEAKERS			

Lakes International Language Academy
 Disbursements Register
 For the Month of August 31, 2008

VENDOR	DESCRIPTION	CHECK	DATE	AMOUNT
DELTA DENTAL OF MINNESOTA	DENTAL INSURANCE- SEPTEMBER	6762	8/28/2008	1,136.80
DIETER, JANET	MATERIALS FOR LILA AWARDS-	6763	8/28/2008	34.40
FOREST LAKE ACE HARDWARE	MAINTENANCE SUPPLIES/SUMP	6764	8/28/2008	125.98
GE CAPITAL	COPIER LEASE- RICOH COPIERS	6765	8/28/2008	1,369.00
GRAINGER	RUN CAPACITOR- MAINTENANCE PARTS	6766	8/28/2008	208.29
HILLYARD, INC. MINNEAPOLIS	MAINTENANCE SUPPLIES AND	6767	8/28/2008	1,101.29
HOWARD, ANDREA	CAMP DEL SOL SUPPLIES	6768	8/28/2008	83.22
HUNT'S TRANSPORTATION SERVICES, LLC.	AMIGOS TRANSPORTATION- BUS TO	6769	8/28/2008	296.62
INSTITUTE FOR ENVIRONMENTAL ASSESSMENT, INC.	ASBESTOS ABATEMENT SERVICES-	6770	8/28/2008	1,820.25
MCGRAW HILL EDUCATION	CURRICULUM MATERIALS	6771	8/28/2008	1,894.20
MENARDS FOREST LAKE	MAINTENANCE SUPPLIES	6772	8/28/2008	679.94
METRO SALES, INC.	CONTRACT FOR COPIER - STAPLES	6773	8/28/2008	2,777.91
MIN BUREAU OF CRIMINAL APPREHENSION	BACKGROUND CHECKS ON 2 AMIGOS	6774	8/28/2008	30.00
PAUGEL, KIM	REIMBURSEMENT FOR SUPPLIES	6775	8/28/2008	41.64
PREMIER AGENDAS, INC	KINDERGARTEN AND ELEMENTARY	6776	8/28/2008	1,525.73
SAM'S CLUB	AMIGOS SUPPLIES	6777	8/28/2008	300.12
SOUTHERN ACCOUNTING SYSTEMS, INC.	VISITOR LABELS	6778	8/28/2008	106.37
STEIGEN, PATRICIA	POSTAGE	6779	8/28/2008	224.30
VIRCO MFG CORPORATION	STUDENT CHAIRS	6780	8/28/2008	1,952.16
WENGER	RISERS FOR STUDENT	6781	8/28/2008	4,219.00
PAYCHEX	PAYROLL SERVICES	10432	8/11/2008	301.00
PERA	PAYROLL #3 08/09 AUGUST	10433	8/29/2008	1,983.10
PAYCHEX	PAYROLL 081508	10434	8/14/2008	27,691.29
PAYCHEX	PAYROLL 081508	10435	8/15/2008	9,776.15
LILA BUILDING COMPANY	Monthly Lease payment for	10436	8/20/2008	49,916.67
PAYCHEX	Payroll Taxes 08/29/08	10437	8/29/2008	27,111.57
PAYCHEX	Payroll 08/29/08	10438	8/29/2008	70,621.06
WATSON FORSBERG	Facilities Grant Expenditures	10439	8/11/2008	51,566.00
				305,398.54