

THE RANCH ACADEMY AND LIFE SKILLS CENTER, INC.

Statement of Financial Position

As of August 31, 2014

Assets

Current assets	
Cash	\$ 219,158
Total current assets	<u>219,158</u>
Other assets	
Organizational costs	75,373
Buildings and improvements	593,805
Less accumulated depreciation	<u>(136,544)</u>
Total other assets	<u>532,634</u>
Total assets	\$ <u>751,792</u>

Liabilities and Net Assets

Current liabilities	
Accounts payable	\$ 11,790
Payroll liabilities	12,837
Due to related party	47,552
Note payable	<u>69,159</u>
Total current liabilities	<u>141,338</u>
Net assets	
Unrestricted	610,454
Temporarily restricted	<u>-</u>
Total net assets	<u>610,454</u>
Total liabilities and net assets	\$ <u>751,792</u>

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

THE RANCH ACADEMY AND LIFE SKILLS CENTER, INC.

Statement of Activities

For the Year Ended August 31, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues			
<i>Local support:</i>			
Local revenues resulting from services rendered to other school districts	\$ 6,840	\$ -	\$ 6,840
Gifts and bequests	1,084	-	1,084
Total local support	<u>7,924</u>	<u>-</u>	<u>7,924</u>
<i>State program revenues:</i>			
Foundation school program revenues	-	1,396,740	1,396,740
Available school fund grant	-	25,115	25,115
State program revenues distributed by the TEA	-	27	27
Total state program revenues	<u>-</u>	<u>1,421,882</u>	<u>1,421,882</u>
<i>Federal program revenues:</i>			
Title I, Part A - improving basic programs	-	203,918	203,918
Title II, Part A - teacher and principal training and recruiting	-	6,116	6,116
IDEA - B formula	-	31,659	31,659
Small rural school achievement grant (REAP)	-	13,619	13,619
Total federal program revenues	<u>-</u>	<u>255,312</u>	<u>255,312</u>
Net assets released from restrictions	<u>1,677,194</u>	<u>(1,677,194)</u>	<u>-</u>
Total revenues	<u>1,685,118</u>	<u>-</u>	<u>1,685,118</u>
Expenses			
<i>Program services:</i>			
11 Instruction	1,070,305	-	1,070,305
13 Curriculum development and instructional staff development	53,035	-	53,035
21 Instructional leadership	37,131	-	37,131
23 School leadership	205,122	-	205,122
<i>Support services:</i>			
31 Guidance, counseling and evaluation services	80,729	-	80,729
32 Social work services	5,271	-	5,271
33 Health services	2,670	-	2,670
35 Food services	3,107	-	3,107
36 Campus activities	3,693	-	3,693
41 General administration	52,674	-	52,674
51 Plant maintenance and operations	195,612	-	195,612
52 Security and monitoring services	(2,424)	-	(2,424)
53 Data processing services	37,000	-	37,000
Total expenses	<u>1,743,925</u>	<u>-</u>	<u>1,743,925</u>
Change in net assets	(58,807)	-	(58,807)
Net assets, beginning of year	<u>669,261</u>	<u>-</u>	<u>669,261</u>
Net assets, end of year	<u>\$ 610,454</u>	<u>\$ -</u>	<u>\$ 610,454</u>

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

THE RANCH ACADEMY AND LIFE SKILLS CENTER, INC.

Statement of Cash Flows

For the Year Ended August 31, 2014

<i>Cash flows from operating activities</i>	
<i>Change in net assets</i>	\$ (58,807)
<i>Adjustments to reconcile change in net assets to net cash provided by operating activities</i>	
<i>Depreciation</i>	17,589
<i>Decrease in due from grantor agencies</i>	127,039
<i>Decrease in accounts payable</i>	(18,884)
<i>Increase in due to related party</i>	45,198
<i>Increase in payroll taxes payable</i>	12,207
	<u>124,342</u>
<i>Net cash provided by operating activities</i>	
<i>Cash flows from investing activities</i>	
<i>Purchase of capital assets</i>	<u>(81,417)</u>
<i>Net cash used in investing activities</i>	<u>(81,417)</u>
<i>Cash flows from financing activities</i>	
<i>Debt borrowings</i>	<u>20,000</u>
<i>Net cash provided by financing activities</i>	<u>20,000</u>
<i>Net increase in cash and cash equivalents</i>	62,925
<i>Cash and cash equivalents at beginning of year</i>	<u>156,233</u>
<i>Cash and cash equivalents at end of year</i>	\$ <u><u>219,158</u></u>
<i>Supplemental disclosures of cash flow information:</i>	
<i>Cash paid during the year for:</i>	
<i>Interest</i>	\$ <u><u>-</u></u>
<i>Income taxes</i>	\$ <u><u>-</u></u>

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