



Academy for Integrated Arts

# September 2019 Financials

PREPARED OCTOBER 2019 BY



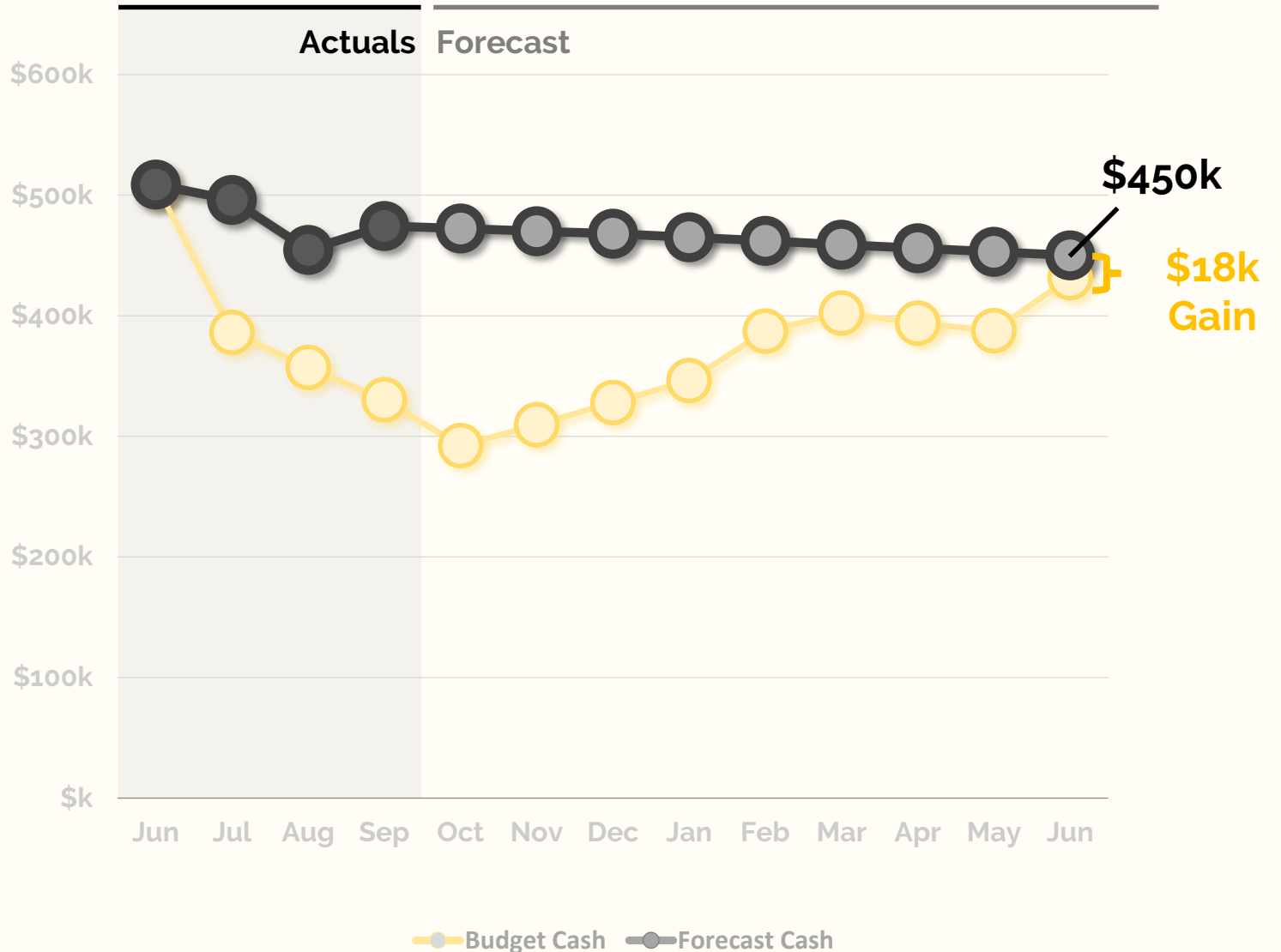
- **Cash Forecast**
- **Key Performance Indicators**
- **Forecast Overview**
- **Annotated Financials**
- **Monthly Financials**

## 47 Days of Cash at year's end

We forecast the school's year ending cash balance as **\$449.97k**, **\$18k** above budget.

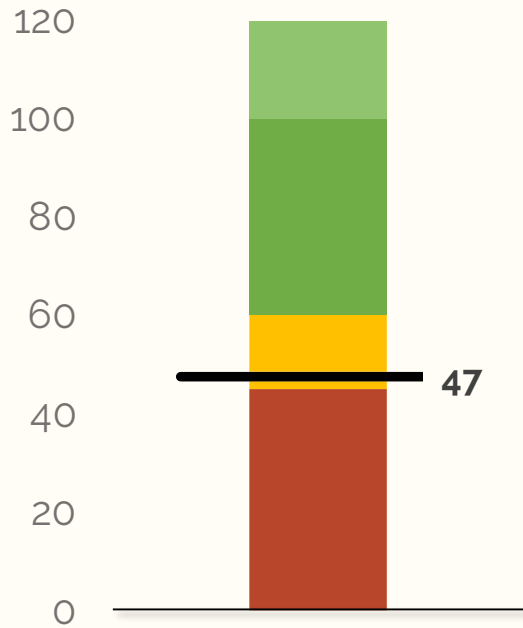
Actual student enrollment is higher than the budgeted. Accordingly, the state revenue is increased by \$77K.

However, this increase in state revenue will be partly offset by increase in payroll, student direct and student indirect expenses. Total expense is forecasted to increase by \$58K than the budgeted.



## Days of Cash

Cash balance at year-end divided by average daily expenses

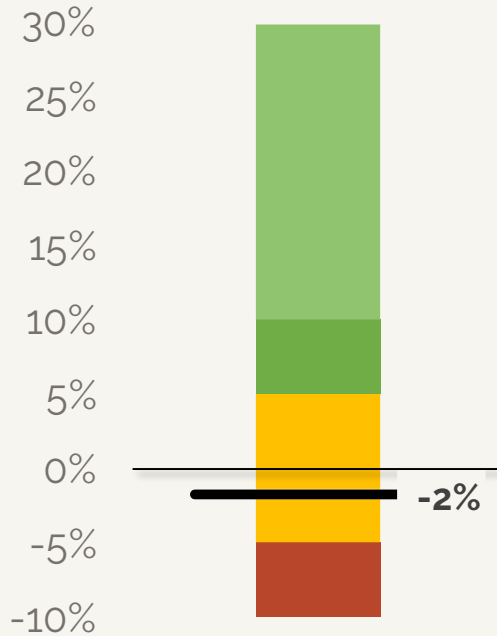


### 47 DAYS OF CASH AT YEAR'S END

The school will end the year with 47 days of cash. This is below the recommended 60 days, and 0 more day(s) than last month

## Gross Margin


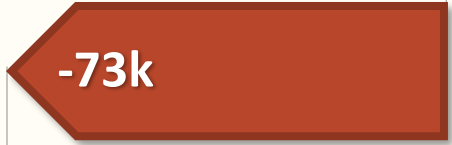



Revenue less expenses, divided by revenue



### -2% GROSS MARGIN

The forecasted net income is -\$59k, which is \$19k above the budget. It yields a -2% gross margin.

# Forecast Overview

	Forecast	Budget	Variance	Variance Graphic	Comments
Revenue	\$3.4m	\$3.3m	<b>\$92k</b>		\$77K of this is driven by local and state revenue. \$15K of this is driven by federal revenue in relation to the revenue from food service. This increase in federal revenue will be offset by the increase in contracted food service expense.
Expenses	\$3.4m	\$3.3m	<b>-\$73k</b>		Driven by increase in payroll & benefits, and student direct & indirect expenses. Increase in contracted food service expense by \$15K will be offset by increase in food service revenue.
<b>Net Income</b>	<b>-\$59k</b>	<b>-\$77k</b>	<b>\$19k</b>		Increase in state revenue is offset by increase in payroll & benefits, student direct & indirect expenses resulting in a net income of \$19K.
Cash Flow Adjustments	-0	0	-0		
<b>Change in Cash</b>	<b>-\$59k</b>	<b>-\$77k</b>	<b>\$19k</b>		

# Annotated Financials

	Year-To-Date			Annual Forecast			
	Actual	Budget	Variance	Forecast	Budget	Variance	Remaining
<b>Revenue</b>							
Local Revenue	62,595	59,512	3,083	242,251	238,050	4,202	179,656
Donations	75,674	40,000	35,674	310,000	310,000	0	234,326
State Revenue	554,608	498,022	56,586	2,317,427	2,244,398	73,029	1,762,819
Federal Revenue	-	59,655	(59,655)	489,046	474,376	14,670	489,046
<b>Total Revenue</b>	<b>692,877</b>	<b>657,189</b>	<b>35,688</b>	<b>3,358,724</b>	<b>3,266,824</b>	<b>91,901</b>	<b>2,665,847</b>
<b>Expenses</b>							
Salaries	374,969	372,172	(2,797)	1,512,204	1,488,690	(23,514)	1,137,235
Benefits and Taxes	86,952	88,569	1,617	372,547	354,276	(18,271)	285,595
Staff-Related Costs	22,079	18,655	(3,424)	76,183	74,619	(1,564)	54,104
Rent	100,000	75,000	(25,000)	300,000	300,000	(0)	200,000
Occupancy Service	49,746	62,644	12,898	243,476	250,576	7,100	193,730
Student Expense, Direct	29,441	43,375	13,934	203,237	173,500	(29,737)	173,796
Student Expense, Indirect	25,184	53,565	28,381	229,668	214,259	(15,409)	204,485
Office & Business Expense	38,628	47,437	8,809	191,096	189,747	(1,350)	152,469
Transportation	532	72,168	71,636	289,202	288,670	(532)	288,670
Total Ordinary Expenses	727,531	833,584	106,053	3,417,614	3,334,336	(83,277)	2,690,083
Net Operating Income	(34,654)	(176,395)	141,741	(58,889)	(67,513)	8,623	(24,235)
<b>Extraordinary Expenses</b>							
Interest	-	2,484	2,484	-	9,935	9,935	-
Total Extraordinary Expenses	-	2,484	2,484	-	9,935	9,935	-
<b>Total Expenses</b>	<b>727,531</b>	<b>836,068</b>	<b>108,537</b>	<b>3,417,614</b>	<b>3,344,271</b>	<b>(73,343)</b>	<b>2,690,083</b>
<b>Net Income</b>	<b>(34,654)</b>	<b>(178,879)</b>	<b>144,225</b>	<b>(58,889)</b>	<b>(77,447)</b>	<b>18,558</b>	<b>(24,235)</b>
Cash Flow Adjustments	193	-	193	(0)	-	(0)	(193)
<b>Change in Cash</b>	<b>(34,461)</b>	<b>(178,879)</b>	<b>144,418</b>	<b>(58,889)</b>	<b>(77,447)</b>	<b>18,558</b>	<b>(24,428)</b>

## ① REVENUE: \$92K AHEAD

Driven by state revenue.

## ② EXPENSES: \$73K BEHIND

Driven by increase in:

1. Payroll & benefits: Addition of long-term substitutes; and extra duty stipends for staffs.
2. Student direct expense: The school has many new students with IEPs, and hence the expenses related to SPED service is expected to go up.
3. Student indirect expense: Since the school is also recording more no. of student enrollment, expenses related to food service-snack is expected to go up. However, this will be neutralized by increase in food service revenue

## ③ NET INCOME: \$19K ahead

