



PUEENTE Charter School
Unaudited Financial Statements
As of and for the period Ended September 30, 2022
with comparative financial information for June 30, 2022

	<u>PAGE</u>
BASIC FINANCIAL STATEMENTS (Charter School)	
Statements of Activities (Charter School)	1
Statements of Financial Position (Charter School)	2
Statements of Cash Flows (Charter School)	3
Capital Expenditures – Work in Process	4
Memorandum to Financial Statements (Charter School)	5-7

PUEENTE Charter School
Statement of Activities
July 1 through September 30, 2022
with Comparative YTD Budget

	ADA	291		291		291
		Actual		YTD Budget		Annual Budget
		9/30/2022		9/30/2022	Variance	6/30/2023
Operating revenue						
LCFF - State Aid	\$	544,006	44.75%	\$ 544,006	\$ -	\$ 2,176,024
Prop 30 - Education Protection Account		158,298	13.02%	158,297	1	633,190
Other Fed Income		96,296	7.92%	173,014	(76,718)	692,056
Special Ed Current Yr		76,002	6.25%	59,562	16,440	238,239
State Lottery - Charter Prop 20		11,763	0.97%	3,267	8,496	13,076
Non-Prop Lottery Education Appointment		3,270	0.27%	11,763	(8,493)	47,055
Other State Revenue		112,509	9.26%	97,893	14,616	391,572
District pymt in lieu of Prop Tax		213,381	17.55%	213,381	-	853,529
Total operating revenue	\$	1,215,541		\$ 1,261,183	\$ (45,642)	\$ 5,044,741
Operating expenses and losses						
Salaries		563,156		594,118	(30,962)	2,589,137
Employee benefits		54,999		76,494	(21,495)	306,619
Taxes		41,783		47,692	(5,909)	207,677
Workers Compensation		7,954		15,352	(7,398)	61,410
Total personnel cost	\$	667,892	56.7%	\$ 733,656	\$ (65,764)	\$ 3,164,843
Building Lease		75,249	6.39%	75,252	(3)	301,000
Professional Services		120,307	10.21%	91,296	29,012	365,182
Special Ed Contract		46,042	3.91%	41,250	4,792	165,000
Special Ed Fair Share		46,542	3.95%	45,527	1,015	182,108
Food Service Contract		24,595	2.09%	24,545	50	135,000
Utilities		17,795	1.51%	16,801	994	67,203
Insurance		7,596	0.64%	15,479	(7,884)	61,917
Dues & Subscriptions		13,615	1.16%	12,457	1,158	27,171
Accounting		4,282	0.36%	4,465	(183)	42,865
Security		18,408	1.56%	17,852	556	72,871
Depreciation		10,627	0.90%	3,750	6,877	15,000
Equipment/Bldg & Repairs		5,063	0.43%	5,750	(687)	21,184
Supplies		16,869	1.43%	8,994	7,875	36,634
Students Activities		11,204	0.95%	2,500	8,704	6,900
Textbooks		36,010	3.06%	18,725	17,285	18,725
Maintenance supplies		3,088	0.26%	5,500	(2,412)	48,533
Telephone		4,308	0.37%	2,633	1,676	10,531
Staff Development		13,738	1.17%	7,028	6,710	7,028
Advertising & Publicity		15,537	1.32%	4,681	10,856	12,735
Education supplies		10,908	0.93%	9,925	983	18,166
Payroll Fees		2,051	0.17%	2,017	34	9,265
Printing and Reproduction		1,152	0.10%	3,179	(2,027)	13,246
Gifts		56	0.00%	313	(256)	1,250
Postage & delivery		1,230	0.10%	540	690	2,160
LACOE - Administrative Fees		625	0.05%	750	(125)	1,500
Meals & Entertainment		756	0.06%	-	756	-
Furniture & Fixtures		1,553	0.13%	45,750	(44,197)	45,750
Computer supplies		379	0.03%	-	379	-
Equipment lease		-	0.00%	558	(558)	2,227
Meetings & Workshops		-	0.00%	1,500	(1,500)	4,920
Property Tax		-	0.00%	-	-	2,537
Travel		967	0.08%	-	967	650
Total Operating Expenses	\$	510,551		\$ 469,016	\$ 41,535	\$ 1,699,258
Total Expenses	\$	1,178,443		\$ 1,202,672	\$ (24,229)	\$ 4,864,101
Operating revenue in excess of operating expenses	\$	37,097		\$ 58,511	\$ (21,414)	\$ 180,640
(Other items considered to be nonoperating)						
Interest income		-		-	-	-
Change in net assets	\$	37,097		\$ 58,511	\$ (21,414)	\$ 180,640
Non-cash items - Depreciation		10,627		3,750	6,877	15,000
	\$	47,724		\$ 62,261	\$ (14,538)	\$ 195,640
Cost per Student	\$	4,050		\$ 4,133		\$ 16,715

PUENTE Charter School
Statement of Financial Position
As of September 30, 2022

ASSETS	Actual 9/30/2022	Actual 6/30/2022	Change \$
Current assets			
Cash (Charter School Savings)	\$ 458,814	\$ 834,440	\$ (375,625)
Cash (Capital Campaign)	5,795	5,794	-
Cash and cash equivalent	464,609	840,234	(375,624)
Accounts receivable, net	626,643	377,922	248,721
Contributions receivable, net	473,695	471,859	1,836
Receivables (net)	1,100,338	849,781	250,557
Total Current Assets	1,564,947	1,690,015	(125,066)
Land, building and equipment			
Furniture, Fixtures & Equipment	372,202	294,886	77,316
Work in Process	310,807	310,807	-
Less: Depreciation	(101,885)	(90,806)	(11,079)
	581,124	514,887	66,237
TOTAL ASSETS	\$ 2,146,071	\$ 2,204,902	\$ (58,829)
LIABILITIES AND NET ASSETS			
Current liabilities			
Deferred revenue	229,813	248,485	(18,672)
Due to other programs to the Center	140,958	218,214	(77,258)
Total Current Liabilities	370,771	466,699	(95,930)
Net assets			
Net Surplus/Deficit	\$ 37,097	\$ -	\$ 37,097
With donor restriction	500,136	500,136	-
Without donor restriction	1,238,067	1,238,067	-
Total net assets	1,775,300	1,738,203	37,097
Total liabilities and net assets	\$ 2,146,071	\$ 2,204,902	\$ (58,831)
Matrix Analysis:			
Working Capital	\$ 1,194,176		
Cash Ratio:	1.25		
Quick Ratio:	4.22		
Burn Rate	\$ 392,814		
Months of Cash on Hand	1.2		
Debt-to-equity ratio	0.209		

PUENTE Charter School
Statement of Cash Flow
For the Month Ended September 30, 2022

	Month Ended 9/30/2022	Audited 6/30/2022
Cash flows from operating activities:		
Change in total net assets	\$ 37,097	\$ 32,021
Adjustments to reconcile in net assets to net cash (used in) provided by operating activities:		
Depreciation	11,079	36,734
Changes in operating assets and liabilities:		
Accounts receivable	(248,721)	266,275
Contributions receivable	(1,836)	12,292
Deferred revenue	(18,672)	248,485
Due to other programs to the Center	(77,258)	(52,584)
Net cash (used in) provided by operating activities	(298,311)	543,223
Cash flows from investing activities:		
Purchase of property and equipment	(77,316)	(54,332)
Net cash used in investing activities	(77,316)	(54,332)
NET (DECREASED) IN CASH	(375,627)	488,891
CASH - BEGINNING	840,236	351,345
CASH - ENDING	\$ 464,609	\$ 840,236

PUENTE Charter School
Capital Expenditures
Work in Progress & Completion Percentage

Vendor	FY 2018-19	FY 2019-20	FY 2020-21	Total	% of Completion
Berliner Architects	109,403	27,002	-	136,406	98%
Brandow & Johnston	5,310	-	-	5,310	100%
BTC	756	-	-	756	100%
City of Los Angeles	25,437	34,530	-	59,967	100%
Craig Lawson & Co, LLC	32,508	33,842	-	66,350	100%
Department of Transportation	1,175	7,480	-	8,655	100%
GeoSystems Inc.	3,500	3,225	-	6,725	100%
Gibson Transportation	4,000	12,639	-	16,639	100%
Ter Molen Watkins	-	10,000	-	10,000	100%
Grand Total	182,089	128,718	-	310,807	

MEMORANDUM

To: Finance Committee Members
From: Angelica Castro
Vice President of Finance, PUENTE Charter School
Date: November 30, 2022
Re: Summary of Financial Results as of September 30, 2022

The purpose of this memo is to summarize the financial results of PUENTE Charter School Unaudited Financial Statements as of September 30, 2022. Please find a copy of the following reports in this Committee Packet:

1. Statement of Activities for period ended September 30, 2022 with comparative YTD Budget.
2. Statement of Financial Position as of September 30, 2022.
3. Statement of Cash Flow as of September 30, 2022.

1. Statement of Activities Analysis:

As of September 30, 2022, the Charter School reported total revenue of \$1,215,541 and expenses of \$1,178,443 for a net surplus of \$37,097. Total actual expenses were \$17,682 less than total budget.

Line items to highlight are as follow:

- Personnel cost: Personnel cost was \$667,892 or approximately 56.7% of expense allocation. Budgeted amount exceeded total actuals by \$65,764.
- Professional Services: Professional services was \$120,307 or approximately 10.21% of expense allocation. It exceeded YTD budgeted amount by approximately \$29,012. This is mainly due to temporary staff for accounting department, substitute teachers and custodial contractor.
- Textbooks: Textbook expenses were \$36,010 or approximately 3.06% of expense allocation. It exceeded YTD budgeted amount by approximately \$17,285. This was mainly due to the unexpected increase of textbook costs.
- Staff Development: Staff Development expenses were \$13,738 or approximately 1.17% of expense allocation and exceeded YTD budgeted amount by approximately \$6,710. This was mainly due to the cost of new Active Shooter training for all staff and costs associated with the Community Training Workshop.
- Advertising & Publicity: Advertising & Publicity was \$15,537 or approximately 1.32% of expense allocation and exceeded YTD budgeted amount by approximately \$10,856. This was mainly due to expenses related to the recruitment of new teachers and staff.
- Student Activities: Student activities was \$11,204 or .95% of expense allocation and exceeded budgeted amount by approximately \$8,704. This is mainly due to unbudgeted expenses associated with summer school extended learning activities required by stimulus funding.

2. Statement of Financial Position

- Cash & cash equivalent: Cash balance was \$464,609. A decrease of \$375,625 from June 30, 2022. This was mainly due to an increase in uncollected receivables and the purchase of fixed assets.
- Deferred revenue: Deferred revenue was \$229,813.
- Furniture & Fixtures: Furniture & Fixtures balance of \$372,202 is an increase of \$77,316. This is mainly due to the purchase of classroom furniture, computer equipment & leasehold improvements.

Financial Key Indicators

Working Capital

- The Working Capital: PUENTE has \$1,194.176 available for current and future use.

Asset performance.

- Cash Ratio is \$1.25: This is another indicator of future cash flow. This means that for every \$1 of liability, the Charter School has \$1.25 of liquid cash.
- Quick Ratio \$4.22: Measures the ability to pay PUENTE's short-term liabilities by having assets that are readily convertible into cash. This means that the Charter School has capacity to pay off its current liabilities with the current assets and can easily fund its day-to-day operations. Here for every \$1 of current liability, the Charter School has \$4.22 of quick assets to pay for it.
- Months of Cash on Hand: Represents the number of months of operating expenses that the Center can pay with its current cash available. The Charter School has 1.2 months of cash on hand.

Capitalization structure assess long-term solvency and stability:

- Debt-to-equity Ratio: Debt-to-equity Ratio of \$0.209. This ratio indicates that most of PUENTE's assets and resources are provided by funding from the school district and not creditors or vendors. PUENTE Charter uses \$0.209 of debt financing for every \$1 of equity financing.

3. Statement of Cash Flow

The Charter School's cash decreased by \$375,627. This decrease was mainly due to the following:

- a. As the Statement of Activities reports equity earnings, the Statement of Cash Flow reports how much cash is coming from the equity earnings reported on the Statement of Activities. As such, on this statement we eliminate noncash items such as depreciation expense. (A non-cash item). As a non-cash item, change in depreciation of \$11,079 is added to the net deficit to reconcile the cash from operations.
- b. Accounts receivable increased by \$248,721. Increasing receivables means less inflow of cash through decrease in collections. Therefore, the \$248,721 is subtracted from the net surplus.
- c. Contribution receivables decreased by \$1,836. Decreasing receivables means less cash through the decrease in collections. Therefore, the \$1,836 is subtracted from the net deficit.
- d. Deferred revenue decreased by \$18,672. Decreasing deferred revenue means that a portion of this unearned revenue was recognized as earned therefore a decrease in cash. The \$18,672 is subtracted from net surplus.
- e. Due to Other Programs to the Center decreased by \$77,258. Decreasing liabilities means that obligations are paid sooner than later. As such, the Charter School has less cash on hand, as the \$77,258 is added to the net deficit.

- f. Property & Equipment increased by \$77,316. This was mainly due to the payments related to the purchase of laptops and desktop computers for our students and staff. The increase resulted in a decrease in cash. As such, the change is subtracted from the total change in net assets.
- g. The total decrease in cash of \$375,627 is subtracted from the beginning cash of \$840,236 resulting in ending cash balance of \$464,609.