

KING & WALKER, CPAs, PL

Certified Public Accountants

David M. King, CPA
Robert I. Walker, CPA

840 W. Lutz Lake Fern Road
Lutz, FL 33548
office (813) 610-0659 fax (813) 949-9376

July 15, 2010

Sheryl Lear, CCTS
Vice President
TD Wealth Management
7545 Centurion Parkway, #402
Jacksonville, Florida 32256

Ms. Lear,

As calculated below, Learning Gate Community School, Inc. has complied with Bond provisions requiring the cash balance at 6-30-10 be at least 3% of the prior year operating and maintenance cost exclusive of debt service requirements. Prior year operating and maintenance cost (FYE 6-30-09) exclusive of debt service requirements totaled \$330,394 which would require a cash balance of at least \$9,912 ($\$330,394 \times .03$). Per review of the annual financial statements, it was determined that the cash balance at FYE 6-30-10 totaled \$185,663. This represents 56% of the prior year operating and maintenance cost exclusive of debt service requirements ($\$185,663 / \$330,394$).

Regards,

King & Walker, CPAs

King & Walker, CPAs, PL

Learning Gate Community School, Inc.
 Month: As of June 30, 2010
 Balance Sheet

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS:				
1110 Cash and Cash Equivalents	184,509	-		184,509
1130 Accounts Receivable	-	-	-	-
1160 Investments	-	766,476	-	766,476
1200 Other Current Assets	464,677	-	-	464,677
TOTAL	<u>649,186</u>	<u>766,476</u>	-	<u>1,415,662</u>
LIABILITIES:				
2110 Salaries Payable	-	-	-	-
2120 Accounts Payable	-	-	-	-
2140 Due to Other Funds	-	-	-	-
TOTAL	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES:				
2710 Reserved for Carryover Programs	-	-	-	-
2720 Reserved for Encumbrances	-	-	-	-
2760 Unreserved	649,186	766,476	-	1,415,662
TOTAL	<u>649,186</u>	<u>766,476</u>	<u>-</u>	<u>1,415,662</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>649,186</u>	<u>766,476</u>	<u>-</u>	<u>1,415,662</u>

I certify that the information disclosed on these financial statements is accurate.

Stanley M. Krow 7/20/10

UNAUDITED

Learning Gate Community School, Inc.
 Month: As of June 30, 2010
 St. of Revenue, Expenditures & Changes in Fund Balances

	GENERAL FUND			
	YTD Revenues & Expenditures	Encumbered	Budgeted	Balance
REVENUES:				
3100 Federal Direct	-			-
3200 Federal through State	27,722			(27,722)
3300 State	3,330,276		3,255,379	(74,897)
3400 Local	216,878		355,000	138,122
TOTAL REVENUES	3,574,876	-	3,610,379	35,503
EXPENDITURES:				
5000.100 Instruction:Salaries	1,897,650		1,847,725	(49,925)
5000.300 Instruction:Purchased Services	133,941		143,924	9,983
5000.500 Instruction:Materials & Supplies	44,066		54,000	9,934
5000.600 Instruction:Capital Outlay	-		-	-
6100.100 Pupil Personnel Services:Salaries	-		-	-
6200.300 Instructional Media Services:Purchased Services	-		-	-
6300.100 Instruction and Curriculum Development Services:Salaries	-		-	-
6300.300 Instruction and Curriculum Development Services:Purchased Services	-		-	-
6300.500 Instruction and Curriculum Development Services:Materials & Supplies	-		-	-
6300.700 Instruction and Curriculum Development Services:Other Expenses	-		-	-
6400.300 Instructional Staff Training:Purchased Services	-		-	-
7100.300 School Board:Purchased Services:Professional & Technical Services	17,133		17,500	367
7300.100 School Administration:Salaries	452,039		530,400	78,361
7300.300 School Administration:Purchased Services	36,163		58,200	22,037
7300.500 School Administration:Materials & Supplies	15,368		15,500	132
7300.600 School Administration:Capital Outlay	-		-	-
7300.700 School Administration:Other Expenses	4,993		5,000	7
7400.300 Facilities Acquisition & Construction:Purchased Services	-		-	-
7500.300 Fiscal Services:Purchased Services	63,776		67,000	3,224
7600.100 Food Service:Salaries	-		-	-
7600.500 Food Service:Materials & Supplies	47,519		66,500	18,981
7900.100 Operation of Plant:Purchased Salaries	108,003		145,868	37,865
7900.300 Operation of Plant:Purchased Services	83,209		92,200	8,991
7900.400 Utilities and Waste Management	54,651		55,000	349
7900.500 Operation of Plant:Materials & Supplies	21,565		47,000	25,435
9200 Debt Service				-
TOTAL EXPENDITURES	2,980,076	-	3,145,817	165,741
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	594,800	-	464,562	(130,238)
FUND BALANCE BEGINNING (7-01-09)	54,386		54,386	-
FUND BALANCE ENDING	649,186	-	518,948	(130,238)

UNAUDITED

Learning Gate Community School, Inc.
 Month: As of June 30, 2010
 St. of Revenue, Expenditures & Changes in Fund Balances

DEBT SERVICE FUND

	DEBT SERVICE FUND			
	YTD Revenues & Expenditures	Encumbered	Budgeted	Balance
REVENUES:				
3100 Federal Direct				-
3200 Federal through State				-
3300 State			582,000	582,000
3400 Local				-
TOTAL REVENUES			582,000	582,000
EXPENDITURES:				
5000.100 Instruction:Salaries				-
5000.300 Instruction:Purchased Services				-
5000.500 Instruction:Materials & Supplies				-
5000.600 Instruction:Capital Outlay				-
6100.100 Pupil Personnel Services:Salaries				-
6200.300 Instructional Media Services:Purchased Services				-
6300.100 Instruction and Curriculum Development Services:Salaries				-
6300.300 Instruction and Curriculum Development Services:Purchased Services				-
6300.500 Instruction and Curriculum Development Services:Materials & Supplies				-
6300.700 Instruction and Curriculum Development Services:Other Expenses				-
6400.300 Instructional Staff Training:Purchased Services				-
7100.300 School Board:Purchased Services:Professional & Technical Services				-
7300.100 School Administration:Salaries				-
7300.300 School Administration:Purchased Services				-
7300.500 School Administration:Materials & Supplies				-
7300.600 School Administration:Capital Outlay				-
7300.700 School Administration:Other Expenses				-
7400.300 Facilities Acquisition & Construction:Purchased Services				-
7500.300 Fiscal Services:Purchased Services				-
7600.100 Food Service:Salaries				-
7600.500 Food Service:Materials & Supplies				-
7900.100 Operation of Plant:Purchased Salaries				-
7900.300 Operation of Plant:Purchased Services				-
7900.400 Utilities and Waste Management				-
7900.500 Operation of Plant:Materials & Supplies				-
9200 Debt Service	571,256		582,000	10,744
TOTAL EXPENDITURES	571,256	-	582,000	10,744
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(571,256)	-	-	571,256
FUND BALANCE BEGINNING (7-01-09)	1,337,732		1,337,732	-
FUND BALANCE ENDING	766,476	-	1,337,732	571,256

UNAUDITED

Learning Gate Community School, Inc.
 Month: As of June 30, 2010
 St. of Revenue, Expenditures & Changes in Fund Balances

CAPITAL PROJECTS FUND				
	YTD Revenues &			
	<u>Expenditures</u>	<u>Encumbered</u>	<u>Budgeted</u>	<u>Balance</u>
REVENUES:				
3100 Federal Direct				-
3200 Federal through State				-
3300 State	281,983		275,313	(6,670)
3400 Local				-
TOTAL REVENUES	281,983	-	275,313	(6,670)
EXPENDITURES:				
5000.100 Instruction:Salaries				-
5000.300 Instruction:Purchased Services				-
5000.500 Instruction:Materials & Supplies				-
5000.600 Instruction:Capital Outlay				-
6100.100 Pupil Personnel Services:Salaries				-
6200.300 Instructional Media Services:Purchased Services				-
6300.100 Instruction and Curriculum Development Services:Salaries				-
6300.300 Instruction and Curriculum Development Services:Purchased Services				-
6300.500 Instruction and Curriculum Development Services:Materials & Supplies				-
6300.700 Instruction and Curriculum Development Services:Other Expenses				-
6400.300 Instructional Staff Training:Purchased Services				-
7100.300 School Board:Purchased Services:Professional & Technical Services				-
7300.100 School Administration:Salaries				-
7300.300 School Administration:Purchased Services				-
7300.500 School Administration:Materials & Supplies				-
7300.600 School Administration:Capital Outlay				-
7300.700 School Administration:Other Expenses				-
7400.300 Facilities Acquisition & Construction:Purchased Services	281,983		275,313	(6,670)
7500.300 Fiscal Services:Purchased Services				-
7600.100 Food Service:Salaries				-
7600.500 Food Service:Materials & Supplies				-
7900.100 Operation of Plant:Purchased Salaries				-
7900.300 Operation of Plant:Purchased Services				-
7900.400 Utilities and Waste Management				-
7900.500 Operation of Plant:Materials & Supplies				-
9200 Debt Service				-
TOTAL EXPENDITURES	281,983	-	275,313	(6,670)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
FUND BALANCE BEGINNING (7-01-09)	-	-	-	-
FUND BALANCE ENDING	-	-	-	-

Learning Gate Community School, Inc.
 Month: As of June 30, 2010
 St. of Revenue, Expenditures & Changes in Fund Balances

TOTAL GOVERNMENTAL FUNDS				
	YTD Revenues &			
	<u>Expenditures</u>	<u>Encumbered</u>	<u>Budgeted</u>	<u>Balance</u>
REVENUES:				
3100 Federal Direct	-	-	-	-
3200 Federal through State	27,722	-	-	(27,722)
3300 State	3,612,259	-	4,112,692	500,433
3400 Local	216,878	-	355,000	138,122
TOTAL REVENUES	3,856,859	-	4,467,692	610,833
EXPENDITURES:				
5000.100 Instruction:Salaries	1,897,650	-	1,847,725	(49,925)
5000.300 Instruction:Purchased Services	133,941	-	143,924	9,983
5000.500 Instruction:Materials & Supplies	44,066	-	54,000	9,934
5000.600 Instruction:Capital Outlay	-	-	-	-
6100.100 Pupil Personnel Services:Salaries	-	-	-	-
6200.300 Instructional Media Services:Purchased Services	-	-	-	-
6300.100 Instruction and Curriculum Development Services:Salaries	-	-	-	-
6300.300 Instruction and Curriculum Development Services:Purchased Services	-	-	-	-
6300.500 Instruction and Curriculum Development Services:Materials & Supplies	-	-	-	-
6300.700 Instruction and Curriculum Development Services:Other Expenses	-	-	-	-
6400.300 Instructional Staff Training:Purchased Services	-	-	-	-
7100.300 School Board:Purchased Services:Professional & Technical Services	17,133	-	17,500	367
7300.100 School Administration:Salaries	452,039	-	530,400	78,361
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7400.300 Facilities Acquisition & Construction:Purchased Services	281,983	-	275,313	(6,670)
7500.300 Fiscal Services:Purchased Services	63,776	-	67,000	3,224
7600.100 Food Service:Salaries	-	-	-	-
7600.500 Food Service:Materials & Supplies	47,519	-	66,500	18,981
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7900.400 Utilities and Waste Management	54,651	-	55,000	349
7900.500 Operation of Plant:Materials & Supplies	21,565	-	47,000	25,435
9200 Debt Service	571,256	-	582,000	10,744
TOTAL EXPENDITURES	3,833,315	-	4,003,130	169,815
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	23,544	-	464,562	441,018
FUND BALANCE BEGINNING (7-01-09)	1,392,118	-	1,392,118	
FUND BALANCE ENDING	1,415,662	-	1,856,680	441,018

UNAUDITED