

Archimedean Upper Conservatory

A Department of Archimedean Academy, Inc.

Basic Financial Statements and
Additional Information
For the Year Ended June 30, 2025

Archimedean Upper Conservatory

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Archimedean Upper Conservatory
Miami, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Archimedean Upper Conservatory (the "School"), a department of Archimedean Academies, Inc., as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the School, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matters

Department Financials

As discussed in Note 1, the financial statements of the School are intended to present the financial position and change in financial position of only that portion of the governmental activities and each major fund of Archimedean Academies, Inc. that are attributable to the transactions of the School. They do not purport to, and do not, present fairly the financial position of Archimedean Academies, Inc. as of June 30, 2025, or its changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Emphasis of Matters (continued)

Change in Accounting Principle

As discussed in Note 12 to the financial statements, in 2025 the School adopted new accounting guidance, GASB No. 101, *Compensated Absences*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 and budgetary comparison schedules for the General Fund and Special Revenue Fund on pages 25 and 26 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 11, 2025, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Fort Lauderdale, Florida
September 11, 2025

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MANAGEMENT'S DISCUSSION AND ANALYSIS

**Archimedean Upper Conservatory
Management's Discussion and Analysis
June 30, 2025**

As management of Archimedean Upper Conservatory (the "School"), we offer readers of the School's basic financial statements this narrative overview and analysis of the financial activities of the School as of and for the year ended June 30, 2025, with certain comparative information for the year ended June 30, 2024. The balances presented as of and for the year ended June 30, 2024 have not been restated for the implementation of GASB 101, *Compensated Absences*. See Note 12 to the basic financial statements for further information.

Management's discussion and analysis is included at the beginning of the School's basic financial statements to provide, in layman's terms, the past and current position of the School's financial condition. This summary should not be taken as a replacement for the audit, which consists of the basic financial statements and other supplementary information which immediately follow this discussion.

Financial Highlights

Our basic financial statements provide these insights into the results of this year's operations.

- As of June 30, 2025, the School's total assets exceeded its total liabilities resulting in a net position of \$ 234,950.
- At June 30, 2025 the School's total revenues were \$ 4,088,746; \$ 3,023,265 from FTE nonspecific revenues, \$ 481,261 from tax referendum revenues, \$ 565,414 from capital grants and contributions and other revenues of \$ 18,806. The School's expenses for the year were \$ 4,068,812. Net position for the year increased by \$ 19,934.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements are comprised of three components: 1) government-wide basic financial statements, 2) fund basic financial statements, and 3) notes to basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide basic financial statements: The government-wide basic financial statements are designed to provide readers with a broad overview of the School's finances, in a manner similar to a private sector business.

The statement of net position presents information on all of the School's assets, liabilities, and deferred inflows/outflows of resources, with the difference between the components reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.

The statement of activities presents information showing how the School's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as uncollected revenues and services rendered but unpaid.

The government-wide basic financial statements include all governmental activities that are principally supported by grants and entitlements from the state for full-time equivalent funding. The School does not have any business-type activities. The governmental activities of the School primarily include instruction and instructional support services.

Overview of the Financial Statements (continued)

The government-wide basic financial statements can be found on pages 9 and 10 of this report.

Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide basic financial statements. However, unlike the government-wide basic financial statements, governmental fund basic financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the School's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide basic financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide basic financial statements. By doing so, readers may better understand the long-term impact of the School's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and change in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. The General Fund, Special Revenue Fund and Capital Project Fund are considered to be the School's major funds.

The School adopts an annual budget for its governmental funds. A budgetary comparison schedule has been provided for the General Fund and Special Revenue Fund and can be found on pages 25 and 26 of this report.

The governmental funds financial statements can be found on pages 11 through 14 of this report.

Notes to basic financial statements: The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 15 through 24 of this report.

Government-Wide Financial Analysis

The School has been in operation since 2008; therefore, comparative government-wide data is presented. The School's net position increased by \$ 19,934 during the year ended June 30, 2025.

**Archimedean Upper Conservatory
Management's Discussion and Analysis
June 30, 2025**

Government-Wide Financial Analysis (continued)

Our analysis in the table below focuses on the net position of the School's governmental activities:

| Archimedean Upper Conservatory Net Position | | | |
|--|-------------------|-------------------|--------------------|
| | <u>2025</u> | <u>2024</u> | <u>Variance</u> |
| Current and Other Assets | \$ 1,164,661 | \$ 1,304,184 | \$ (139,523) |
| Capital Assets, net | <u>4,609,777</u> | <u>4,469,708</u> | <u>140,069</u> |
| Total assets | <u>5,774,438</u> | <u>5,773,892</u> | <u>546</u> |
| Current Liabilities | 1,131,320 | 1,139,245 | (7,925) |
| Noncurrent Liabilities | <u>4,408,168</u> | <u>4,365,000</u> | <u>43,168</u> |
| Total liabilities | <u>5,539,488</u> | <u>5,504,245</u> | <u>35,243</u> |
| Net Position: | | | |
| Net investment in capital assets | 102,694 | (31,789) | 134,483 |
| Restricted | 322,270 | 322,270 | - |
| Unrestricted | <u>(190,014)</u> | <u>(20,834)</u> | <u>(169,180)</u> |
| Total net position | <u>\$ 234,950</u> | <u>\$ 269,647</u> | <u>\$ (34,697)</u> |

Current and other assets decreased due to a decrease in due from other governments as the School had ESSER grant funds due at June 30, 2024 with none in 2025. Capital assets, net of depreciation increased due to current depreciation of \$ 227,202, offset by the addition of \$ 367,271 of computer equipment and construction in process. Current liabilities decreased overall due to a decrease in amounts due to other schools. Noncurrent liabilities increased due to an increase in compensated absences, while bonds payable remained consistent as payments were offset by proceeds received on a new bond.

Governmental activities: The School's overall net position increased by \$ 19,934 from the prior fiscal year. The reasons for this overall increase are discussed in the following section for governmental activities.

| Archimedean Upper Conservatory Changes in Net Position | | | |
|---|------------------|------------------|-----------------|
| | <u>2025</u> | <u>2024</u> | <u>Variance</u> |
| Revenues: | | | |
| General revenues: | | | |
| FTE nonspecific revenues | \$ 3,023,265 | \$ 2,896,255 | \$ 127,010 |
| Tax referendum revenues | 481,261 | 453,730 | 27,531 |
| Other revenues | 18,806 | 57,460 | (38,654) |
| Program revenues: | | | |
| Operating grants and contributions | - | 128,959 | (128,959) |
| Capital grants and contributions | <u>565,414</u> | <u>247,808</u> | <u>317,606</u> |
| Total revenues | <u>4,088,746</u> | <u>3,784,212</u> | <u>304,534</u> |

**Archimedean Upper Conservatory
Management's Discussion and Analysis
June 30, 2025**

Government-Wide Financial Analysis (continued)

Archimedean Upper Conservatory
Changes in Net Position (continued)

| | <u>2025</u> | <u>2024</u> | <u>Variance</u> |
|--|-------------------|-------------------|--------------------|
| Functions/Program Expenses: | | | |
| Regular instruction | \$ 2,331,442 | \$ 2,418,922 | \$ (87,480) |
| Instructional support services: | | | |
| Pupil personnel services | 2,147 | 81,035 | (78,888) |
| Instructional and curriculum services | 122,979 | 49,471 | 73,508 |
| Instructional staff training services | 5,430 | 2,100 | 3,330 |
| Instructional-related technology | 9,148 | 3,258 | 5,890 |
| School administration | 270,434 | 345,635 | (75,201) |
| Operation of plant | 272,590 | 402,043 | (129,453) |
| Maintenance of plant | 289,780 | 288,610 | 1,170 |
| Operation of non-instructional services: | | | |
| General administration | 252,245 | 26,155 | 226,090 |
| Board services | 97,829 | 21,658 | 76,171 |
| Fiscal services | 57,046 | 52,441 | 4,605 |
| Central services | 27,900 | 25,507 | 2,393 |
| Community services | 153,419 | 63,073 | 90,346 |
| Interest and fiscal charges | 176,423 | 276,101 | (99,678) |
| Total expenses | <u>4,068,812</u> | <u>4,056,009</u> | <u>12,803</u> |
| Change in net position | 19,934 | (271,797) | 291,731 |
| Net position, beginning (2025 restated) | <u>215,016</u> | <u>541,444</u> | <u>(326,428)</u> |
| Net position, ending | <u>\$ 234,950</u> | <u>\$ 269,647</u> | <u>\$ (34,697)</u> |

General revenues, compared to the previous year, increased primarily due to the additional FTE nonspecific revenues related to an increase in student population; additionally, program revenues increased due to increases in local capital outlay. Total expenses increased due to the added costs of additional operation of non-instructional services. Interest and fiscal charges decreased as bond costs were incurred in 2024 while there were no charges in 2025.

Financial Analysis of Governmental Funds

The General Fund is the chief operating fund of the School. At the end of the current fiscal year, unassigned fund balance of the General Fund was a deficit of \$ 136,065, while total fund balance was \$ 186,205. The General fund balance decreased by \$ 115,231. As a measure of the General Fund's liquidity, it may be useful to consider total fund balance to the General Fund expenditures. Total fund balance represents 4.9% of total General Fund expenditures.

Financial Analysis of Governmental Funds (continued)

The General Fund decrease of \$ 115,231 was due to unexpected increases in general administration and unbudgeted debt service expenditures.

The Special Revenue Fund had no change of fund balance during the current fiscal year. All funds received in that fund were expended for current year expenditures.

The Capital Projects Fund does not have an increase or decrease in fund balance during the fiscal year as this fund reports state expense reimbursements grants that are fully utilized.

Capital Assets and Debt Administration

Capital assets: At June 30, 2025, the School had capital assets of \$ 4,609,777, net of accumulated depreciation as compared to \$ 4,469,708 at June 30, 2024. Capital additions for the year were \$ 367,271 for construction in progress and computer equipment. Additional information on the School's capital assets can be found in Note 5 of this report.

Debt: At June 30, 2025, the School had outstanding debt of \$ 4,507,083 and \$ 4,501,497 at June 30, 2024. This increase was the result of scheduled debt payments being made, while the School also drew additional proceeds on a new bond. Additional information on the School's debt can be found in Note 6 of this report.

General Fund Budgetary Highlights

Total revenues were more than budgeted by \$ 10,498 due to higher enrollment while total expenditures were more than budgeted by \$ 397,859 due to expenditures associated with the unbudgeted capital outlay and debt service costs. See page 25 for budget to actual comparisons detail.

Economic Factors

Facts, decisions, or conditions that are expected to have a significant effect on the financial position or results of operations of the School for fiscal year 2024-2025 include:

- Total funding for capital outlay is expected to increase by approximately 8% in the next year, in addition to increases in regular FFEP revenues by approximately 2%.
- Student counts will increase slightly; the overall effect will be a moderate increase in revenues.
- Student capacity will also increase slightly.

Requests for Information

If there are any questions about this report or the reader needs additional information, please write to Ms. Amalia Angelaki at Archimedean Academy, Inc.; 12425 S.W. 72nd Street (Sunset Drive); Miami, Florida 33183.

BASIC FINANCIAL STATEMENTS

Archimedean Upper Conservatory
Statement of Net Position
June 30, 2025

| | Governmental Activities |
|----------------------------------|------------------------------------|
| Current Assets: | |
| Cash and cash equivalents | \$ 828,171 |
| Due from other governments | <u>14,220</u> |
| Total current assets | <u>842,391</u> |
| Noncurrent Assets: | |
| Restricted cash | 322,270 |
| Capital assets: | |
| Nondepreciable | 970,436 |
| Depreciable, net | <u>3,639,341</u> |
| Total noncurrent assets | <u>4,932,047</u> |
| Total assets | <u>5,774,438</u> |
| Current Liabilities: | |
| Accounts payable | 84,888 |
| Accrued expenses | 310,156 |
| Due to other schools | 583,412 |
| Compensated absences | 10,790 |
| Bonds payable | <u>142,074</u> |
| Total current liabilities | <u>1,131,320</u> |
| Noncurrent Liabilities: | |
| Compensated absences | 43,159 |
| Bonds payable | <u>4,365,009</u> |
| Total noncurrent liabilities | <u>4,408,168</u> |
| Total liabilities | <u>5,539,488</u> |
| Net Position: | |
| Net investment in capital assets | 102,694 |
| Restricted for debt service | 322,270 |
| Unrestricted (deficit) | <u>(190,014)</u> |
| Total net position | <u>\$ 234,950</u> |

See accompanying notes to basic financial statements.

**Archimedean Upper Conservatory
Statement of Activities
For the Year Ended June 30, 2025**

| | <u>Expenses</u> | <u>Program Revenues</u> | | | <u>Governmental</u> |
|--|---------------------|-----------------------------|---|---|--|
| | | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> | <u>Activities Net Revenue (Expense) and Change in Net Position</u> |
| Functions/Programs: | | | | | |
| Instruction: | | | | | |
| Regular instruction | \$ 2,331,442 | \$ - | \$ - | \$ - | \$ (2,331,442) |
| Instructional support services: | | | | | |
| Pupil personnel services | 2,147 | - | - | - | (2,147) |
| Instructional and curriculum services | 122,979 | - | - | - | (122,979) |
| Instructional staff training services | 5,430 | - | - | - | (5,430) |
| Instructional-related technology | 9,148 | - | - | 234,146 | 224,998 |
| School administration | 270,434 | - | - | - | (270,434) |
| Operation of plant | 272,590 | - | - | 331,268 | 58,678 |
| Maintenance of plant | 289,780 | - | - | - | (289,780) |
| Operation of non-instructional services: | | | | | |
| General administration | 252,245 | - | - | - | (252,245) |
| Board services | 97,829 | - | - | - | (97,829) |
| Fiscal services | 57,046 | - | - | - | (57,046) |
| Central services | 27,900 | - | - | - | (27,900) |
| Community services | 153,419 | - | - | - | (153,419) |
| Interest and fiscal charges | 176,423 | - | - | - | (176,423) |
| | | | | | |
| Total governmental activities | \$ <u>4,068,812</u> | \$ <u>-</u> | \$ <u>-</u> | \$ <u>565,414</u> | <u>(3,503,398)</u> |
| | | | | | |
| General revenues: | | | | | |
| FTE nonspecific revenues | | | | | 3,023,265 |
| Tax referendum revenues | | | | | 481,261 |
| Contributions and other | | | | | <u>18,806</u> |
| | | | | | |
| Total general revenues | | | | | <u>3,523,332</u> |
| | | | | | |
| Change in net position | | | | | <u>19,934</u> |
| | | | | | |
| Net position, July 1, 2024, as previously reported | | | | | 269,647 |
| | | | | | |
| Change in accounting principle (GASB 101) | | | | | <u>(54,631)</u> |
| | | | | | |
| Net position, July 1, 2024, as restated (Note 12) | | | | | <u>215,016</u> |
| | | | | | |
| Net position, June 30, 2025 | | | | | \$ <u><u>234,950</u></u> |

See accompanying notes to basic financial statements.

Archimedean Upper Conservatory
Balance Sheet - Governmental Funds
June 30, 2025

| | <u>General Fund</u> | <u>Special Revenue Fund</u> | <u>Capital Project Fund</u> | <u>Total</u> |
|--|-------------------------|-------------------------------------|-------------------------------------|-------------------------|
| Assets: | | | | |
| Cash and cash equivalents | \$ 828,171 | \$ - | \$ - | \$ 828,171 |
| Due from other governments | - | - | 14,220 | 14,220 |
| Due from other funds | 14,220 | - | - | 14,220 |
| Restricted cash | <u>322,270</u> | <u>-</u> | <u>-</u> | <u>322,270</u> |
| Total assets | <u>\$ 1,164,661</u> | <u>\$ -</u> | <u>\$ 14,220</u> | <u>\$ 1,178,881</u> |
| Liabilities: | | | | |
| Accounts payable | \$ 84,888 | \$ - | \$ - | \$ 84,888 |
| Accrued expenses | 310,156 | - | - | 310,156 |
| Due to other schools | 583,412 | - | - | 583,412 |
| Due to other funds | <u>-</u> | <u>-</u> | <u>14,220</u> | <u>14,220</u> |
| Total liabilities | <u>978,456</u> | <u>-</u> | <u>14,220</u> | <u>992,676</u> |
| Fund Balances: | | | | |
| Restricted for debt service | 322,270 | - | - | 322,270 |
| Unassigned (deficit) | <u>(136,065)</u> | <u>-</u> | <u>-</u> | <u>(136,065)</u> |
| Total fund balances | <u>186,205</u> | <u>-</u> | <u>-</u> | <u>186,205</u> |
| Total liabilities and fund balances | <u>\$ 1,164,661</u> | <u>\$ -</u> | <u>\$ 14,220</u> | <u>\$ 1,178,881</u> |

See accompanying notes to basic financial statements.

**Archimedean Upper Conservatory
 Reconciliation of the Balance Sheet of Governmental Funds
 to the Statement of Net Position
 June 30, 2025**

Total fund balances - governmental funds \$ 186,205

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are non financial resources and therefore are not reported in the governmental funds.

| | | | |
|--|----|--------------------|-----------|
| Cost of capital assets | \$ | 5,820,011 | |
| Less accumulated depreciation/amortization | | <u>(1,210,234)</u> | 4,609,777 |

Liabilities not payable with current available resources are not reported as fund liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the governmental-wide statements.

| | | | |
|----------------------|--|--------------------|--|
| Compensated absences | | (53,949) | |
| Bonds payable | | <u>(4,507,083)</u> | |

Net Position of Governmental Activities \$ 234,950

See accompanying notes to basic financial statements.

**Archimedean Upper Conservatory
Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds
For the Year Ended June 30, 2025**

| | <u>General Fund</u> | <u>Special Revenue Fund</u> | <u>Capital Project Fund</u> | <u>Total</u> |
|---|-------------------------|-------------------------------------|-------------------------------------|-------------------|
| Revenues: | | | | |
| State sources | \$ 3,023,265 | \$ - | \$ 185,404 | \$ 3,208,669 |
| Federal sources | - | 234,146 | - | 234,146 |
| Local sources | 500,067 | - | 145,864 | 645,931 |
| | <u>3,523,332</u> | <u>234,146</u> | <u>331,268</u> | <u>4,088,746</u> |
| Total revenues | | | | |
| Expenditures: | | | | |
| Current: | | | | |
| Regular instruction | 2,285,337 | - | - | 2,285,337 |
| Pupil services | 2,147 | - | - | 2,147 |
| Instruction and curriculum services | 122,979 | - | - | 122,979 |
| Instruction staff training services | 5,430 | - | - | 5,430 |
| Instructional-related technology | 9,148 | - | - | 9,148 |
| School administration | 255,547 | - | - | 255,547 |
| Operation of plant | - | - | 272,590 | 272,590 |
| Maintenance of plant | 80,461 | - | 58,678 | 139,139 |
| Operation of noninstructional services: | | | | |
| General administration | 237,358 | - | - | 237,358 |
| Board services | 97,829 | - | - | 97,829 |
| Fiscal services | 57,046 | - | - | 57,046 |
| Central services | 27,900 | - | - | 27,900 |
| Community services | 153,419 | - | - | 153,419 |
| Debt service: | | | | |
| Principal payments on debt | 138,178 | - | - | 138,178 |
| Interest expense and fiscal charges | 176,423 | - | - | 176,423 |
| Capital outlay | 133,125 | 234,146 | - | 367,271 |
| | <u>3,782,327</u> | <u>234,146</u> | <u>331,268</u> | <u>4,347,741</u> |
| Total expenditures | | | | |
| Deficiency of revenues under expenditures | (258,995) | - | - | (258,995) |
| Other financing sources: | | | | |
| Bond proceeds | 143,764 | - | - | 143,764 |
| Net change in fund balance: | (115,231) | - | - | (115,231) |
| Fund Balances, July 1, 2024 | <u>301,436</u> | <u>-</u> | <u>-</u> | <u>301,436</u> |
| Fund Balances, June 30, 2025 | <u>\$ 186,205</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 186,205</u> |

See accompanying notes to basic financial statements.

**Archimedean Upper Conservatory
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025**

Net Change in Fund Balances of Governmental Funds \$ (115,231)

Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets are depreciated/amortized over their estimated useful lives.

| | | | |
|---|----|------------------|---------|
| Capital outlays | \$ | 367,271 | |
| Provision for depreciation and amortization | | <u>(227,202)</u> | 140,069 |

Issuance of debt is reported as an other source of financing in the governmental funds, but the issuance is reported as a long-term liability in the statement of net position. (143,764)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 138,178

Certain items reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental funds.

| | | | |
|--|--|--|------------|
| Change in compensated absences payable | | | <u>682</u> |
|--|--|--|------------|

Change in Net Position of Governmental Activities \$ 19,934

See accompanying notes to basic financial statements.

Note 1 - Organization and Operations

Archimedean Upper Conservatory (the "School"), a department of Archimedean Academy, Inc. (the "Academy") has been established in March 2008 as a charter school for children from the ninth through twelfth grade. As of June 30, 2025, approximately 300 students were enrolled in the School. The School is funded primarily through the School Board of Miami-Dade County.

Archimedean Academy, Inc. was granted additional charters from the School Board of Miami-Dade County, Florida to operate a public elementary school and middle school within the school district. These schools, Archimedean Academy (the "Academy") and Archimedean Middle Conservatory Academy (the "Middle"), have separate financial statements and are not part of the School's basic financial statements.

The financial statements of the School present only the balances, activity, and disclosures related to the School. They do not purport to, and do not, present fairly the financial position of Archimedean Academy, Inc. as of June 30, 2025, and its change in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Note 2 - Summary of Significant Accounting Policies

Reporting entity: The School operates under a charter granted by the sponsoring School Board, the School Board of Miami-Dade County, Florida (the "Sponsor" or "Board"). The current charter is effective until June 30, 2033 and may be renewed for an additional fifteen years by mutual written agreement between the School and the Sponsor. At the end of the term of the charter, the Board may choose not to renew the charter under grounds specified in the charter, in which case the Board is required to notify the School in writing at least ninety days prior to the charter's expiration. During the term of the charter, the Board may also terminate the charter if good cause is shown.

The School may also be financially accountable if an organization is fiscally dependent on the School regardless of whether the organization has a separately elected governing board, a governing board appointed by another government, or a jointly approved board. In addition, component units can be other organizations for which the nature and significance of their relationship with the School are such that exclusion would cause the reporting entity's basic financial statements to be misleading or incomplete.

As a result of evaluating the above criteria, management has determined that no component units exist for which the School is financially accountable, which would require inclusion in the School's basic financial statements.

Basis of presentation: The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Government-wide financial statements: Government-wide financial statements, including the statement of net position and the statement of activities, present information about the School as a whole.

Note 2 - Summary of Significant Accounting Policies (continued)

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the School's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School.

Fund financial statements: Fund financial statements report detailed information about the School in the governmental funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

The School reports the following major governmental funds:

General Fund – This fund is used to account for all operating activities of the School except those required to be accounted for in another fund.

Special Revenue Fund – This fund is used to account for federal grants and certain state grants that are legally restricted to expenditures for particular purposes.

Capital Project Fund – This fund is used to account for state and local capital outlay funding that is legally restricted to expenditures for particular purposes.

During the course of operations, the School has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds. While these balances are reported in the governmental fund financial statements, they are eliminated in the preparation of the government-wide financial statements.

Measurement focus and basis of accounting: Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the basic financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

The government-wide basic financial statements are presented on the full accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund basic financial statements are prepared using the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Measurable means the amount of the transaction can be determined. And available means collectible within the current period or soon enough thereafter to pay current liabilities. The School considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source.

Note 2 - Summary of Significant Accounting Policies (continued)

All other revenue items are considered to be measurable and available only when cash is received by the School. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Student funding is provided by the State of Florida through the School Board. Such funding is recorded as FTE revenue in the government-wide financial statements and state source revenue in the fund financial statements. This funding is received on a prorated basis over a twelve-month period and is adjusted for changes in full-time equivalent ("FTE") student population.

Net position: Net position is classified in three categories. The general meaning of each is as follows:

- Net investment in capital assets - represents the difference between the cost of capital assets, less accumulated depreciation reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets.
- Restricted – consists of net position with constraints placed on their use either by 1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - the residual portion of net position that does not meet the definition of the other two categories.

When expenses are incurred for purposes for which both restricted and unrestricted net position is available, the School considers restricted funds to have been spent first.

Fund balance: Governmental fund financial statements present fund balances based on the provision of U.S. GAAP, which provides clearly defined fund balance classifications and also sets a hierarchy which details how the School may spend funds based on certain constraints.

The following classifications describe the relative strength of the spending constraints:

- Nonspendable – amounts that are not in spendable form (such as prepaid items and deposits) or are legally or contractually required to be maintained intact.
- Restricted – amounts constrained to specific purposes by external providers (such as grantors) or imposed by law through constitutional provisions, or by enabling legislation.
- Committed – amounts constrained to specific purposes by formal action of the School itself, using its highest level of decision-making authority (i.e., the School Board) through Resolution. To be reported as committed, amounts cannot be used for any other purpose unless the School Board takes the same highest-level action (i.e., Resolution) to remove or change the constraint.
- Assigned – amounts the School intends to use for a specific purpose but are neither restricted nor committed. Assignments can be made by the Executive Committee or by an official or body which the School Board delegated the authority at their direction.

Note 2 - Summary of Significant Accounting Policies (continued)

- Unassigned – amounts that have not been assigned to other funds and that have not been restricted, committed or assigned to specific purposes within the general fund.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the School considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned or unassigned fund balances are available, the School considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the School Board or its delegated official or body has provided otherwise in its commitment or assignment actions.

Cash and cash equivalents: Cash and cash equivalents are defined as demand deposits, money market accounts, and short-term investments with original maturities of three months or less from the date of acquisition. The School maintains its cash accounts with two financial institutions. These accounts, at times, may exceed the federal insured limit; however, the School’s deposits are collateralized in accordance with Chapter 280 of the Florida Statutes (Note 3).

Due to/from other funds: Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. The balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

Capital assets: Property and equipment purchased or acquired are capitalized at historical cost or estimated historical cost. Capital assets are defined by the School as assets with an initial cost of \$ 500 and a useful life of over one year. Donated property and equipment assets are valued at the acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related capital assets. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all capital assets is provided on a straight-line basis over the estimated useful lives as follows:

| | |
|-------------------------------------|--------------|
| Buildings | 40 years |
| Furniture, equipment, and textbooks | 5 - 10 years |
| Building improvements | 10 years |
| Computer equipment | 5 years |

Deferred outflows/inflows of resources: In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and, therefore, will *not* be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and, therefore, will *not* be recognized as an inflow of resources (revenue) until that time. The School does not have any items that qualify for reporting in this category.

Note 2 - Summary of Significant Accounting Policies (continued)

Income taxes: The School is a department of a nonprofit corporation whose revenue is derived primarily from other governmental entities. The School is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in these basic financial statements.

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

New accounting pronouncements: During the current year, the School adopted GASB Statement No. 101, *Compensated Absences*. This statement replaces prior guidance under GASB Statement No. 16 and introduces a unified model for recognizing and measuring liabilities related to employee leave benefits. Under GASB 101, the School is required to recognize a liability for compensated absences when (1) The leave is attributable to services already rendered (2) the leave accumulates, and (3) it is more likely than not to be used or paid/settled. The School evaluated its leave policies and historical usage data to determine which types of leave meet these criteria. As a result of this evaluation, the School recognized a beginning balance adjustment to its compensated absences liability, decreasing net position by \$ 54,631 as of July 1, 2024. This adjustment reflects previously unrecognized liabilities for sick leave and other accumulated leave types that meet the new recognition threshold. The liability is measured using current pay rates as of the financial statement date and includes salary-related payments such as employer contributions to Social Security and Medicare. The School elected to disclose the net change in the liability during the fiscal year, consistent with GASB 101 guidance.

During the current fiscal year, the School also implemented GASB Statement No. 102, *Certain Risk Disclosures*, which addresses obligations for governmental entities to disclose a variety of risks that could negatively affect the level of service they provide or their ability to meet obligations as they come due. There were no changes required to the financials of the School as a result of the adoption of this standard.

Date of management review: Subsequent events are evaluated by management through September 11, 2025, which is the date the financial statements were available for issuance.

Note 3 – Cash and Cash Equivalents

At June 30, 2025, the carrying amount of the School’s deposits and cash on hand totaled \$ 828,171.

State statutes require, and it is the School’s policy, that all deposits be made into, and be held by, financial institutions designated by the Treasurer of the State of Florida as qualified public depositories as defined by Chapter 280 of the Florida Statutes. This statute requires that every qualified public depository institution maintain eligible collateral to secure the public entity’s funds. The minimum collateral to be pledged by an institution, the collateral eligible for pledge, and reporting requirements of the qualified public depositor to the treasurer is defined by the statute. Collateral is pooled in a multiple qualified public depository institution pool with the ability to assess members of the pool should the need arise. The School’s deposits of \$ 650,441 in excess of the federal insured level of \$ 250,000 are held in a qualified public depository and are covered by the collateral pool held in the name of the financial institutions trust department or agent but not in the School’s name.

Restricted cash: At June 30, 2025, the School maintains cash restricted for debt service in the amount of \$ 322,270. This amount is a reserve requirement under the terms of the School’s bonds.

Note 4 - Due from Other Governments

Due from other governments is comprised of capital outlay funds due from the School Board of Miami-Dade County in the amount of \$ 14,220.

Archimedean Upper Conservatory
Notes to Basic Financial Statements
June 30, 2025

Note 5 - Capital Assets

Capital asset balances and activity for the year ended June 30, 2025, are as follows:

| | Balance at July 1, 2024 | Additions | Retirements | Balance at June 30, 2025 |
|---|-------------------------------|-------------------|-------------|--------------------------------|
| Capital assets, not being depreciated: | | | | |
| Land | \$ 897,125 | \$ - | \$ - | \$ 897,125 |
| Construction in process | <u>25,730</u> | <u>47,581</u> | <u>-</u> | <u>73,311</u> |
| Total capital assets, not being depreciated | <u>922,855</u> | <u>47,581</u> | <u>-</u> | <u>970,436</u> |
| Capital assets, being depreciated: | | | | |
| Buildings | 3,587,170 | - | - | 3,587,170 |
| Furniture, equipment and textbooks | 277,536 | - | - | 277,536 |
| Building improvements | 193,451 | - | - | 193,451 |
| Computer equipment | <u>471,728</u> | <u>319,690</u> | <u>-</u> | <u>791,418</u> |
| Total capital assets, being depreciated | <u>4,529,885</u> | <u>319,690</u> | <u>-</u> | <u>4,849,575</u> |
| Accumulated depreciation: | | | | |
| Buildings | 295,397 | 120,867 | - | 416,264 |
| Furniture, equipment and textbooks | 216,171 | 13,634 | - | 229,805 |
| Building improvements | 175,924 | 4,350 | - | 180,274 |
| Computer equipment | <u>295,540</u> | <u>88,351</u> | <u>-</u> | <u>383,891</u> |
| Total accumulated depreciation | <u>983,032</u> | <u>227,202</u> | <u>-</u> | <u>1,210,234</u> |
| Net capital assets | <u>\$ 4,469,708</u> | <u>\$ 140,069</u> | <u>\$ -</u> | <u>\$ 4,609,777</u> |

Provision for depreciation was charged to governmental activities as follows:

| | |
|--|-------------------|
| Instruction - regular | \$ 46,787 |
| Instructional support services - plant maintenance | 150,641 |
| Instructional support services - school administration | 14,887 |
| Operation of non-instructional services - general administration | <u>14,887</u> |
| | <u>\$ 227,202</u> |

Note 6 – Debt and Long-term Liabilities

Educational Facility Revenue Bonds – Series 2020 A, B & C Issuance: The Academy previously issued Series 2020 bonds for \$ 18,976,000, in Educational Facilities Revenue Bonds, Series 2020A for \$ 18,303,190, Series 2020B for \$ 672,810 and Series 2020C bond for \$ 4,000,000. The 2020C bonds were not immediately funded and are to be drawn upon for future improvements in accordance with the bond agreement. The Series 2020A bonds were used to provide for purchase of real property the School, Middle and Academy currently reside, and Series 2020B were used to finance certain issuance costs of the bonds. The bonds bear interest at 3.90% and 4.875% for the A and B bonds, and mature October, 2040 and October, 2025, all respectively. The bonds currently outstanding require monthly payments of approximately \$ 72,000 through October 2025 where the payment continues in the amount of approximately \$ 102,000 until October 2040 where the remaining principal and interest are due.

Educational Facility Revenue Bonds – Series 2023: The Academy previously entered into a financing agreement for the issuance of \$ 6,300,000 Education Facility Revenue Bonds, Series 2023 (the “2023 Bonds”). The bonds were not immediately funded and are to be drawn upon for future improvements including the construction of a cafeteria and gymnasium. The bonds bear interest at 6.16%, and monthly interest payments are due on the outstanding balance through January 1, 2027, at which point monthly principal and interest payments commence through bond maturity on December 1, 2033. These payments will be determined based on final bond draw amounts after project completion.

The bonds also contain certain restrictive financial covenants that the School is required to meet, and are secured by pledge of all revenues, except certain Federal funds. The bonds include events of default, mainly failure to pay, stay solvent, or maintain a charter agreement. Upon default, the lender may seek remedy by declaring all unpaid amounts immediately due and payable, or seek court enforcement. No such events of default occurred during the year ended June 30, 2025.

The School, Academy and Middle, have allocated the purchase of the facility since management determined that the facility bonds and all related activities should be allocated prorata to the Academy, at 50%, the School at 25% and Middle at 25%.

The Bonds are secured by a pledge and assignment of revenues requiring School revenues to be deposited and used to make payments required by the bond. The Bonds are also secured by all assets currently owned or acquired.

The School’s future principal and interest payments on these bonds are approximately as follows:

| Year Ending June 30, | Principal | Interest | Total |
|-------------------------|---------------------|---------------------|---------------------|
| 2026 | \$ 142,100 | \$ 172,500 | \$ 314,600 |
| 2027 | 147,700 | 167,400 | 315,100 |
| 2028 | 153,500 | 161,700 | 315,200 |
| 2029 | 159,500 | 155,800 | 315,300 |
| 2030 | 165,700 | 149,700 | 315,400 |
| 2031-2035 | 1,166,700 | 637,000 | 1,803,700 |
| 2036-2040 | 1,116,500 | 417,800 | 1,534,300 |
| 2041 | 1,455,400 | 56,800 | 1,512,200 |
| Total | \$ <u>4,507,100</u> | \$ <u>1,918,700</u> | \$ <u>6,425,800</u> |

Archimedean Upper Conservatory
Notes to Basic Financial Statements
June 30, 2025

Note 6 – Debt and Long-term Liabilities (continued)

The activity for debt for the year ended June 30, 2025, is as follows:

| | Balance July 1, 2024 <u>(As Restated)</u> | <u>Additions</u> | <u>Retirements</u> | Balance June 30, 2025 | Amount Due Within <u>One Year</u> |
|----------------------|--|-------------------|--------------------|-----------------------------|--|
| Bonds payable | \$ 4,501,497 | \$ 143,764 | \$ 138,178 | \$ 4,507,083 | \$ 142,074 |
| Compensated absences | <u>54,631</u> | <u>-</u> | <u>682</u> * | <u>53,949</u> | <u>10,790</u> |
| | <u>\$ 4,556,128</u> | <u>\$ 143,764</u> | <u>\$ 138,860</u> | <u>\$ 4,561,032</u> | <u>\$ 152,864</u> |

* The change in compensated absences above is a net change for the year.

Note 7 - Related Parties

As mentioned in Note 1 to the financial statements, the School is a department of Archimedean Academy, Inc. (the “Corporation”) and is affiliated with Archimedean Academy (the “Academy”) and Archimedean Middle Conservatory (the “Middle”), other schools operating as departments of the Corporation. The three schools share various costs inherent with operating out of the same facility. In addition, the schools may also advance monies on an interim basis to one another. As a result of these transactions, there remains a net payable to the Academy and Middle of \$ 583,412 as of June 30, 2025. This amount is shown as due to other schools in the accompanying financial statements.

Note 8 - Contingencies

Grants and awards: The School, as a department of the Academy, received financial assistance from federal and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and may be subject to audit by the grantor agencies. Management of the School believes the result of any grantor agency audits would not result in a material amount of disallowances, if any.

Note 9 - Capital Appropriations Funding

The Florida Department of Education has approved a Charter School Capital Outlay (“CSCO”) Award for the School. In each year that funds are appropriated by the state for charter school capital outlay purposes, those funds are allocated among eligible charter schools. The funds for the School’s allocation are transferred to the School once a CSCO Plan has been provided to and approved by the sponsoring board. The School’s CSCO Award totaled \$ 185,404 for the school year which has been recognized as revenue in the accompanying financial statements. If the CSCO funds are used to acquire tangible property assets, the School Board has a reversionary interest in those assets. In the event of nonrenewal, termination, or breach of the charter school agreement, ownership of the assets would automatically revert to the School Board. The School has elected to use these funds to pay a portion of the interest expense on the lease.

Local Capital Improvement Revenue (“LCIR”) funds are also appropriated by the School Board for charter school capital outlay purposes, with funds being allocated among eligible charter schools in a similar manner to the CSCO Award. The School’s LCIR Award totaled \$ 145,864 for the school year which has been recognized as revenue in the accompanying financial statements.

Note 10 - Risk Management

The School is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School places all insurance risk, less nominal deductibles, in the hands of commercial carriers. At the present time, management believes that any claims the School may have are insured and that any expense associated with them will not materially affect the financial position of the School.

Note 11 – Employee Benefit Plan

During the year ended June 30, 2025 the School offered all of its full time employees who had attained 21 years of age, a retirement plan (the “Plan”) under Internal Revenue Code Section 401(k). The employee is allowed to contribute up to a maximum of 100% of their annual gross compensation, subject to certain limitations. The School does not contribute to the Plan.

Note 12 – Change in Accounting Principle

During the current year, the School implemented GASB Statement No. 101, *Compensated Absences*. The school now recognizes an estimated amount of sick and vacation leave as of year-end that will be used by employees as time off in future years or paid out to the employee, as part of the liability for compensated absences. The effects of the change in accounting principle are summarized below:

| | |
|--------------------------------------|-------------------|
| Net position, as previously reported | \$ 269,647 |
| GASB 101 implementation | <u>(54,631)</u> |
| Net position, as restated | <u>\$ 215,016</u> |

REQUIRED SUPPLEMENTARY
INFORMATION

**Archimedean Upper Conservatory
Budgetary Comparison Schedule -
General Fund
For the Year Ended June 30, 2025**

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance</u> |
|--|----------------------------|-------------------------|---------------------|---------------------|
| Revenues: | | | | |
| State sources | \$ 3,054,124 | \$ 3,054,124 | \$ 3,023,265 | \$ (30,859) |
| Local sources | <u>458,710</u> | <u>458,710</u> | <u>500,067</u> | <u>41,357</u> |
| Total revenues | <u>3,512,834</u> | <u>3,512,834</u> | <u>3,523,332</u> | <u>10,498</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular instruction | 2,423,336 | 2,423,336 | 2,285,337 | 137,999 |
| Instructional services: | | | | |
| Pupil personnel services | - | - | 2,147 | (2,147) |
| Instruction and curriculum services | 58,528 | 58,528 | 122,979 | (64,451) |
| Instructional staff training services | - | - | 5,430 | (5,430) |
| Instructional-related technology | 3,258 | 3,258 | 9,148 | (5,890) |
| School administration | 201,036 | 201,036 | 255,547 | (54,511) |
| Operation of plant | 112,527 | 112,527 | - | 112,527 |
| Maintenance of plant | 164,805 | 164,805 | 80,461 | 84,344 |
| Operation of noninstructional services: | | | | |
| General administration | 179,016 | 179,016 | 237,358 | (58,342) |
| Board services | 45,387 | 45,387 | 97,829 | (52,442) |
| Fiscal services | 34,407 | 34,407 | 57,046 | (22,639) |
| Central services | 7,834 | 7,834 | 27,900 | (20,066) |
| Community services | 10,680 | 10,680 | 153,419 | (142,739) |
| Debt service: | | | | |
| Principal | - | - | 138,178 | (138,178) |
| Interest expense and fiscal charges | 143,654 | 143,654 | 176,423 | (32,769) |
| Capital outlay | <u>-</u> | <u>-</u> | <u>133,125</u> | <u>(133,125)</u> |
| Total expenditures | <u>3,384,468</u> | <u>3,384,468</u> | <u>3,782,327</u> | <u>(397,859)</u> |
| Excess (deficiency) of revenues over (under) expenditures | 128,366 | 128,366 | (258,995) | (387,361) |
| Other financing sources: | | | | |
| Bond proceeds | <u>-</u> | <u>-</u> | <u>143,764</u> | <u>143,764</u> |
| Net change in fund balance | <u>\$ 128,366</u> | <u>\$ 128,366</u> | <u>\$ (115,231)</u> | <u>\$ (243,597)</u> |

Note to Schedule: For the year ended June 30, 2025, expenditures exceeded appropriations in the General Fund by \$ 397,859. These over-expenditures were funded by greater than anticipated revenues in that fund, available fund balance and bond proceeds.

See independent auditor's report.

**Archimedean Upper Conservatory
 Budgetary Comparison Schedule -
 Special Revenue Fund
 For the Year Ended June 30, 2025**

| | <u>Original Budget</u> | <u>Original Budget</u> | <u>Actual</u> | <u>Variance</u> |
|----------------------------|----------------------------|----------------------------|-------------------|-------------------|
| Revenues: | | | | |
| Federal through state | \$ <u>50,000</u> | \$ <u>50,000</u> | \$ <u>234,146</u> | \$ <u>184,146</u> |
| Total revenues | <u>50,000</u> | <u>50,000</u> | <u>234,146</u> | <u>184,146</u> |
| Expenditures: | | | | |
| Capital outlay | <u>50,000</u> | <u>50,000</u> | <u>234,146</u> | <u>(184,146)</u> |
| Total expenditures | <u>50,000</u> | <u>50,000</u> | <u>234,146</u> | <u>(184,146)</u> |
| Net change in fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

Note to Schedule: For the year ended June 30, 2025, expenditures exceeded appropriations in the Special Revenue Fund by \$ 184,146. These over-expenditures were funded by greater than anticipated revenues in that fund.

See independent auditor's report.

**OTHER INDEPENDENT
AUDITOR'S REPORTS**

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Archimedean Upper Conservatory
Miami, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Archimedean Upper Conservatory (the "School"), a department of Archimedean Academies, Inc., as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School's basic financial statements and have issued our report thereon dated September 11, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2025-001 that we consider to be a significant deficiency.

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

Report on Compliance and Other Matters

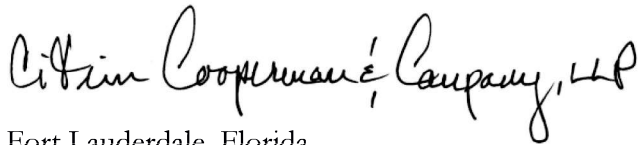
As part of obtaining reasonable assurance about whether the School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Archimedean Upper Conservatory's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the School's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The School's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Fort Lauderdale, Florida
September 11, 2025

MANAGEMENT LETTER REQUIRED BY CHAPTER 10.850 OF THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Board of Directors
Archimedean Upper Conservatory
Miami, Florida

Report on the Financial Statements

We have audited the financial statements of the governmental activities and each major fund of Archimedean Upper Conservatory (the "School"), Florida, as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated September 11, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Chapter 10.850, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated October 25, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. The finding in the prior year's audit report has been corrected by management.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are Archimedean Upper Conservatory and 137062.

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Financial Condition and Management

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require us to apply appropriate procedures and communicate whether or not the School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the School. It is management's responsibility to monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by the same.

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did note a significant deficiency as described in the schedule of findings and responses.

Transparency

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the School maintained on its website the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School maintained on its website the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the School Board of Miami-Dade County, Florida, the Board of Directors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



Fort Lauderdale, Florida
September 11, 2025

**ARCHIMEDEAN UPPER CONSRVATORY
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2025**

Finding 2025-001: Significant Deficiency – Year End Accruals

Criteria: The financial statements of Archimedean Upper Conservatory (the “School”) should properly record all accruals at year end in accordance with U.S. GAAP.

Condition: Management of the School discovered that payroll expense and related accruals in the general fund were overstated as of and for the year ended June 30, 2024.

Cause: Internal controls related to properly recording payroll were not properly designed, and, therefore, the error was not found upon closing of the accounting records.

Effect: Although not material, the fund balance and net position as reported in the prior year were not correct. Further, the payroll expense in the current year was understated as a result. The ending fund balance and net position as of June 30, 2025 are unaffected. This deficiency creates the potential for other misstatements to occur if the controls are not changed in the future.

Recommendation: The School should develop policies and procedures that ensure proper review of the recording of accrued payroll to ensure the balances in the financial statements will not be misstated.

View of Responsible Officials: We agree with the recommendation above and have corrected this process in addition to taking other proactive measures to assure the overall financial reporting of the School is completed in accordance with U.S. GAAP.