

Archimedean Upper Conservatory

A Department of Archimedean Academy, Inc.

Basic Financial Statements and
Additional Information
For the Year Ended June 30, 2024

Archimedean Upper Conservatory

Table of Contents

Independent Auditor's Report	1-3
Management's Discussion and Analysis	
Management's Discussion and Analysis (Not Covered by Independent Auditor's Report)	4-8
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position	9
Statement of Activities	10
Fund Basic Financial Statements:	
Balance Sheet of Governmental Funds	11
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position	12
Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds	13
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	14
Notes to Basic Financial Statements	15-23
Required Supplementary Information	
Budgetary Comparison Schedule – General Fund	24
Budgetary Comparison Schedule – Special Revenue Fund	25
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 <i>Government Auditing Standards</i>	26-27
Management Letter Required by Chapter 10.850 of the Rules of the Auditor General of the State of Florida	28-29
Schedule of Findings and Responses	30

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, 2024, 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, 2024, 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 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, 2024 in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Correction of an Error

As discussed in Note 11 to the financial statements, the School corrected an error in previously issued financial statements related to the recording of certain grant receivable amounts. Our opinion is not modified with respect to that 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 generally accepted auditing standards 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 generally accepted auditing standards 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.

"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.



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 24 and 25 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 auditing standards generally accepted in the United States of America, 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 October 25, 2024, 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
October 25, 2024

"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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Archimedean Upper Conservatory
Management's Discussion and Analysis
June 30, 2024**

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 for the year ended June 30, 2024, with certain comparative information for 2023. Additionally, balances in this section have been restated for comparability purposes for the year ended June 30, 2023 (Note 11).

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, 2024, the School's total assets exceeded its total liabilities resulting in a net position of \$ 269,647.
- At June 30, 2024 the School's total revenues were \$ 3,784,212: \$ 2,896,255 from FTE revenues, \$ 453,730 from tax referendum revenues, \$ 247,808 from capital grants and contributions, operating grants and contributions of \$ 128,959 and other revenues of \$ 57,460. The School's expenses for the year were \$ 4,056,009. Net position for the year decreased by \$ 271,797.

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 the 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 two 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 assets 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.

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: All of the funds of the School are 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 balance 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 change in fund balance. 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 24 and 25 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 23 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 decreased by \$ 271,797 during the year ended June 30, 2024.

**Archimedean Upper Conservatory
Management's Discussion and Analysis
June 30, 2024**

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>2024</u>	<u>2023</u>	<u>Variance</u>
Current and Other Assets	\$ 1,304,184	\$ 967,335	\$ 336,849
Capital Assets, net	<u>4,469,708</u>	<u>4,596,064</u>	<u>(126,356)</u>
Total assets	<u>5,773,892</u>	<u>5,563,399</u>	<u>210,493</u>
Current Liabilities	1,139,245	640,430	498,815
Noncurrent Liabilities	<u>4,365,000</u>	<u>4,381,525</u>	<u>(16,525)</u>
Total liabilities	<u>5,504,245</u>	<u>5,021,955</u>	<u>482,290</u>
Net Position:			
Net investment in capital assets	(31,789)	298,403	(330,192)
Restricted	322,270	212,500	109,770
Unrestricted	<u>(20,834)</u>	<u>30,541</u>	<u>(51,375)</u>
Total net position	<u>\$ 269,647</u>	<u>\$ 541,444</u>	<u>\$ (271,797)</u>

Current and other assets rose due to an increase in the School's cash position. Capital assets, net of depreciation decreased due to current depreciation of \$ 171,538, offset by the addition of \$ 45,182 of computer equipment and construction in process. Current liabilities increased mainly due to a rise in monies owed to the related schools at the same location and part of the same organization. Noncurrent liabilities decreased due to bond payments made that were slightly higher than the proceeds from a new bond.

Governmental activities: The School's overall net position decreased \$ 271,797 from the prior fiscal year. The reasons for this overall decrease are discussed in the following section for governmental activities.

Archimedean Upper Conservatory Changes in Net Position			
	<u>2024</u>	<u>2023</u>	<u>Variance</u>
Revenues:			
General revenues:			
FTE nonspecific revenues	\$ 2,896,255	\$ 2,365,382	\$ 530,873
Tax referendum revenues	453,730	807,143	(353,413)
Other revenues	57,460	102,541	(45,081)
Program revenues:			
Operating grants and contributions	128,959	111,223	17,736
Capital grants and contributions	<u>247,808</u>	<u>160,556</u>	<u>87,252</u>
Total revenues	<u>3,784,212</u>	<u>3,546,845</u>	<u>237,367</u>

**Archimedean Upper Conservatory
Management's Discussion and Analysis
June 30, 2024**

Government-Wide Financial Analysis (continued)

Archimedean Upper Conservatory
Changes in Net Position (continued)

	<u>2024</u>	<u>2023</u>	<u>Variance</u>
Functions/Program Expenses:			
Regular instruction	\$ 2,418,922	\$ 2,291,233	\$ 127,689
Instructional support services:			
Pupil personnel services	81,035	12,404	68,631
Instructional and curriculum services	49,471	101,635	(52,164)
Instructional staff training services	2,100	1,824	276
Instructional-related technology	3,258	561	2,697
School administration	345,635	207,007	138,628
Operation of plant	402,043	290,562	111,481
Maintenance of plant	288,610	221,917	66,693
Operation of non-instructional services:			
General administration	26,155	46,855	(20,700)
Board services	21,658	20,768	890
Fiscal services	52,441	57,142	(4,701)
Central services	25,507	46,876	(21,369)
Community services	63,073	78,525	(15,452)
Interest and fiscal charges	276,101	179,529	96,572
Total expenses	<u>4,056,009</u>	<u>3,556,838</u>	<u>499,171</u>
Change in net position	(271,797)	(9,993)	(261,804)
Net position, beginning	<u>541,444</u>	<u>551,437</u>	<u>(9,993)</u>
Net position, ending	<u>\$ 269,647</u>	<u>\$ 541,444</u>	<u>\$ (271,797)</u>

General revenues, compared to the previous year, increased primarily due to the additional FTE nonspecific revenues related to an increase in student population but were offset by tax referendum money decreases; additionally, program revenues increased slightly due to increases in local capital outlay. Total expenses increased due to the added costs of additional instructional, operations of the plant facility and bond issuance costs included in interest and fiscal charges.

Financial Analysis of Governmental Funds

The General Funds 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 \$ 20,834, while total fund balance was \$ 301,436. The General fund balance decreased by \$ 154,104. 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 8.2% of total General Fund expenditures.

Financial Analysis of Governmental Funds (continued)

The General Fund decrease of \$154,104 was due to unexpected increases in general administration and unbudgeted debt service expenses including bond issue costs.

The Special Revenue Fund had an increase of fund balance during the current fiscal year of \$ 87,844 due to the timing of certain grant funds being received and recognized as revenues during the year end.

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, 2024, the School had capital assets of \$ 4,469,708, net of accumulated depreciation, invested in furniture, equipment, computer equipment and leasehold improvements, as compared to \$ 4,596,064 at June 30, 2023. Capital additions for the year included \$ 45,182 for computer equipment. Additional information on the School's capital assets can be found in Note 5 of this report.

Debt: At June 30, 2024, the School had outstanding debt of \$ 4,501,497 and \$ 4,510,161 at June 30, 2023. This decrease was the result of scheduled debt payments being made, while the School also issued 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 less than budgeted by \$ 395 due to higher enrollment but offset by a decrease in local revenues including referendum monies while total expenditures were more than budgeted by approximately \$ 462,000 due to expenditures associated with the unbudgeted debt service costs inclusive of bond issuance costs incurred during the year. See page 24 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 remain consistent, the overall effect will be a moderate increase in revenues.
- Student capacity will remain stable.

Requests for Information

If there are any questions about this report or the reader needs additional information, please write to Mr. Dimitrios Bardoutsos 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, 2024

	Governmental Activities
Current Assets:	
Cash and cash equivalents	\$ 839,264
Due from other governments	<u>142,650</u>
Total current assets	<u>981,914</u>
Noncurrent Assets:	
Restricted cash	322,270
Capital assets:	
Nondepreciable	922,855
Depreciable, net	<u>3,546,853</u>
Total noncurrent assets	<u>4,791,978</u>
Total assets	<u>5,773,892</u>
Current Liabilities:	
Accounts payable	95,480
Accrued expenses	237,098
Due to other schools	670,170
Bonds payable	<u>136,497</u>
Total current liabilities	1,139,245
Noncurrent Liabilities:	
Bonds payable	<u>4,365,000</u>
Total liabilities	<u>5,504,245</u>
Net Position:	
Net investment in capital assets	(31,789)
Restricted for debt service	322,270
Unrestricted (deficit)	<u>(20,834)</u>
Total net position	<u>\$ 269,647</u>

See accompanying notes to financial statements.

Archimedean Upper Conservatory
Statement of Activities
For the Year Ended June 30, 2024

	<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>Net Revenue (Expense) and Change in Net Position</u>
Functions/Programs:					
Instruction:					
Regular instruction	\$ 2,418,922	\$ -	\$ 128,959	\$ -	\$ (2,289,963)
Instructional support services:					
Pupil personnel services	81,035	-	-	-	(81,035)
Instructional and curriculum services	49,471	-	-	-	(49,471)
Instructional staff training services	2,100	-	-	-	(2,100)
Instructional-related technology	3,258	-	-	-	(3,258)
School administration	345,635	-	-	-	(345,635)
Operation of plant	402,043	-	-	247,808	(154,235)
Maintenance of plant	288,610	-	-	-	(288,610)
Operation of non-instructional services:					
General administration	26,155	-	-	-	(26,155)
Board services	21,658	-	-	-	(21,658)
Fiscal services	52,441	-	-	-	(52,441)
Central services	25,507	-	-	-	(25,507)
Community services	63,073	-	-	-	(63,073)
Interest and fiscal charges	<u>276,101</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(276,101)</u>
 Total governmental activities	 <u>\$ 4,056,009</u>	 <u>\$ -</u>	 <u>\$ 128,959</u>	 <u>\$ 247,808</u>	 <u>(3,679,242)</u>
 General revenues:					
FTE nonspecific revenues					2,896,255
Tax referendum revenues					453,730
Contributions and other					<u>57,460</u>
 Total general revenues					<u>3,407,445</u>
 Change in net position					(271,797)
 Net position, July 1, 2023, as Restated (Note 11)					<u>541,444</u>
 Net position, June 30, 2024					<u>\$ 269,647</u>

See accompanying notes to financial statements.

Archimedean Upper Conservatory
Balance Sheet - Governmental Funds
June 30, 2024

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Project Fund</u>	<u>Total</u>
Assets:				
Cash and cash equivalents	\$ 839,264	\$ -	\$ -	\$ 839,264
Due from other governments	-	128,959	13,691	142,650
Due from other funds	142,650	-	-	142,650
Restricted cash	<u>322,270</u>	<u>-</u>	<u>-</u>	<u>322,270</u>
Total assets	<u>\$ 1,304,184</u>	<u>\$ 128,959</u>	<u>\$ 13,691</u>	<u>\$ 1,446,834</u>
Liabilities:				
Accounts payable	\$ 95,480	\$ -	\$ -	\$ 95,480
Accrued expenses	237,098	-	-	237,098
Due to other schools	670,170	-	-	670,170
Due to other funds	<u>-</u>	<u>128,959</u>	<u>13,691</u>	<u>142,650</u>
Total liabilities	<u>1,002,748</u>	<u>128,959</u>	<u>13,691</u>	<u>1,145,398</u>
Fund Balances:				
Restricted for debt service	322,270	-	-	322,270
Unassigned (deficit)	<u>(20,834)</u>	<u>-</u>	<u>-</u>	<u>(20,834)</u>
Total fund balances	<u>301,436</u>	<u>-</u>	<u>-</u>	<u>301,436</u>
Total liabilities and fund balances	<u>\$ 1,304,184</u>	<u>\$ 128,959</u>	<u>\$ 13,691</u>	<u>\$ 1,446,834</u>

See accompanying notes to financial statements.

**Archimedean Upper Conservatory
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2024**

Total fund balances - governmental funds \$ 301,436

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	\$ 5,452,740	
Less accumulated depreciation/amortization	<u>(983,032)</u>	4,469,708

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.

Bonds payable		<u>(4,501,497)</u>
---------------	--	--------------------

Net Position of Governmental Activities		\$ <u>269,647</u>
--	--	--------------------------

See accompanying notes to financial statements.

**Archimedean Upper Conservatory
Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds
For the Year Ended June 30, 2024**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Project Fund</u>	<u>Total</u>
Revenues:				
State sources	\$ 2,896,255	\$ -	\$ 184,636	\$ 3,080,891
Federal sources	-	216,804	-	216,804
Local sources	511,190	-	63,172	574,362
	<u>3,407,445</u>	<u>216,804</u>	<u>247,808</u>	<u>3,872,057</u>
Total revenues				
Expenditures:				
Current:				
Regular instruction	2,254,638	128,960	-	2,383,598
Pupil services	81,035	-	-	81,035
Instruction and curriculum services	49,471	-	-	49,471
Instruction staff training services	2,100	-	-	2,100
Instructional-related technology	3,258	-	-	3,258
School administration	334,395	-	-	334,395
Operation of plant	154,235	-	247,808	402,043
Maintenance of plant	174,876	-	-	174,876
Operation of noninstructional services:				
General administration	14,915	-	-	14,915
Board services	21,658	-	-	21,658
Fiscal services	52,441	-	-	52,441
Central services	25,507	-	-	25,507
Community services	63,073	-	-	63,073
Debt service:				
Principal payments on debt	129,453	-	-	129,453
Interest expense and fiscal charges	276,101	-	-	276,101
Capital outlay	45,182	-	-	45,182
	<u>3,682,338</u>	<u>128,960</u>	<u>247,808</u>	<u>4,059,106</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	(274,893)	87,844	-	(187,049)
Other financing sources:				
Debt proceeds	120,789	-	-	120,789
	<u>120,789</u>	<u>-</u>	<u>-</u>	<u>120,789</u>
Net change in fund balances	(154,104)	87,844	-	(66,260)
Fund Balances (Deficit), July 1, 2023 as Restated (Note 11)				
	455,540	(87,844)	-	367,696
	<u>455,540</u>	<u>(87,844)</u>	<u>-</u>	<u>367,696</u>
Fund Balances, June 30, 2024				
	\$ 301,436	\$ -	\$ -	\$ 301,436
	<u>\$ 301,436</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 301,436</u>

See accompanying notes to 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, 2024**

Net Change in Fund Balances of Governmental Funds		\$ (66,260)
<p>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.</p>		
Expenditures for capital assets	\$ 45,182	
Provision for depreciation and amortization	<u>(171,538)</u>	(126,356)
<p>Revenues that are earned but not received within the availability period are recognized in the statement of activities when earned and subsequently in the governmental fund financial statements when they become available.</p>		
		(87,845)
<p>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.</p>		
Issuance of bonds		(120,789)
<p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
Repayment of bond principal		<u>129,453</u>
Change in Net Position of Governmental Activities		<u>\$ (271,797)</u>

See accompanying notes to 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, 2024, approximately 370 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 "Lower") 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, 2024, and its change in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Additionally, certain balances have been restated for the comparability purposes with the year ended June 30, 2023 (Note 11).

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 that are legally restricted to expenditures for particular purposes.

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

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. Governmental funds use the current financial resources measurement focus and the governmental-wide statement uses the economic resources measurement focus.

Governmental activity in the government-wide basic financial statements is presented on the full accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when incurred.

The governmental fund basic financial statements are presented using the current financial resources measurement focus and 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. 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 fiscal year. Expenditures are recorded when the related fund liability is incurred, except for long-term debt principal and interest which are reported as expenditures in the year due.

Note 2 - Summary of Significant Accounting Policies (continued)

Measurement focus and basis of accounting: (continued)

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 - indicates that portion of net position that can be used for future operations.

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: The School has implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance classifications to report on the nature and extent to which the School is bound to have constraints on the specific purposes for which amounts in those funds can be spent.

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.
- 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.

Note 2 - Summary of Significant Accounting Policies (continued)

Fund balance: (continued)

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.

Due from other governments or agencies: Amounts due to the School by other governments or agencies are for grants or programs under which the services have been provided by the School.

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 and equipment	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 position 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 position that applies to a future period(s) and, therefore, will *not* be recognized as an inflow of resources (revenue) until that time. The School had no deferred inflows representing unavailable revenues as of June 30, 2024.

Note 2 - Summary of Significant Accounting Policies (continued)

Revenue sources: Revenues for operations are received primarily from the Miami-Dade County District School Board pursuant to the funding provisions included in the School’s charter. Funding for the School’s student population is adjusted during the year to reflect the revised calculations by the Florida Department of Education under the Florida Education Finance Program and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods. In addition, the School receives an annual allocation of charter school capital outlay funds for leasing of school facilities.

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.

Date of management review: Subsequent events are evaluated by management through October 25, 2024, which is the date the financial statements were available for issuance.

Note 3 - Deposits and Cash

At June 30, 2024, the carrying amount of the School’s deposits and cash on hand and bank balance totaled \$ 839,264.

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 are held in a qualified public depository. They are covered by the collateral pool as the School has identified itself as a public entity at June 30, 2024. Total cash covered by the collateral pool not covered by FDIC is \$ 714,264.

Restricted cash: At June 30, 2024, the School maintains cash restricted for debt service in the amount of \$ 322,270 (Note 6).

Note 4 - Due from Other Governments

Due from other governments is comprised of amounts due from the School Board of Miami-Dade County and Florida Department of Education are as follows:

Elementary and secondary emergency assistance grants (ESSER)	\$	128,959
Capital outlay		<u>13,691</u>
	\$	<u><u>142,650</u></u>

Archimedean Upper Conservatory
Notes to Basic Financial Statements
June 30, 2024

Note 5 - Capital Assets

Capital asset balances and activity for the year ended June 30, 2024, are as follows:

	Balance at July 1, 2023	Additions	Retirements	Balance at June 30, 2024
Capital assets, not being depreciated:				
Land	\$ 897,125	\$ -	\$ -	\$ 897,125
Construction in process	-	25,730	-	25,730
Total capital assets, not being depreciated	<u>897,125</u>	<u>25,730</u>	<u>-</u>	<u>922,855</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	452,276	19,452	-	471,728
Total capital assets, being depreciated	<u>4,510,433</u>	<u>19,452</u>	<u>-</u>	<u>4,529,885</u>
Accumulated depreciation:				
Buildings	204,142	91,255	-	295,397
Furniture, equipment and textbooks	205,877	10,294	-	216,171
Building improvements	172,640	3,284	-	175,924
Computer equipment	228,835	66,705	-	295,540
Total accumulated depreciation	<u>811,494</u>	<u>171,538</u>	<u>-</u>	<u>983,032</u>
Net capital assets	<u>\$ 4,596,064</u>	<u>\$ (126,356)</u>	<u>\$ -</u>	<u>\$ 4,469,708</u>

Provision for depreciation and amortization was charged to governmental activities as follows:

Instruction - regular	\$ 35,324
Instructional support services - plant maintenance	113,734
Instructional support services - school administration	11,240
Operation of non-instructional services - general administration	11,240
	<u>\$ 171,538</u>

Note 6 - Debt

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 Lower 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: During the year, the Academy 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, 2024.

The School, Lower 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 School, at 50%, the Lower 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
2025	\$ 136,497	\$ 177,750	\$ 314,247
2026	142,075	172,494	314,569
2027	147,688	167,402	315,090
2028	153,456	161,736	315,192
2029	159,460	155,845	315,305
2030-2034	991,798	678,735	1,670,533
2035-2039	1,073,930	459,726	1,533,656
2040-2041	1,696,593	122,926	1,819,519
Total	\$ 4,501,497	\$ 2,096,614	\$ 6,598,111

Archimedean Upper Conservatory
Notes to Basic Financial Statements
June 30, 2024

Note 6 – Debt (continued)

The activity for debt for the year ended June 30, 2024, is as follows:

	Balance July 1, 2023	Additions	Retirements	Balance June 30, 2024	Amount Due Within One Year
Bonds payable	\$ <u>4,510,161</u>	\$ <u>120,789</u>	\$ <u>129,453</u>	\$ <u>4,501,497</u>	\$ <u>136,497</u>
	\$ <u><u>4,510,161</u></u>	\$ <u><u>120,789</u></u>	\$ <u><u>129,453</u></u>	\$ <u><u>4,501,497</u></u>	\$ <u><u>136,497</u></u>

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 \$ 670,170 as of June 30, 2024. 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 \$ 184,636 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 \$ 63,172 for the school year which has been recognized as revenue in the accompanying financial statements.

Note 10 - Risk Financing

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 – Prior Period Adjustment

The School’s beginning net position was restated causing a decrease of \$ 309,195. This decrease was due to the School mistakenly recording certain grant revenue, due to the duplicate recording of grant receivables. The grant receivables were recorded twice in error, duplicating revenue and receivables in the prior year. In connection with the grant receivables, certain of these amounts only affected the fund balances of the General and Special Revenue funds inversely since they were recorded in the Special Revenue fund as “receivables” and deferred inflows.

Below is a summary of the corrections as of July 1, 2023:

Beginning net position was restated as follows:

Net position, as previously reported	\$ 850,639
Adjustment as noted above	<u>(309,195)</u>
Net position, as restated	<u>\$ 541,444</u>

Beginning fund balances (deficits) were restated as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
Fund Balance (deficit) - Unassigned as previously reported	\$ 764,735	\$ (397,039)	\$ 367,696
Adjustment as noted above	<u>(309,195)</u>	<u>309,195</u>	<u>-</u>
Fund balance (deficit) - Unassigned	<u>\$ 455,540</u>	<u>\$ (87,844)</u>	<u>\$ 367,696</u>

REQUIRED SUPPLEMENTARY
INFORMATION

**Archimedean Upper Conservatory
Budgetary Comparison Schedule -
General Fund
For the Year Ended June 30, 2024**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
State sources	\$ 2,857,109	\$ 2,857,109	\$ 2,896,255	\$ 39,146
Local sources	550,731	550,731	511,190	(39,541)
Total revenues	<u>3,407,840</u>	<u>3,407,840</u>	<u>3,407,445</u>	<u>(395)</u>
Expenditures:				
Current:				
Instruction:				
Regular instruction	2,205,909	2,205,909	2,254,638	(48,729)
Instructional services:				
Pupil personnel services	6,500	6,500	81,035	(74,535)
Instruction and curriculum services	58,383	58,383	49,471	8,912
Instructional staff training services	1,125	1,125	2,100	(975)
Instructional-related technology	561	561	3,258	(2,697)
School administration	213,158	213,158	334,395	(121,237)
Operation of plant	160,271	160,271	154,235	6,036
Maintenance of plant	120,129	120,129	174,876	(54,747)
Operation of noninstructional services:				
General administration	143,901	143,901	14,915	128,986
Board services	20,768	20,768	21,658	(890)
Fiscal services	47,629	47,629	52,441	(4,812)
Central services	11,204	11,204	25,507	(14,303)
Community services	50,961	50,961	63,073	(12,112)
Principal payments on debt	-	-	129,453	(129,453)
Interest expense and fiscal charges	180,174	180,174	276,101	(95,927)
Capital outlay	-	-	45,182	(45,182)
Total expenditures	<u>3,220,673</u>	<u>3,220,673</u>	<u>3,682,338</u>	<u>(461,665)</u>
Excess (deficiency) of revenues over (under) expenditures	187,167	187,167	(274,893)	(462,060)
Other financing sources:				
Debt proceeds	-	-	120,789	120,789
Net change in fund balance	<u>\$ 187,167</u>	<u>\$ 187,167</u>	<u>\$ (154,104)</u>	<u>\$ (341,271)</u>

See independent auditor's report.

**Archimedean Upper Conservatory
 Budgetary Comparison Schedule -
 Special Revenue Fund
 For the Year Ended June 30, 2024**

	<u>Original Budget</u>	<u>Original Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Federal through state	\$ <u>117,231</u>	\$ <u>117,231</u>	\$ <u>216,804</u>	\$ <u>99,573</u>
Total revenues	<u>117,231</u>	<u>117,231</u>	<u>216,804</u>	<u>99,573</u>
Expenditures:				
Current:				
Instruction:				
Regular instruction	<u>117,231</u>	<u>117,231</u>	<u>128,960</u>	<u>(11,729)</u>
Total expenditures	<u>117,231</u>	<u>117,231</u>	<u>128,960</u>	<u>(11,729)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 87,844</u>	<u>\$ 87,844</u>

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, 2024, and the related notes to the financial statements, which collectively comprise the School's basic financial statements and have issued our report thereon dated October 25, 2024.

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 entity'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. We identified a deficiency in internal control, described in the accompanying schedule of findings and responses as item 2024-001 that we consider to be a material weakness.

"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*.

Government Auditing Standards requires the auditor to perform limited procedures on the School's response to the finding 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
October 25, 2024

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 Archimedean Upper Conservatory (the "School"), Florida, as of and for the fiscal year ended June 30, 2024, and have issued our report thereon dated October 25, 2024.

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 financial audit report. There were no findings or recommendations made in the preceding financial audit report.

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.

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.

Sections 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 material weakness as described in the Schedule of Findings and Responses.

Transparency

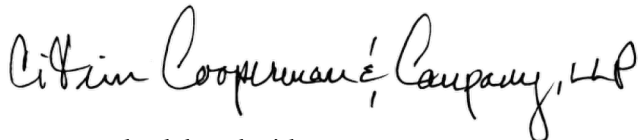
Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the School maintained on its website the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with 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 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 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
October 25, 2024

**ARCHIMEDEAN UPPER CONSERVATORY
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2024**

Finding 2024-001: Material Weakness – Error Corrections

Criteria: The financial statements of Archimedean Upper Conservatory (the "School") should properly report all revenues and the related receivables in accordance with U.S. GAAP.

Condition: During the year ended June 30, 2024, management of the School determined that net position as of June 30, 2023, was overstated by \$ 309,195 because of an error in recording grant receivables that were inadvertently duplicated on submissions. Grant revenues were initially recorded based on budgeted amounts on expected expenditure reimbursements and then duplicated.

Cause: Internal controls related to properly recording grant revenue were not properly designed, and, therefore, the error was reported as grant receivables and deferred inflows of resources and was not found upon review of the financial statements.

Effect: Net position reported at June 30, 2023, was \$ 309,195 more than it should have been resulting in an error correction in the June 30, 2023 financial statements. Additionally, the overall governmental fund financial statements were unaffected, but the individual governmental funds were restated since the grant receivables were also reported as deferred inflows of resources and additionally not included in revenue or any fund balance as of June 30, 2023.

Recommendation: The School should develop policies and procedures that ensure proper review of the recording of revenue and receivables from grants to ensure the balances in the financial statements will not be materially 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 GAAP.