

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

ACADEMY AT THE FARM, INC.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

June 30, 2025

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RIVERO, GORDIMER & COMPANY, P.A.

Member
American Institute of Certified Public Accountants
Florida Institute of Certified Public Accountants

Herman V. Lazzara	Michael E. Helton
Sam A. Lazzara	James K. O'Connor
Kevin R. Bass	David M. Bohnsack
Jonathan E. Stein	Julie A. Davis
Stephen G. Douglas	Karl N. Swan
Marc D. Sasser, of Counsel	
Cesar J. Rivero, in Memoriam (1942-2017)	

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Academy at the Farm, Inc. (the "School"), a charter school and component unit of the District School Board of Pasco County, Florida, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information 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 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.

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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the school's ability to continue as a going concern for a reasonable period of time.

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 Management's Discussion and Analysis, the Budgetary Comparison Schedule, and Note to Required Supplementary Information, 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 September 12, 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.

Bruce, Jordan & Company, P.A.

Tampa, Florida
September 12, 2025

Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2025

The Management's Discussion and Analysis (MD&A) section of the annual financial report of the Academy at the Farm, Inc., (the "School") a charter school and component unit of the District School Board of Pasco County, Florida, provides an overview of the School's activities for the fiscal year ended June 30, 2025.

Because the information contained in the MD&A is intended to highlight significant transactions, events, and conditions, it should be considered in conjunction with the School's basic financial statements and notes to basic financial statements, as listed in the table of contents.

Financial Highlights

- For the fiscal year ended June 30, 2025, the School's revenues exceeded expenses as shown on the School's statement of activities by \$12,976,961.
- As shown on the statement of net position, the School reported an unrestricted net position balance of \$3,526,081.

Overview of the Basic Financial Statements

The basic financial statements consist of three components:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

Government-Wide Financial Statements

The government-wide financial statements provide both short-term and long-term information about the School's overall financial condition in a manner similar to those of a private-sector business. The statements include a statement of net position and a statement of activities that are designed to provide financial information about the governmental activities of the School presented on the accrual basis of accounting. The statement of net position provides information about the government's financial position, its assets and liabilities, using an economic resources measurement focus. The difference between the assets and liabilities, the net position, is a measure of the financial health of the School. The statement of activities presents information about the change in the School's net position and the results of operations, during the fiscal year. An increase or decrease in net position is an indication of whether the School's financial health is improving or deteriorating. To assess the overall financial position of the School, one needs to consider additional non-financial factors such as changes in the School student base funding level.

Academy at the Farm, Inc.
A Charter School and Component Unit of the
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MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

June 30, 2025

Fund Financial Statements

Fund financial statements are one of the components of the basic 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. Fund financial statements provide more detailed information about the School's financial activities, focusing on its most significant funds rather than fund types. This is in contrast to the entity-wide perspective contained in the government-wide financial statements.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental funds utilize a spendable financial resources measurement focus rather than the economic resources measurement focus found in the government-wide financial statements. The financial resources measurement focus allows the governmental fund financial statements to provide information on near-term inflows and outflows of spendable resources as well as balances of spendable resources available at the end of the fiscal year.

The governmental fund financial statements provide a detailed short-term view that may be used to evaluate the School's near-term financing requirements. This short-term view is useful when compared to the long-term view presented as governmental activities in the government-wide financial statements. To facilitate this comparison, both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation of governmental fund to governmental activities.

The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the School's most significant funds. A General Fund to account for its general operations and internal account activities, a Capital Projects Fund to account for financial resources that are restricted, committed or assigned to expenditures for capital outlays, a Debt Service Fund to account for long-term debt, and a Special Revenue Fund to account for Federal grant programs. For reporting purposes, the School has elected to show all funds as major funds.

The School adopts annual budgets for certain governmental funds. A budgetary comparison schedule, as required, has been provided for the General Fund and Special Revenue Fund to demonstrate compliance with the budgets.

Notes to 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.

Academy at the Farm, Inc.
A Charter School and Component Unit of the
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MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

June 30, 2025

Government-Wide Financial Analysis

The following is a summary of the School's current and prior year net position:

	Net Position, End of Year		
	June 30, 2024	June 30, 2025	Increase (Decrease)
ASSETS			
Current and other assets	\$ 1,367,105	\$ 3,657,873	\$ 2,290,768
Capital assets, net	4,446,919	20,352,126	15,905,207
Total assets	<u>5,814,024</u>	<u>24,009,999</u>	<u>18,195,975</u>
LIABILITIES			
Current liabilities	491,165	4,470,163	3,978,998
Noncurrent liabilities	3,511,186	4,751,200	1,240,014
Total liabilities	<u>4,002,351</u>	<u>9,221,363</u>	<u>5,219,012</u>
NET POSITION			
Net investment in capital assets	935,734	11,262,554	10,326,820
Unrestricted	<u>875,940</u>	<u>3,526,081</u>	<u>2,650,141</u>
Total net position	<u>\$ 1,811,674</u>	<u>\$ 14,788,635</u>	<u>\$ 12,976,961</u>

Current assets consist mainly of cash and cash equivalents (92%). Capital assets, net, increased mainly from construction costs incurred for the new high school building. The School's liabilities consist of accounts payable, salaries and benefits payable, and long-term notes payable.

The School's reported a total net position balance of \$14,788,635 of which \$3,526,081 is unrestricted.

Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

June 30, 2025

The following is a summary of the School's change in net position for the current and prior year:

	Operating Results for the Year		
	2024	2025	Increase (Decrease)
Revenues			
Federal through state and local	\$ 151,321	\$ 766,864	\$ 615,543
State	6,853,886	6,708,666	(145,220)
State appropriations - capital	-	12,730,165	12,730,165
Local and other	1,955,187	1,939,548	(15,639)
Total revenues	<u>8,960,394</u>	<u>22,145,243</u>	<u>13,184,849</u>
Expenses			
Instruction	5,080,211	5,058,463	(21,748)
Student support services	13,779	45,549	31,770
Instructional staff training	3,542	34,379	30,837
Instructional related technology	289,333	405,521	116,188
Board	9,500	87,855	78,355
General administration	38,802	40,770	1,968
School administration	692,662	890,580	197,918
Fiscal services	134,884	215,439	80,555
Operation of Plant	380,395	604,825	224,430
Maintenance of plant	273,196	196,681	(76,515)
Community service	934,431	1,044,210	109,779
Debt service - interest	179,999	317,499	137,500
Unallocated depreciation	255,646	226,511	(29,135)
Total expenses	<u>8,286,380</u>	<u>9,168,282</u>	<u>881,902</u>
Increase/(decrease) in net position	<u>\$ 674,014</u>	<u>\$ 12,976,961</u>	<u>\$ 12,302,947</u>

The largest revenue source for the School is the State of Florida (88%). Revenues from State sources for current operations are primarily received through the Florida Education Finance Program (FEFP) funding formula and Charter School Capital Outlay funds. Both sources utilize student enrollment data to determine the funds available for the School.

The largest concentration of expenses is in Instruction related functions (60%) which remained consistent with the prior year, decreasing approximately \$22,000.

Academy at the Farm, Inc.
A Charter School and Component Unit of the
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MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

June 30, 2025

FINANCIAL ANALYSIS OF THE SCHOOL'S FUNDS

Governmental Funds

As the School completed the year, its governmental funds reported a combined fund balance of \$921,578 of which \$242,898 was unspendable and \$273,854 was restricted for capital projects.

BUDGETARY HIGHLIGHTS

The general fund and special revenue fund budgets for the fiscal year ended June 30, 2025, were developed based on the School's anticipated revenues and expenditures, the expected student population for the school year, and Federal grant programs for the school year. Over the course of the year, the School revised the general fund and special revenue fund budgets several times. For the fiscal year ended June 30, 2025, the actual expenditures were equal to the final budget. Refer to the Budgetary Comparison Schedule for additional information.

CAPITAL ASSETS

The School's investment in capital assets for its governmental activities as of June 30, 2025, amounts to \$20,352,125 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and fixed equipment, and furniture, fixtures, and equipment. Significant projects for the year ended June 30, 2025 included the construction of a new high school and resource buildings. Additional information regarding the School's capital assets can be found in the notes to the financial statements.

DEBT

In January 2025, the School refinanced its existing loans into a single new loan which was used to pay off their property loans, and fund various construction projects during the year. The loan amount is up to \$7,700,000. The loan is secured by all parcels owned by the School and matures in January 2035.

Additional information regarding the School's long-term and short-term liabilities can be found in the notes to the financial statements

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Academy at the Farm, Inc.'s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director, Academy at the Farm, Inc., 9500 Alex Lange Way, Dade City, FL 33525.

Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

STATEMENT OF NET POSITION

June 30, 2025

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 3,349,373
Accounts receivable	65,602
Inventory	32,898
Prepaid assets	210,000
Capital assets	
Land	1,325,978
Construction in progress	16,509,053
Building and fixed equipment, net	2,319,857
Furniture, fixtures and equipment, net	<u>197,237</u>
Total capital assets	<u>20,352,125</u>
TOTAL ASSETS	<u>24,009,998</u>
LIABILITIES	
Salaries and benefits payable	90,124
Accounts payable	41,668
Construction costs payable	4,338,371
Noncurrent liabilities	
Notes payable due within one year	-
Notes payable due after one year	<u>4,751,200</u>
TOTAL LIABILITIES	<u>9,221,363</u>
NET POSITION	
Net investment in capital assets	11,262,554
Unrestricted	<u>3,526,081</u>
TOTAL NET POSITION	<u><u>\$ 14,788,635</u></u>

The accompanying notes are an integral part of this statement.

Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

STATEMENT OF ACTIVITIES

For the year ended June 30, 2025

		Program Revenues			Net (expenses) revenue and changes net position
	Expenses	Charges for Services	Operating Grants and Contribution	Capital Grants and Contributions	Governmental Activities
Government activities					
Instruction	\$ 5,058,463	\$ 948,621	\$ 766,864	\$ -	\$ (3,342,978)
Student support services	45,549	-	-	-	(45,549)
Instructional staff training	34,379	-	-	-	(34,379)
Instructional related technology	405,521	-	-	-	(405,521)
Board	87,855	-	-	-	(87,855)
General administration	40,770	-	-	-	(40,770)
School administration	890,580	-	-	-	(890,580)
Fiscal services	215,439	-	-	-	(215,439)
Operation of plant	604,825	-	-	-	(604,825)
Maintenance of plant	196,681	-	-	-	(196,681)
Community service	1,044,210	-	-	-	(1,044,210)
Debt service - interest	317,499	-	-	471,541	154,042
Unallocated depreciation	226,511	-	-	-	(226,511)
Total governmental activities	<u>\$ 9,168,282</u>	<u>\$ 948,621</u>	<u>\$ 766,864</u>	<u>\$ 471,541</u>	<u>(6,981,256)</u>
General revenue					
State sources					6,237,125
State appropriations - capital					12,730,165
Local and other					<u>990,927</u>
Total general revenues					19,958,217
Change in net position					12,976,961
Net position - July 1, 2024					<u>1,811,674</u>
Net position - June 30, 2025					<u>\$ 14,788,635</u>

The accompanying notes are an integral part of this statement.

Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalent	\$ 471,016	\$ -	\$ 2,878,357	\$ -	\$ 3,349,373
Accounts receivable	65,602	-	-	-	65,602
Inventory	32,898	-	-	-	32,898
Prepaid assets	210,000	-	-	-	210,000
TOTAL ASSETS	<u>\$ 779,516</u>	<u>\$ -</u>	<u>\$ 2,878,357</u>	<u>\$ -</u>	<u>\$ 3,657,873</u>
LIABILITIES					
Salaries and benefits payable	\$ 90,124	\$ -	\$ -	\$ -	\$ 90,124
Accounts payable	41,668	-	-	-	41,668
Construction costs payable	-	-	2,604,503	-	2,604,503
Total liabilities	<u>131,792</u>	<u>-</u>	<u>2,604,503</u>	<u>-</u>	<u>2,736,295</u>
FUND BALANCES					
Nonspendable	242,898	-	-	-	242,898
Restricted	-	-	273,854	-	273,854
Unassigned	404,826	-	-	-	404,826
Total fund balances	<u>647,724</u>	<u>-</u>	<u>273,854</u>	<u>-</u>	<u>921,578</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 779,516</u>	<u>\$ -</u>	<u>\$ 2,878,357</u>	<u>\$ -</u>	<u>\$ 3,657,873</u>

The accompanying notes are an integral part of this statement.

Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION

June 30, 2025

Total fund balances - governmental funds	\$	921,578
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and therefore, are not reported as assets in governmental funds.		20,352,125
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Construction costs payable represents liabilities for work completed but not yet due and payable as of the end of the year. These amounts are accrued in the statement of net position, however, they are not reported in the governmental funds balance sheet because they are not due and payable at year end under the modified accrual basis of accounting		(1,733,868)
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Long-term liabilities are not due and payable in the current period and therefore, are not reported as liabilities in the governmental funds.

Notes payable		<u>(4,751,200)</u>
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Total net position - governmental activities	\$	<u><u>14,788,635</u></u>
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The accompanying notes are an integral part of this statement.

Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS

For the year ended June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Revenues					
Federal through state and local	\$ -	\$ 766,864	\$ -	\$ -	\$ 766,864
State	6,237,125	-	13,201,706	-	19,438,831
Local and other	1,939,548	-	-	-	1,939,548
Total revenues	<u>8,176,673</u>	<u>766,864</u>	<u>13,201,706</u>	<u>-</u>	<u>22,145,243</u>
Current - education					
Instruction	5,058,463	-	-	-	5,058,463
Student support services	45,549	-	-	-	45,549
Instructional staff training	34,379	-	-	-	34,379
Instructional related technology	405,521	-	-	-	405,521
Board	87,855	-	-	-	87,855
General administration	40,770	-	-	-	40,770
School administration	890,580	-	-	-	890,580
Fiscal services	215,439	-	-	-	215,439
Operation of plant	385,442	-	219,383	-	604,825
Maintenance of plant	196,681	-	-	-	196,681
Community service	1,044,210	-	-	-	1,044,210
Fixed capital outlay					
Facilities acquisition and construction	-	-	13,561,164	-	13,561,164
Other capital outlay	-	766,864	69,821	-	836,685
Debt service					
Principal	-	-	-	3,511,185	3,511,185
Interest	-	-	-	317,499	317,499
Total expenditures	<u>8,404,889</u>	<u>766,864</u>	<u>13,850,368</u>	<u>3,828,684</u>	<u>26,850,805</u>
Excess/(deficiency) of revenues					
Over expenditures	<u>(228,216)</u>	<u>-</u>	<u>(648,662)</u>	<u>(3,828,684)</u>	<u>(4,705,562)</u>
Other financing sources (uses)					
Transfers in/(out)	-	-	(252,158)	252,158	-
Loan proceeds	-	-	1,174,674	3,576,526	4,751,200
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>922,516</u>	<u>3,828,684</u>	<u>4,751,200</u>
Net change in fund balances	(228,216)	-	273,854	-	45,638
Fund balances, July 1, 2024	<u>875,940</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>875,940</u>
Fund balances, June 30, 2025	<u>\$ 647,724</u>	<u>\$ -</u>	<u>\$ 273,854</u>	<u>\$ -</u>	<u>\$ 921,578</u>

The accompanying notes are an integral part of this statement.

Academy at the Farm, Inc.
A Charter School and Component Unit of the
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RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES

For the year ended June 30, 2025

Net change in fund balances - governmental funds	\$	45,638
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures allocated over their estimated useful lives as depreciation expense.

Capital outlays	16,131,717	
Depreciation expense	<u>(226,511)</u>	15,905,206

Expenditures for construction costs are recognized in the governmental funds only when they are due and payable. In contrast, the government wide Statement of Activities recognizes expenses when the related services are received, regardless of when payment is made. As a result, an adjustment is made to recognize construction-related expenses incurred but not yet paid at year-end.		(1,733,868)
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Proceeds from the issuance of long-term debt are reported as other financing sources in the governmental fund financial statements. For government-wide reporting, these proceeds are reclassified as long-term liabilities to reflect the obligation incurred by the government.		(4,751,200)
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The repayment of principal of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term debt in the statement of net position.		<u>3,511,185</u>
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Change in net position - governmental activities	\$	<u><u>12,976,961</u></u>
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The accompanying notes are an integral part of this statement.

Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Reporting Entity

Academy at the Farm, Inc., (the "School") is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act. The governing body of the School is the not-for-profit corporation Board of Directors, which is comprised of not less than three members.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, the District School Board of Pasco County, Florida, (the "District"). The current charter is effective until June 30, 2028, and is subject to annual review and may be renewed by mutual agreement between the School and the District. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter. In this case, the District is required to notify the school in writing at least 90 days prior to the charter's expiration. During the term of the charter, the District may also terminate the charter if good cause is shown. In the event of termination of the charter, the District shall assume operation of the School. The School is considered a component unit of the District; therefore, for financial reporting purposes, the School is required to follow generally accepted accounting principles applicable to state and local governmental units.

Criteria for determining if other entities are potential component units which should be reported within the School's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Government Accounting and Financial Reporting Standards, Sections 2100 and 2600*. The application of these criteria provides for identification of any entities for which the School is financially accountable and other organizations for which the nature and significance of their relationship with the School are such that exclusion would cause the School's basic financial statements to be misleading or incomplete. Based on these criteria, no component units are included within the reporting entity of the School.

2. Basis of Presentation

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.

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.

Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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's major governmental funds are as follows:

- General Fund – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.
- Debt Service Fund – to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.
- Capital Projects Fund – to account for financial resources that are restricted, committed or assigned to expenditures for capital outlays.
- Special Revenue Fund – to account for restricted Federal grant programs.

3. Basis of Accounting

Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are prepared using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Governmental fund financial statements are prepared using the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School considers revenues to be available if they are collected within 30 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made. 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. Allocations of cost, such as depreciation, are not recognized in governmental funds.

4. Cash and Cash Equivalents

The School's cash and cash equivalents are considered to be cash on hand, demand deposits, and short term liquid investments with original maturities of 3 months or less from the date of acquisition.

Cash deposits are held by banks qualified as public depositories under Florida law, which complies with the provisions of Section 218.415(23), Florida Statutes. All deposits are insured by Federal depository insurance, up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

5. Capital Assets

Expenditures for capital assets acquired or constructed for general School purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the School as those costing more than \$1,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at fair value at the date of donation.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Building and fixed equipment	7 - 40 Years
Furniture, fixtures and equipment	3 - 7 Years

Academy at the Farm, Inc.
A Charter School and Component Unit of the
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NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Current-year information relative to changes in capital assets is described in a subsequent note.

6. Encumbrances

As of June 30, 2025, the School had recorded encumbrances totaling approximately \$1,734,000 related to contractual obligations for a construction project. These encumbrances represent commitments for goods and services that have not yet been received but are supported by appropriated funds. The encumbered funds are restricted and may not be used for other purposes until the obligations are fulfilled or released.

7. Long-term Debt

Long-term obligations that will be financed by resources to be received in the future by the general fund are reported in the government-wide financial statements, not in the general fund. Current-year information relative to changes in long-term debt is described in subsequent notes.

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial 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 so 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 financial 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 so will not be recognized as an inflow of resources (revenue) until then. The School does not have any items that qualify for reporting in this category.

9. Net Position and Fund Balance Classification

Government-wide Financial Statements

Net Position are classified and reported in three components:

- Net Investment in Capital Assets – consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any borrowings that are attributed to the acquisition or improvement of those assets.

Academy at the Farm, Inc.
A Charter School and Component Unit of the
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NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

- Restricted Net Position – consists of net position with constraints placed on their use either by external groups such as creditors, contributors, or laws or regulations of other governments.
- Unrestricted Net Position – all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

Fund Financial Statements

GASB Codification Section 1800.142, Fund Balance Reporting and Governmental Fund Type Definitions, defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB requires the fund balance amounts to be reported within one of the following fund balance categories:

- Nonspendable - fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned). All nonspendable fund balances at year end relate to assets that are in nonspendable form.
- Restricted - fund balance that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.
- Committed - fund balance that can be used only for the specific purposes determined by a formal action of the School's Board of Governance.
- Assigned – fund balance that is intended to be used by the School's management for specific purposes but does not meet the criteria to be classified as restricted or committed.
- Unassigned – fund balance that is the residual amount for the School's general fund and includes all spendable amounts not contained in the other classifications.

10. Fund Balance Spending Policy

The School's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. First, nonspendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including nonspendable amounts). Any remaining fund balance amounts for the non-general funds are to be classified as restricted fund balance. It is possible for the non-general funds to be classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when nonspendable amounts plus the amount of restricted fund balances for specific purposes exceed the positive fund balance for non-general fund.

Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

11. Revenue Sources

Revenues for current operations are received primarily from the District pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33(17), Florida Statutes, the School reports the number of full-time equivalent students and related data to the District.

Under provisions of Section 1011.62, Florida Statutes, the District reports the number of full-time equivalent students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program (FEFP). Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students (FTE) reported by the School during designated full-time equivalent student survey periods. The Department may also adjust subsequent fiscal period allocations based upon an audit of the School's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made.

The basic amount of funding through the FEFP under Section 1011.62 is the product of the (1) unweighted FTE, multiplied by (2) the cost factor for each program, multiplies by (3) the base student allocation established by the legislature. Additional funds for exceptional students who do not have a matrix of services are provided through the guaranteed allocation designated in Section 1011.62(1)(e)2., Florida Statutes. For the fiscal year ended June 30, 2025, the School reported 727.31 unweighted and 766.2196 weighted FTE.

FEFP funding may also be adjusted as a result of subsequent FTE audits conducted by the Florida Auditor General pursuant to Section 1010.305, Florida Statutes, and Rule 6A-1.0453, Florida Administrative Code (FAC). Schools are required to maintain the following documentation for three years or until the completion of an FTE audit:

- Attendance and membership documentation (Rule 6A-1.044, FAC).
- Teacher certificates and other certification documentation (Rule 6A- 1.0503, FAC).
- Documentation for instructors teaching out-of-field (Rule 6A-1.0503, FAC).
- Procedural safeguards for weighted programs (Rule 6A-6.03411, FAC).
- Evaluation and planning documents for weighted programs (Section 1010.305, Florida Statutes, and Rule 6A-6.03411, FAC).

Academy at the Farm, Inc.
A Charter School and Component Unit of the
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NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The School receives Federal or state awards for the enhancement of various educational programs. This assistance is generally received based on applications submitted to and approved by various granting agencies. For Federal or state awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred.

The School receives state funds through the District under charter school capital outlay funding pursuant to Section 1013.62, Florida Statutes. Funds are based upon a capital outlay plan submitted to the District and are to be used for lease, rent or construction of school facilities. The School also receives funding through donations, fundraising efforts, and local property tax collections.

The School follows the policy of applying restricted resources prior to applying unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available.

12. Income Taxes

The School is exempt from Federal tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the accompanying financial statements. Additionally, no uncertain tax positions have been made requiring disclosure in the related note to financial statements. The School's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

13. Use of Estimates

In preparing the financial statements in conformity with generally accepted accounting principles in the United States (GAAP) management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the statement of net position and affect revenues and expenditures for the period presented. Actual results could differ from those estimates.

14. Subsequent Events

Management has evaluated all events subsequent to the balance sheet date and through the report date, which is the date these financial statements were available to be issued. Management determined there are no subsequent events which require disclosure.

Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE B - CASH DEPOSITS

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the School's deposits may not be returned to the School. The School does not have a custodial credit risk policy. All cash deposits are held in banks that qualify as public depositories under Florida law. All such deposits are insured by Federal depository insurance and/or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

NOTE C - DUE FROM OTHER AGENCIES

The Due From Other Agencies in the accompanying statement of net position and balance sheet – governmental funds represent FEFP funds and Charter School Capital Outlay funds due from the District. These receivables are considered to be fully collectible and as such, there is no allowance for uncollectible accounts accrued.

NOTE D - INVENTORY

The School maintains an annual periodic inventory for School merchandise for resale to students. Items on hand at June 30, 2025, are valued at cost.

NOTE E - CAPITAL ASSETS

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities				
Land	\$ 1,325,978	\$ -	\$ -	\$ 1,325,978
Construction in progress	597,875	15,911,178	-	16,509,053
Building and fixed equipment	4,743,928	146,167	-	4,890,095
Furniture, fixtures and equipment	412,345	74,372	-	486,717
Total capital assets	<u>7,080,126</u>	<u>16,131,717</u>	<u>-</u>	<u>23,211,843</u>
Less accumulated depreciation for				
Building and fixed equipment	(2,385,905)	(184,333)	-	(2,570,238)
Furniture, fixtures and equipment	(247,302)	(42,178)	-	(289,480)
Total accumulated depreciation	<u>(2,633,207)</u>	<u>(226,511)</u>	<u>-</u>	<u>(2,859,718)</u>
Governmental activities capital assets, net	<u>\$ 4,446,919</u>	<u>\$ 15,905,206</u>	<u>\$ -</u>	<u>\$ 20,352,125</u>

Depreciation expense was shown as unallocated on the Statement of Activities.

Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE F - NOTES PAYABLE

The School entered into a loan agreement in the amount up to \$7,700,000 in January 2025. The loan is secured by all parcels owned by the School. The loan is an interest-only loan during the draw period for the first eighteen months at 6.25%. Then principal and interest payments will assume based on the then loan balance with a 25-year amortization. The interest rate fixed for the first 60 months with a one-time rate reset to the 5-year Treasury Bill rate +2.50% for which will be fixed for the remainder of the term. The maturity date of the note is January 2035.

All long-term debt represents amounts to be repaid from governmental activities. As of June 30, 2025, amounts payable for future loan payable payments follows:

<u>Fiscal year ending June 30,:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ -	\$ 296,950	\$ 296,950
2027	81,464	294,653	376,117
2028	86,704	289,403	376,107
2029	92,281	283,826	376,107
2030	68,216	277,890	346,106
2031 - 2035	<u>4,422,535</u>	<u>1,166,220</u>	<u>5,588,755</u>
Total	<u>\$ 4,751,200</u>	<u>\$ 2,608,942</u>	<u>\$ 7,360,142</u>

NOTE G - CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due in One Year</u>
Governmental activities					
Notes payable	<u>\$ 3,511,186</u>	<u>\$ 4,751,200</u>	<u>\$ (3,511,186)</u>	<u>\$ 4,751,200</u>	<u>\$ -</u>
Total governmental activities	<u>\$ 3,511,186</u>	<u>\$ 4,751,200</u>	<u>\$ (3,511,186)</u>	<u>\$ 4,751,200</u>	<u>\$ -</u>

Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE H - SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the School's State revenue:

Source	Amount
Florida Education Finance Program	\$ 5,396,149
Categorical programs	
Class size reduction	740,304
School recognition	100,672
High school construction appropriation	12,730,165
Charter School Capital Outlay	471,541
Miscellaneous	9,971
Total state revenue	<u>\$ 19,448,802</u>

As provided in the charter school contract, the District has charged the School an administrative fee totaling \$36,715.

NOTE I - INTERFUND TRANSFERS

The School's Capital Projects Fund transferred \$252,158 to the Debt Service Fund for principal and interest payments owed on long-term debt. The amounts of interfund transfers are netted together and not reported on the statement of net position and the statement of activities.

NOTE J - RETIREMENT PLAN

The School adopted a 401(k) profit sharing plan for all employees on August 8, 2013, effective July 1, 2013. Contributions made by the School totaled \$316,197 for the year ended June 30, 2025, which was computed at 7% of employee compensation. Contributions are directed to individual employee's accounts, and the individual employees allocate contributions and account balances among various available investment choices, therefore, the School has no liability for the administration or payments of benefits of the plan, and accordingly, the present value of the related benefits is not reflected in these financial statements.

NOTE K - FUNDING AND CREDIT CONCENTRATIONS

The School receives substantially all of its support and revenue from Federal, state and local funding sources, passed through the District, in the form of performance and budget based contracts. Continuing operation of the School is greatly dependent upon the continued support of these governmental agencies.

Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

NOTES TO THE BASIC FINANCIAL STATEMENTS - CONTINUED

June 30, 2025

NOTE L - RISK MANAGEMENT PROGRAMS

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the School carries commercial insurance. There have been no significant reductions in insurance coverage and settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

The School is self-insured for health insurance. Under this arrangement, the School retains the risk of loss for medical claims. The plan is administered by a third-party administrator which processes claims and provides support. The School also purchased a stop-loss insurance policy in the amount of \$30,000 per person to limit its exposure to large individual or aggregate claims. The plan is accounted for in accordance with Generally Accepted Accounting Principles (GAAP) and GASB Statement No. 10, which requires the accrual of liabilities for both reported and incurred but not reported (IBNR) claims.

The liability for unpaid claims, including IBNR, is estimated based on historical claims data. As of June, 30, 2025 the liability for unpaid claims was approximately \$80,000.

NOTE M - COMMITMENTS AND CONTINGENT LIABILITIES

The School participates in state grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies, therefore, to the extent that the School has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivables at June 30, 2025, may be impaired.

In the opinion of the School, there are no significant liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

NOTE N - LEGAL MATTERS

In the normal course of conducting its operations, the School occasionally becomes party to various legal actions and proceedings. In the opinion of management, the ultimate resolution of such legal matters will not have a significant adverse effect on the accompanying financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND & SPECIAL REVENUE FUND

For the year ended June 30, 2025

	General Fund				Special Revenue Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues								
Intergovernmental								
Federal through State and Local	\$ -	\$ -	\$ -	\$ -	\$ 771,590	\$ 766,864	\$ 766,864	\$ -
State	6,243,931	6,237,125	6,237,125	-	-	-	-	-
Local and other	1,961,057	1,939,548	1,939,548	-	-	-	-	-
Total revenues	8,204,988	8,176,673	8,176,673	-	771,590	766,864	766,864	-
Expenditures								
Current - education								
Instruction	4,995,998	5,058,463	5,058,463	-	-	-	-	-
Student support services	45,363	45,549	45,549	-	-	-	-	-
Instructional staff training	47,907	34,379	34,379	-	-	-	-	-
Instructional related technology	369,836	405,521	405,521	-	-	-	-	-
Board	88,153	87,855	87,855	-	-	-	-	-
General administration	42,520	40,770	40,770	-	-	-	-	-
School administration	878,797	890,580	890,580	-	-	-	-	-
Fiscal services	231,009	215,439	215,439	-	-	-	-	-
Operation of plant	628,405	385,442	385,442	-	-	-	-	-
Maintenance of plant	242,626	196,681	196,681	-	-	-	-	-
Community service	1,228,611	1,044,210	1,044,210	-	-	-	-	-
Fixed capital outlay								
Other capital outlay	-	-	-	-	771,590	766,864	766,864	-
Total expenditures	8,799,225	8,404,889	8,404,889	-	771,590	766,864	766,864	-
Net change in fund balances	(594,237)	(228,216)	(228,216)	-	-	-	-	-
Fund balances, July 1, 2024	875,940	875,940	875,940	-	-	-	-	-
Fund balances, June 30, 2025	\$ 281,703	\$ 647,724	\$ 647,724	\$ -	\$ -	\$ -	\$ -	\$ -

See Independent Auditors' Report

Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2025

NOTE A - BUDGETARY BASIS OF ACCOUNTING

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., salaries and benefits, purchased services, materials and supplies and capital outlay) within each activity (e.g., instruction, pupil personnel services and school administration). Budgets may be amended by resolution at any Board meeting prior to the date for the annual report.

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*

Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida

June 30, 2025



RIVERO, GORDIMER & COMPANY, P.A.

Member
American Institute of Certified Public Accountants
Florida Institute of Certified Public Accountants

Herman V. Lazzara	Michael E. Helton
Sam A. Lazzara	James K. O'Connor
Kevin R. Bass	David M. Bohnsack
Jonathan E. Stein	Julie A. Davis
Stephen G. Douglas	Karl N. Swan
Marc D. Sasser, of Counsel	
Cesar J. Rivero, in Memoriam (1942-2017)	

**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
Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, 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, each major fund, and the aggregate remaining fund information of Academy at the Farm, Inc. (the "School"), a charter school and component unit of the District School Board of Pasco County, Florida, 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 September 12, 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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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 compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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*.

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.

Bureau, Indiner & Company, P.A.

Tampa, Florida
September 12, 2025

**MANAGEMENT LETTER AS REQUIRED BY CHAPTER 10.850
RULES OF THE AUDITOR GENERAL**

**Academy at the Farm, Inc.
A Charter School and Component Unit of the
District School Board of Pasco County, Florida**

June 30, 2025



RIVERO, GORDIMER & COMPANY, P.A.

Member

American Institute of Certified Public Accountants
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Sam A. Lazzara

Kevin R. Bass

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Marc D. Sasser, of Counsel

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MANAGEMENT LETTER AS REQUIRED BY CHAPTER 10.850, RULES OF THE AUDITOR GENERAL

Board of Directors

Academy at the Farm, Inc.

A Charter School and Component Unit of the

District School Board of Pasco County, Florida

Report on the Financial Statements

We have audited the financial statements of the Academy at the Farm, Inc. (the "School"), a charter school and component unit of the District School Board of Pasco County, Florida, as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated September 12, 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; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); 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*, Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance required by the Uniform Guidance, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated September 12, 2025, 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. There were no prior audit findings or recommendations.

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 Academy at the Farm, Inc., 514302.

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 conditions 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 review of financial information provided by 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 not have any such recommendations.

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 maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School maintained on its Web site 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 has occurred, or is likely to have occurred, that has 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.

During our audit, we became aware of a situation where the former Director approved additional salary payments to their spouse without obtaining the necessary approval from the Board. Although this incident did not occur during the fiscal year we audited, it was identified within the fiscal year under audit and was subsequently determined not to be material.

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, applicable management, and District School Board of Pasco County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

Buino, Gordinier & Company, P.A.

Tampa, Florida
September 12, 2025