8.1.1

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, 2026

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Academy at the Farm, Inc.
Dade City, 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 Academy at the Farm, Inc. (the School), a component unit of the Pasco County District School Board, as of and for the year ended June 30, 2026, 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, 2026, 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.

Moss, Krusick & Associates, LLC

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 the management's discussion and analysis and budgetary comparison information on pages 4 to 8 and 26 to 29 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 August 24, 2026, 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.

Moss, Krusick & Associates, LLC

Winter Park, Florida
August 24, 2026

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, 2026

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, 2026.

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

- The assets of the School exceeded its liabilities at the close of the most recent fiscal year by $14,936,784 (net position).

- As of the close of the current fiscal year, the School's governmental funds reported combined ending fund balances of $1,214,626.

- At the end of the current fiscal year, unassigned fund balance for the General Fund was $1,188,894.

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.

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 Other Governmental Funds 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, Capital Projects Fund, and Debt Service 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.

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, 2025	June 30, 2026	Increase (Decrease)
ASSETS			
Current and other assets	$ 3,657,873	$ 1,249,582	$ (2,408,291)
Capital assets, net	20,352,126	19,951,453	(400,673)
Total assets	24,009,999	21,201,035	(2,808,964)
LIABILITIES			
Current liabilities	4,470,164	34,956	(4,435,208)
Noncurrent liabilities	4,751,200	6,229,295	1,478,095
Total liabilities	9,221,364	6,264,251	(2,957,113)
NET POSITION			
Net investment in capital assets	11,262,554	13,722,158	2,459,604
Unrestricted	3,526,081	1,214,626	(2,311,455)
Total net position	$ 14,788,635	$ 14,936,784	$ 148,149

Current assets consist mainly of cash and cash equivalents (91%). Current and other assets as well as current liabilities decreased due to payment of capital projects during the year. Capital assets, net, decreased mainly due to depreciation expense. 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 $14,936,784 of which $1,214,626 is unrestricted.

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

	Operating Results for the Year		
	2025	2026	Increase (Decrease)
Revenues			
Federal through state and local	$ 766,864	$ 33,388	$ (733,476)
State	6,708,666	7,633,983	925,317
State appropriations - capital	12,730,165	654,959	(12,075,206)
Local and other	1,939,548	2,183,042	243,494
Total revenues	22,145,243	10,505,372	(11,639,871)
Expenses			
Instruction	5,058,463	5,686,005	627,542
Student support services	45,549	32,455	(13,094)
Instructional staff training	34,379	1,090	(33,289)
Instructional related technology	405,521	287,263	(118,258)
Board	87,855	93,119	5,264
General administration	40,770	37,300	(3,470)
School administration	890,580	968,894	78,314
Fiscal services	215,439	129,045	(86,394)
Operation of plant	604,825	629,905	25,080
Maintenance of plant	196,681	189,691	(6,990)
Community services	1,044,210	958,280	(85,930)
Debt service - interest	317,499	371,291	53,792
Unallocated depreciation	226,511	972,885	746,374
Total expenses	9,168,282	10,357,223	1,188,941
Increase/(decrease) in net position	$ 12,976,961	$ 148,149	$ (12,828,812)

The largest revenue source for the School is the State of Florida (79%). 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. State appropriations – capital has decrease by $12.1 million from the prior year due to the completion of construction projects during fiscal year 2026, with the majority of related costs incurred during fiscal year 2025.

The largest concentration of expenses is in Instruction related functions (58%) which remained consistent with the prior year. Unallocated depreciation increased by $746,000 from the prior year mainly due to depreciation of the high school building that was placed into service during the current year.

FINANCIAL ANALYSIS OF THE SCHOOL'S FUNDS

Governmental Funds

As the School completed the year, its governmental funds reported a combined fund balance of $1,214,626 of which $25,732 was unspendable.

BUDGETARY HIGHLIGHTS

The general fund, capital projects fund and debt service fund budgets for the fiscal year ended June 30, 2026, were developed based on the School's anticipated revenues and expenditures, the expected student population for the school year, and debt proceeds for the school year. Over the course of the year, the School revised the general fund, capital projects fund and debt service fund budgets several times. For the fiscal year ended June 30, 2026, 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, 2026, amounts to $19,951,453 (net of accumulated depreciation). This investment in capital assets includes land, buildings and fixed equipment, and furniture, fixtures, and equipment. Significant projects for the year ended June 30, 2026 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 its property loans, and fund various construction projects during the year. The loan amount is currently at $6.2 million after 2026 additional drawdowns of $1.7 million. 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, 2026

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 1,134,396
Accounts receivable	89,454
Inventory	25,732
Capital assets	
Land	1,325,978
Buildings and fixed equipment, net	18,109,077
Furniture, fixtures and equipment, net	516,398
Total capital assets	19,951,453
TOTAL ASSETS	21,201,035
LIABILITIES	
Salaries and benefits payable	32,210
Account payable	2,746
Noncurrent liabilities	
Notes payable due within one year	120,276
Notes payable due after one year	6,109,019
TOTAL LIABILITIES	6,264,251
NET POSITION	
Net investment in capital assets	13,722,158
Unrestricted	1,214,626
TOTAL NET POSITION	$ 14,936,784

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, 2026

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (expenses) revenue and changes net position: Governmental Activities
Government activities					
Instruction	$ 5,686,005	$ 1,034,903	$ 33,388	$ -	$ (4,617,714)
Student support services	32,455	-	-	-	(32,455)
Instructional staff training	1,090	-	-	-	(1,090)
Instructional related technology	287,263	-	-	-	(287,263)
Board	93,119	-	-	-	(93,119)
General administration	37,300	-	-	-	(37,300)
School administration	968,894	-	-	-	(968,894)
Fiscal services	129,045	-	-	-	(129,045)
Operation of plant	629,905	-	-	-	(629,905)
Maintenance of plant	189,691	-	-	-	(189,691)
Community services	958,280	-	-	-	(958,280)
Debt service - interest	371,291	-	-	576,818	205,527
Unallocated depreciation	972,885	-	-	-	(972,885)
Total governmental activities	$ 10,357,223	$ 1,034,903	$ 33,388	$ 576,818	$ (8,712,114)
General revenue					
State sources					7,057,165
State appropriations - capital					654,959
Local and other					1,148,139
Total general revenues					8,860,263
Change in net position					148,149
Net position - July 1, 2025					14,788,635
Net position - June 30, 2026					$ 14,936,784

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, 2026

	General Fund	Capital Projects Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalent	$ 1,134,396	$ -	$ -	$ -	$ 1,134,396
Accounts receivable	89,454	-	-	-	89,454
Inventory	25,732	-	-	-	25,732
TOTAL ASSETS	$ 1,249,582	$ -	$ -	$ -	$ 1,249,582
LIABILITIES					
Salaries and benefits payable	$ 32,210	$ -	$ -	$ -	$ 32,210
Accounts payable	2,746	-	-	-	2,746
Total liabilities	34,956	-	-	-	34,956
FUND BALANCES					
Nonspendable	25,732	-	-	-	25,732
Unassigned	1,188,894	-	-	-	1,188,894
Total fund balances	1,214,626	-	-	-	1,214,626
TOTAL LIABILITIES AND FUND BALANCES	$ 1,249,582	$ -	$ -	$ -	$ 1,249,582

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, 2026

Total fund balances - governmental funds	$	1,214,626
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.		19,951,453
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		(6,229,295)
Total net position - governmental activities	$	14,936,784

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, 2026

	General Fund	Capital Projects Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Federal through state and local	$ -	$ -	$ -	$ 33,388	$ 33,388
State	7,057,165	1,231,777	-	-	8,288,942
Local and other	2,183,042	-	-	-	2,183,042
Total revenues	9,240,207	1,231,777	-	33,388	10,505,372
Current - education					
Instruction	5,686,005	-	-	-	5,686,005
Student support services	32,455	-	-	-	32,455
Instructional staff training	1,090	-	-	-	1,090
Instructional related technology	287,263	-	-	-	287,263
Board	93,119	-	-	-	93,119
General administration	37,300	-	-	-	37,300
School administration	968,894	-	-	-	968,894
Fiscal services	129,045	-	-	-	129,045
Operation of plant	629,905	-	-	-	629,905
Maintenance of plant	167,921	21,770	-	-	189,691
Community services	930,212	-	-	28,068	958,280
Fixed capital outlay					
Facilities acquisition and construction	-	1,823,104	-	-	1,823,104
Other capital outlay	-	482,977	-	-	482,977
Debt service					
Interest	-	-	371,291	-	371,291
Total expenditures	8,963,209	2,327,851	371,291	28,068	11,690,419
Excess/(deficiency) of revenues Over expenditures	276,998	(1,096,074)	(371,291)	5,320	(1,185,047)
Other financing sources (uses)					
Transfers in/(out)	289,904	822,220	(1,106,804)	(5,320)	-
Loan proceeds	-	-	1,478,095	-	1,478,095
Total other financing sources (uses)	289,904	822,220	371,291	(5,320)	1,478,095
Net changes in fund balances	566,902	(273,854)	-	-	293,048
Fund balances, July 1, 2025	647,724	273,854	-	-	921,578
Fund balances, June 30, 2026	$ 1,214,626	$ -	$ -	$ -	$ 1,214,626

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 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITES

For the year ended June 30, 2026

Net change in fund balances - governmental funds		$ 293,048
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	572,213	
Depreciation expense	(972,885)	(400,672)
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 payable prior year-end and paid in current year.		1,733,868
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.		(1,478,095)
Change in net position - governmental activities		$ 148,149

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, 2026

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.

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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

2. Basis of Presentation - Continued

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.

- Other Governmental Funds - 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.

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.

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, 2026

NOTE A- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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:

Description	Estimated Lives
Building and fixed equipment	7 - 40 Years
Furniture, fixtures and equipment	3 - 7 Years

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

6. 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.

7. 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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

7. Deferred Outflows/Inflows of Resources - Continued

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.

8. 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.

- *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

GASS 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.

NOTE A- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

9. 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.

10. 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, 2026, the School reported 863.47 unweighted and 897.5359 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).

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

10. Revenue Sources - 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.

11. 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.

12. 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.

13. Recent Accounting Pronouncements

Accounting Pronouncements Implemented

GASB issued several pronouncements that have effective dates that may impact the current year financial statements. Listed below are the pronouncements that have been implemented during the fiscal year ended June 30, 2026. The adoption of the following standards had no significant impact on the School's financial statements:

a. GASB issued Statement No. 103, *Financial Reporting Model Improvements*, in April 2024. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The provisions for GASB 103 were effective for fiscal years beginning after June 15, 2025.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

13. Recent Accounting Pronouncements - Continued

Accounting Pronouncements Implemented - Continued

b. GASB issued Statement No. 104, Disclosure of Certain Capital Assets, in September 2024. GASB 104 enhances transparency by requiring separate disclosures of specific types of capital assets in the notes to financial statements. These include lease assets (GASB 87), intangible right-to-use assets (GASB 94), subscription-based IT assets (GASB 96), and other intangible assets, all disclosed by major class. Additionally, GASB 104 introduces disclosure requirements for capital assets held for sale - defined as assets the government has decided to sell and for which it is probable the sale will be finalized within one year of the financial statement date. Governments must disclose the historical cost, accumulated depreciation, and any related debt for which such assets are pledged as collateral. The provisions of GASB 104 were effective for fiscal years beginning after June 15, 2025.

New GASB Pronouncements

GASB issued Statement No. 105, *Subsequent Events*, in December 2025. GASB 105 enhances consistency in financial reporting by clarifying the requirements for accounting for and disclosing subsequent events. The Statement defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. It also clarifies the distinction between recognized and nonrecognized subsequent events and establishes specific disclosure requirements for nonrecognized events. Governments are required to disclose the date through which subsequent events have been evaluated. The provisions of GASB 105 are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter. Earlier application is encouraged.

14. Subsequent Events

During July 2026, the School made the final draw of $247,452 on the loan used to fund capital projects. See Note F for additional information regarding this note payable.

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 on August 24, 2026. Management determined there are no additional subsequent events which require disclosure.

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, 2026, 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	16,509,053	40,053	(16,549,106)	-
Building and fixed equipment	4,890,095	16,598,289	-	21,488,384
Furniture, fixtures and equipment	486,717	482,977	(5,248)	964,446
Total capital assets	23,211,843	17,121,319	(16,554,354)	23,778,808
Less accumulated depreciation for				
Building and fixed equipment	(2,570,238)	(809,069)	-	(3,379,307)
Furniture, fixtures and equipment	(289,480)	(163,816)	5,248	(448,048)
Total accumulated depreciation	(2,859,718)	(972,885)	5,248	(3,827,355)
Governmental activities capital assets, net	$ 20,352,125	$ 16,148,434	$ (16,549,106)	$ 19,951,453

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

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 begin August 2026 based on the loan balance at this time 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 plus 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, 2026, amounts payable for future loan payable payments follows.

Fiscal year ending June 30:	Principal	Interest	Total
2027	$ 120,276	$ 386,231	$ 506,507
2028	139,291	377,868	517,159
2029	148,250	368,909	517,159
2030	157,786	359,373	517,159
2031	167,935	349,224	517,159
2032- 2035	5,495,757	1,157,645	6,653,402
Total	6,229,295	2,999,250	9,228,545

NOTE G - CHANGES IN LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Deletions	Ending Balance	Due in One Year
Governmental activities					
Notes payable	$ 4,751,200	$ 1,849,386	$ (371,291)	$ 6,229,295	$ 120,276
Total governmental activities	$ 4,751,200	$ 1,849,386	$ (371,291)	$ 6,229,295	$ 120,276

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, 2026

NOTE H - SCHEDULE OF STATE REVENUE SOURCES

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

Source	Amount
Florida Education Finance Program	$ 6,156,339
Categorized programs	
Class size reduction	836,846
School recognition	63,980
High school construction appropriation	654,959
Charter School Capital Outlay	576,818
Total state revenue	$ 8,288,942

As provided in the charter school contract, the District has charged the School an administrative fee totaling $37,300.

NOTE I - INTERFUND TRANSFERS

The School's Debt Service Fund transferred $822,220 to the Capital Projects Fund for facilities acquisition and construction costs. 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 $326,660 for the year ended June 30, 2026, 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
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NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2026

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 GASS 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, 2026 the liability for unpaid claims was approximately $5,953.

NOTE M - COMMITMENTS AND CONTINGENT LIABILITIES

The School participates in state grant programs, which are governed by various rules and regulations of the granter agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the granter 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, 2026, 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

For the year ended June 30, 2026

	General Fund				
	Original Budget	Final Budget	Variance with Original Budget - Positive (Negative)	Actual	Variance with Final Budget - Positive (Negative)
Revenues					
Federal through State and Local	$ -	$ -	$ -	$ -	$ -
State	7,142,319	7,057,165	(85,154)	7,057,165	-
Local and other	1,990,483	2,183,042	192,559	2,183,042	-
Total revenues	9,132,802	9,240,207	107,405	9,240,207	-
Expenditures					
Current - education					
Instruction	5,712,323	5,686,005	26,318	5,686,005	-
Student support services	32,605	32,455	150	32,455	-
Instructional staff training	1,095	1,090	5	1,090	-
Instructional related technology	288,593	287,263	1,330	287,263	-
Board	93,550	93,119	431	93,119	-
General administration	37,473	37,300	173	37,300	-
School administration	973,379	968,894	4,485	968,894	-
Fiscal services	129,642	129,045	597	129,045	-
Operation of plant	632,821	629,905	2,916	629,905	-
Maintenance of plant	168,698	167,921	777	167,921	-
Community services	934,517	930,212	4,305	930,212	-
	9,004,696	8,963,209	41,487	8,963,209	-
Excess/(deficiency) of revenues Over expenditures	128,106	276,998	148,892	276,998	-
Other financing sources (uses)					
Transfers in/(out)	-	289,904	289,904	289,904	-
Total other financing sources (uses)	-	289,904	289,904	289,904	-
Net change in fund balance	128,106	566,902	438,796	566,902	-
Fund balance, July 1, 2025	647,724	647,724	-	647,724	-
Fund balance, July 30, 2026	$ 775,830	$ 1,214,626	$ 438,796	$ 1,214,626	$ -

Academy at the Farm, Inc.
A Charter School and Component Unit of the
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REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - CAPITAL PROJECTS FUND

For the year ended June 30, 2026

	Capital Projects Fund				
	Original Budget	Final Budget	Variance with Original Budget - Positive (Negative)	Actual	Variance with Final Budget - Positive (Negative)
Revenues					
State	$ 576,818	$ 1,231,777	$ 654,959	$ 1,231,777	$ -
Total revenues	576,818	1,231,777	654,959	1,231,777	-
Expenditures					
Current - education					
Maintenance of plant	569	21,770	(21,201)	21,770	-
Fixed capital outlay					
Facilities acquisition and construction	47,617	1,823,104	(1,775,487)	1,823,104	-
Other capital outlay	12,615	482,977	(470,362)	482,977	-
	60,801	2,327,851	(2,267,050)	2,327,851	-
Excess/(deficiency) of revenues Over expenditures	516,017	(1,096,074)	(1,612,091)	(1,096,074)	-
Other financing sources (uses)					
Transfers in/(out)	-	822,220	822,220	822,220	
Total other financing sources (uses)	-	822,220	822,220	822,220	-
Net change in fund balance	516,017	(273,854)	(789,871)	(273,854)	-
Fund balance, July 1, 2025	273,854	273,854	-	273,854	-
Fund balance, July 30, 2026	$ 789,871	$ -	$ (789,871)	$ -	$ -

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 - DEBT SERVICE FUND

For the year ended June 30, 2026

	Debt Service Fund				
	Original Budget	Final Budget	Variance with Original Budget - Positive (Negative)	Actual	Variance with Final Budget - Positive (Negative)
Revenues					
Federal through State and Local	$ -	$ -	$ -	$ -	$ -
State	-	-	-	-	-
Local and other	-	-	-	-	-
Total revenues	-	-	-	-	-
Expenditures					
Debt service					
Interest	510,000	371,291	138,709	371,291	-
	510,000	371,291	138,709	371,291	-
Excess/(deficiency) of revenues Over expenditures	(510,000)	(371,291)	138,709	(371,291)	-
Other financing sources (uses)					
Transfers in/(out)	-	(1,106,804)	(1,106,804)	(1,106,804)	
Loan proceeds	-	1,478,095	1,478,095	1,478,095	
Total other financing sources (uses)	-	371,291	371,291	371,291	-
Net change in fund balance	(510,000)	-	510,000	-	-
Fund balance, July 1, 2025	-	-	-	-	-
Fund balance, July 30, 2026	$ (510,000)	$ -	$ 510,000	$ -	$ -

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, 2026

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.

NOTE B – SIGNIFICANT VARIANCES

Significant variances between the original and final budgets for the year ended June 30, 2026, are as follows:

- General Fund: The final budget included approximately $193,000 of additional local and other revenues and a $290,000 transfer compared to the original budget. The increase in available resources resulted in an increase in the projected ending fund balance of approximately $439,000.

- Capital Projects Fund: State revenues increased by approximately $655,000 due to additional state appropriations received during the fiscal year. Capital expenditures increased by approximately $2.3 million, primarily related to facilities acquisition, construction and other capital outlays associated with the School's construction projects. These expenditures were funded through additional state revenues and transfers into the Capital Projects Fund.

- Debt Service Fund: Interest expense was approximately $139,000 lower than originally budgeted due to lower-than-anticipated interest costs. The final budget was also amended to reflect approximately $1.1 million of transfers out and $1.5 million of loan proceeds related to the School's debt financing activities.

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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 of
Academy at the Farm, Inc.
Dade City, 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 Academy at the Farm, Inc. (the "School"), which is a component unit of the School Board of Pasco County, Florida, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated August 24, 2026.

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 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*.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moss, Krusick & Associates, LLC

Winter Park, Florida
August 24, 2026

MKA
CERTIFIED PUBLIC ACCOUNTANTS

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To the Board of Directors of
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"), which is a component unit of The School Board of Pasco County, Florida, as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated August 24, 2026.

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 August 24, 2026, 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. In connection with our audit, the School did not have prior year findings.

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 is *The Academy at the Farm, Inc.* (514302), which is a component unit of The School Board of Pasco County, Florida.

Moss, Krusick & Associates, LLC

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 Academy at the Farm, Inc. 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 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.

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, Academy at the Farm, Inc.'s management, The School Board of Pasco County, Florida, the Board of Directors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Moss, Krusick & Associates, LLC

Winter Park, Florida
August 24, 2026

MANAGEMENT FINDINGS, RECOMMENDATIONS AND RESPONSES

For the year ended June 30, 2026, there are no management findings, recommendations or responses.