

**PHOENIX ACADEMIES OF EXCELLENCE, INC.  
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**

**A CHARTER SCHOOL AND COMPONENT UNIT OF  
THE DISTRICT SCHOOL BOARD OF  
MIAMI-DADE COUNTY, FLORIDA**

**FINANCIAL STATEMENTS WITH INDEPENDENT  
AUDITORS' REPORTS THEREON**

**YEAR ENDED JUNE 30, 2022**

# PHOENIX ACADEMIES OF EXCELLENCE, INC. D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL

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# *S.L Gardner & Company, P.A.*

*Certified Public Accountants*

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Phoenix Academies of Excellence, Inc.  
D/B/A Phoenix Academy of Excellence Central  
Miami, Florida

### **Opinion**

We have audited the accompanying financial statements of the governmental activities and each major fund of Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central (Academy), which is a component unit of the Miami-Dade County District School Board, Miami, Florida as of, and for the year ended June 30, 2022, which comprises the Charter School's basic financial statements as listed in the table of contents for the year then ended, and the related notes to the financial statements.

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 Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central as of June 30, 2022, and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central 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 opinion.

### **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 Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **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 auditors' report that includes our opinion. 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 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, including omissions, 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.

## INDEPENDENT AUDITORS' REPORT (continued)

### Auditor's Responsibilities for the Audit of the Financial Statements (continued)

In performing an audit in accordance with generally accepted 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 Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central'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 Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central'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.

### Other Matters- Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule on pages 3-8 and 26-27 be presented to supplement the basic financial statements. Such information, 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 September 14, 2022, on our consideration of the Charter School's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*S.L. Gardner & Company P.A.*

S.L. Gardner & Company P.A.  
Miramar, Florida  
September 14, 2022

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022**

Our discussion and analysis of the Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central’s (“Academy”) financial program provides an overview of the Academy’s financial activities for the year ended June 30, 2022.

Because the information contained in this discussion is intended to highlight significant transactions, it should be read in conjunction with the Academy’s financial statements which begin on page 9.

For financial statement purposes, the Academy is considered a component unit of the District School Board of Miami-Dade County, Florida, which is a primary government entity for financial reporting. The Academy has included separate statements for the Balance Sheet of Governmental Funds and the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds. The Fund Financial Statements reflect financing activities of the Academy by providing information on inflows and outflows of spendable resources, while the Statement of Net Position and the Statement of Activities provide information on the activities of the Academy.

Some financial highlights include:

The Academy’s expenses exceeded revenues by \$47,999 decreasing its total net position  
The Academy’s total assets did not exceed its liabilities by \$12,191 resulting in a negative net position

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

### ***Government-wide Financial Statements***

The government-wide financial statements are designed to provide readers with a broad overview of the Academy’s financial position. Included in these statements are all assets and liabilities using the accrual method of accounting. All of the current year’s revenues and expenses are recorded when incurred.

The Statement of Net Position presents information on all of the Academy’s assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Academy is improving or deteriorating.

The Statement of Activities presents information showing how the government’s net position changed during the most recent fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022**

**OVERVIEW OF THE FINANCIAL STATEMENTS (continued)**

***Fund Financial Statements***

A Fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School only has one category of funds – governmental funds.

Governmental Funds - All of the Academy’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Academy’s governmental activities and the basic services it provides.

***Notes to the Financial Statements***

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages 16-24 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of the Academy’s financial position. The following table presents an analysis of the condensed government-wide statements of net position:

**CONDENSED STATEMENT OF NET POSITION**

|   | Net Position<br>June 30, 2022 | Net Position<br>June 30, 2021 | Variance           |
|---|-------------------------------|-------------------------------|--------------------|
| Current assets                                  | \$ 7,258                      | \$ 37,801                     | \$ (30,543)        |
| Noncurrent assets                               |                               |                               |                    |
| Capital assets, net of depreciation             | 1,251                         | 1,507                         | (256)              |
| Total assets                                    | <u>\$ 8,509</u>               | <u>\$ 39,308</u>              | <u>\$ (30,799)</u> |
| Current liabilities                             | <u>\$ 20,700</u>              | <u>\$ 3,500</u>               | <u>\$ 17,200</u>   |
| Net Position                                    |                               |                               |                    |
| Invested in capital assets, Net of Related Debt | \$ 1,251                      | \$ 1,507                      | \$ (256)           |
| Unrestricted                                    | <u>(13,442)</u>               | <u>34,301</u>                 | <u>(47,743)</u>    |
| Total Net Position                              | <u>\$ (12,191)</u>            | <u>\$ 35,808</u>              | <u>\$ (47,999)</u> |
| Total Liabilities and Net Position              | <u>\$ 8,509</u>               | <u>\$ 39,308</u>              | <u>\$ (30,799)</u> |

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (cont.)**

The Charter School reported a negative net position for the year of (\$12,191). The Charter School's net position also reflects its investment in capital assets (e.g., Leased property, computers, furniture, fixtures, and equipment). The Charter School uses its capital assets to provide services to students. Consequently, these assets are not available for future spending. Resources that are subject to external restrictions on how they may be used are classified as restricted assets. As of June 30, 2022, the Charter school had no restricted assets. The remaining unrestricted balance may be used in any of the Charter School's ongoing operations.

The following table presents information on the condensed government-wide statements of changes in net position:

**CONDENSED STATEMENT OF CHANGES IN NET POSITION**

|  | <u>2022</u>        | <u>2021</u>      | <u>Variance</u>    |
|--|--------------------|------------------|--------------------|
| Revenues:                                |                    |                  |                    |
| School Board of Miami- Dade County - FTE | \$ 113,279         | \$ 168,989       | \$ (55,710)        |
| Program revenues:                        |                    |                  |                    |
| Operating grants and contributions       | 38,913             | 34,063           | 4,850              |
| Capital Grants and Contributions         | 10,314             |                  |                    |
| Miscellaneous                            | -                  | 231              | (231)              |
| Total revenues                           | <u>162,506</u>     | <u>203,283</u>   | <u>(40,777)</u>    |
| Expenses:                                |                    |                  |                    |
| Instruction                              | 72,673             | 99,843           | (27,170)           |
| Pupil personnel services                 | 11,050             | 8,941            | 2,109              |
| School Board                             | -                  | 5,000            | (5,000)            |
| General administration                   | 5,664              | 8,272            | (2,608)            |
| School administration                    | 49,699             | 27,161           | 22,538             |
| Fiscal services                          | 17,624             | 14,315           | 3,309              |
| Food services                            | 3,289              | 8,616            | (5,327)            |
| Pupil transportation services            | 1,557              | 300              | 1,257              |
| Operation of plant                       | 48,693             | 41,566           | 7,127              |
| Unallocated depreciation expense         | 256                | 256              | -                  |
| Total expenses                           | <u>210,505</u>     | <u>214,270</u>   | <u>(3,765)</u>     |
| Change in Net Position                   | (47,999)           | (10,987)         | (37,012)           |
| Net Position - July 1,                   | <u>35,808</u>      | <u>46,795</u>    | <u>(10,987)</u>    |
| Net Position - June 30,                  | <u>\$ (12,191)</u> | <u>\$ 35,808</u> | <u>\$ (47,999)</u> |

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022**

**Government-wide Financial Analysis - Continued**

- At the end of the fiscal year there were 16 students in grades 6<sup>th</sup> through 8<sup>th</sup> grade. Revenues are based on the amount received per student from the State through the School Board of Miami-Dade County.
- Expenses for instruction are the result of teachers' salaries and related benefits, and also materials and supplies that directly impact student learning.
- School administration is due primarily to administrator and other administrative personnel related benefits as well as administrative costs.
- Expense for pupil transportation services is due to the transportation of students to and from school.
- Operation of plant expenses consists of utilities, communications, insurance costs, support personnel and related benefits.

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

**Financial Analysis of the Charter School's Funds**

As noted earlier, the Charter School uses fund accounting to maintain control over resources that have been segregated for specific activities or objectives. The focus of the Charter School's governmental funds is to provide information on near-term inflows, outflows and spendable resources. Such information is useful in assessing the Charter School's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Charter School's net resources available for spending at the end of the fiscal year.

At the end of fiscal year 2022 the Charter School's governmental fund reported a positive ending fund balance of \$2,513

**Capital Assets and Debt Administration**

The Academy's investment in capital assets at June 30, 2022, was \$1,251. This amount is net of accumulated depreciation of \$542. There were no Capital assets additions in the current year.



**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022**

**Budgetary Highlights**

Prior to the start of the School's fiscal year, the Board of directors of the School adopted an annual budget. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with the School's budget. Budget to actual comparisons for fiscal year 2022 are presented on Page 26.

The general fund budget for the fiscal year ended June 30, 2022, was developed based on the School's anticipated revenues and expenditures and the expected student population for the school year. Over the course of the year, the school revised its general fund several times. Refer to the Budgetary Comparison Schedule for additional information.

**Economic Factors and Next Year's Budget**

The following economic indicators were taken into account when adopting the general fund budget for fiscal year 2022-23:

1. Student membership and FEFP funding per pupil
2. Cost of goods and services
3. Competitive employee compensation

During fiscal year 2022, the Charter School experienced a decrease in its net position. The major contributing factor was due to a decrease in the student population. Furthermore, next year's budget can be affected by student population as well as grants received. FEFP funding per student will increase by approximately 1.2% in FY 2023 as compared to FY 2022, excluding teacher salary increase allocation. Capital outlay revenues are expected to remain the same. In addition, the current rising costs in transportation due to inflation has been considered. All these factors were considered in preparing the FY 2023 budget. Prior to the start of the school's fiscal year, the Board of directors of the School adopted an annual budget. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with the school's budget. Budget to actual comparisons for fiscal year 2022 are presented on Page 26.

The general fund budget for the fiscal year ended June 30, 2022, was developed based on the school's anticipated revenues and expenditures and the expected student population for the school year. Over the course of the year, the school revised its general fund several times.

Refer to the Budgetary Comparison Schedule for additional information

**PHOENIX ACADEMIES OF EXCELLENCE, INC.  
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2022**

**School Enrollment**

During the fiscal year June 30, 2022, the grade levels at the Charter School ranged from Grade 6<sup>th</sup> through Grade 8<sup>th</sup>, with a total enrollment of 16 students.

**Requests for Information**

This financial report is designed to provide a general overview of the Academy's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central, 7900 Northwest 27th Avenue, Suite F-1, Miami, Florida 33147.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

|  | <b>Governmental<br/>Activities</b> |
|--|------------------------------------|
| <b><u>Assets</u></b>                                     |                                    |
| <b><u>Current assets</u></b>                             |                                    |
| Cash   | \$ 3,052                           |
| Accounts receivable                                      | 1,238                              |
| Deposits   | 2,968                              |
| <b>Total current assets</b>                              | <b>7,258</b>                       |
| <br><b><u>Capital Assets</u></b>                         |                                    |
| Furniture and equipment- net of accumulated depreciation | 1,251                              |
| <b>Total Capital Assets</b>                              | <b>1,251</b>                       |
| <b>Total Assets</b>                                      | <b>\$ 8,509</b>                    |
| <br><b><u>Liabilities</u></b>                            |                                    |
| <b><u>Current liabilities</u></b>                        |                                    |
| Salaries and wages payable                               | \$ 2,385                           |
| Accounts payable   | 2,360                              |
| Due to affiliated organization                           | 15,955                             |
| <b>Total current liabilities</b>                         | <b>20,700</b>                      |
| <br><b><u>Net Position</u></b>                           |                                    |
| Invested in capital assets, Net of related debt          | 1,251.0                            |
| Unrestricted   | (13,442.0)                         |
| <b>Total Net Position</b>                                | <b>(12,191)</b>                    |
| <b>Total Liabilities and Net Position</b>                | <b>\$ 8,509</b>                    |

The accompanying notes are an integral part of these basic financial statements.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**STATEMENT OF ACTIVITIES**  
**JUNE 30, 2022**

|  | Program Revenues  |                         |  |   |   |
|--|-------------------|-------------------------|--|---|---|
|  | Expenses          | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants<br>and<br>Contributions | Net Revenues<br>(Expenses) and<br>Change in<br>Net Position |
| Governmental activities                  |                   |                         |  |   |   |
| Instruction                              | \$ 72,673         | \$ -                    | \$ 38,913                                | \$ -                                      | \$ (33,760)   |
| Pupil personnel services                 | 11,050            | -                       | -  | -   | (11,050)  |
| General administration                   | 5,664             | -                       | -  | -   | (5,664)   |
| School administration                    | 49,699            | -                       | -  | -   | (49,699)  |
| Fiscal services                          | 17,624            | -                       | -  | -   | (17,624)  |
| Food services                            | 3,289             | -                       | -  | -   | (3,289)   |
| Pupil transportation services            | 1,557             | -                       | -  | -   | (1,557)   |
| Operation of plant                       | 48,693            | -                       | -  | 10,314                                    | (38,379)  |
| Unallocated depreciation expense         | 256               | -                       | -  | -   | (256)   |
|  | <u>\$ 210,505</u> | <u>\$ -</u>             | <u>\$ 38,913</u>                         | <u>\$ 10,314</u>                          | <u>\$ (161,278)</u>   |
| General revenues:                        |                   |                         |  |   |   |
|  |                   |                         |  |   | 113,279   |
| School Board of Miami- Dade County - FTE |                   |                         |  |   |   |
| Total general revenues                   |                   |                         |  |   | 113,279   |
| Change in net position                   |                   |                         |  |   | (47,999)  |
| Net position - July 1, 2021              |                   |                         |  |   | 35,808  |
| Net position - June 30, 2022             |                   |                         |  |   | \$ (12,191)   |

The accompanying notes are an integral part of these basic financial statements.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**A CHARTER SCHOOL AND COMPONENT UNIT OF THE MIAMI-DADE**  
**COUNTY DISTRICT SCHOOL BOARD**  
**FUND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**BALANCE SHEET- GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**

|  | <u>General<br/>Fund</u> | <u>Grant<br/>Fund</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|--|-------------------------|-----------------------|---|
| <b>ASSETS</b>                            |                         |                       |   |
| Cash                                     | \$ 3,052                | \$ -                  | \$ 3,052                                |
| Accounts receivable                      | 1,238                   |                       | 1,238                                   |
| Deposits                                 | 2,968                   | -                     | 2,968                                   |
|  | <u>7,258</u>            | <u>-</u>              | <u>7,258</u>                            |
| Total Assets                             | <u>\$ 7,258</u>         | <u>\$ -</u>           | <u>\$ 7,258</u>                         |
| <br><b>LIABILITIES AND FUND BALANCES</b> |                         |                       |   |
| Liabilities:                             |                         |                       |   |
| Accounts payable                         | \$ 2,360                | \$ -                  | \$ 2,360                                |
| Salaries and wages payable               | 2,385                   | -                     | 2,385                                   |
|  | <u>4,745</u>            | <u>-</u>              | <u>4,745</u>                            |
| Fund Balances:                           |                         |                       |   |
| Restricted                               |                         |                       |   |
| Capital outlay                           | 1,238                   | -                     | 1,238                                   |
| Nonspendable:                            |                         |                       |   |
| Deposits                                 | 2,968                   | -                     | 2,968                                   |
| Unassigned                               | <u>(1,693)</u>          | <u>-</u>              | <u>(1,693)</u>                          |
|  | <u>2,513</u>            | <u>-</u>              | <u>2,513</u>                            |
| Total fund balances                      | <u>2,513</u>            | <u>-</u>              | <u>2,513</u>                            |
|  | <u>\$ 7,258</u>         | <u>\$ -</u>           | <u>\$ 7,258</u>                         |
| Total Liabilities and Fund Balances      | <u>\$ 7,258</u>         | <u>\$ -</u>           | <u>\$ 7,258</u>                         |

The accompanying notes are an integral part of these basic financial statements.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**RECONCILIATION OF GOVERNMENTAL FUNDS**  
**BALANCE SHEET TO THE STATEMENT OF NET POSISTION**  
**JUNE 30, 2022**

|  |    | <u><b>2022</b></u> |          |
|--|----|--------------------|----------|
| Total fund balances- Governmental Funds  | \$ | 2,513              |          |
| <p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>                    |    |                    |          |
| <p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p> |    |                    |          |
| Cost of capital assets   |    | 1,793              |          |
| Accumulated depreciation   |    | <u>(542)</u>       | 1,251    |
| <p>Long-term are not due and payable in the current period and therefore are not reported in the governmental funds</p>        |    |                    |          |
| Loan from affiliated organization  |    |                    | (15,955) |
| Total Net Position - Governmental Activities   | \$ | <u>(12,191)</u>    |          |

The accompanying notes are an integral part of these basic financial statements.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**

|   | General<br>Fund | Grant<br>Fund | Total<br>Governmental<br>Funds |
|---|-----------------|---------------|--------------------------------|
| <b>Revenues</b>                                       |                 |               |                                |
| Miami-Dade County Public Schools                      | \$ 113,279      | \$ -          | \$ 113,279                     |
| Operating grants and contributions                    | -               | 38,913        | 38,913                         |
| Capital outlay and other contributions                | 10,314          | -             | 10,314                         |
| <b>Total revenues</b>                                 | <b>123,593</b>  | <b>38,913</b> | <b>162,506</b>                 |
| <b>Expenditures</b>                                   |                 |               |                                |
| Instruction   | 47,944          | 24,729        | 72,673                         |
| Pupil personnel services                              | 11,050          | -             | 11,050                         |
| General administration                                | 5,664           | -             | 5,664                          |
| School administration                                 | 49,699          | -             | 49,699                         |
| Fiscal services                                       | 17,624          | -             | 17,624                         |
| Food services   | -               | 3,289         | 3,289                          |
| Pupil transportation services                         | 1,557           | -             | 1,557                          |
| Operation of plant                                    | 37,798          | 10,895        | 48,693                         |
| <b>Total current expenditure</b>                      | <b>171,336</b>  | <b>38,913</b> | <b>210,249</b>                 |
| <b>Excess (deficit) of revenues over expenditures</b> | <b>(47,743)</b> | <b>-</b>      | <b>(47,743)</b>                |
| <b>Other Financing Sources (Uses)</b>                 |                 |               |                                |
| Proceeds from affiliated organization                 | 15,955          | -             | 15,955                         |
| <b>Total other financing sources (Uses)</b>           | <b>15,955</b>   | <b>-</b>      | <b>15,955</b>                  |
| <b>Net Changes in Fund Balances (Deficit)</b>         | <b>(31,788)</b> | <b>-</b>      | <b>(31,788)</b>                |
| Fund balance - July 1, 2021                           | 34,301          | -             | 34,301                         |
| <b>Fund balance - June 30, 2022</b>                   | <b>\$ 2,513</b> | <b>\$ -</b>   | <b>\$ 2,513</b>                |

The accompanying notes are an integral part of these basic financial statements.



**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**RECONCILIATION OF THE STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**JUNE 30, 2022**

|   |    | <u>2022</u>     |       |
|---|----|-----------------|-------|
| Total net changes in fund balance - Governmental Funds  | \$ | (47,743)        |       |
| <p>Amounts reported for governmental activities in the statement of Net Position are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.</p> |    |                 |       |
| Cost of capital assets purchased  |    | -               |       |
| Provision for depreciation  |    | (256)           | (256) |
|   |    | <u>(256)</u>    |       |
| Change in Net Position of Governmental Activities   | \$ | <u>(47,999)</u> |       |

The accompanying notes are an integral part of these basic financial statements.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting entity**

Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central (the “Academy”) operates as a Charter School pursuant to a Charter School Contract (“the Contract”) with the District School Board of Miami- Dade County, Florida (“the District”). Under the Contract, the Academy provides high school education to children who reside in Miami-Dade County. The governing body of the Academy is the Board of Directors, which is composed of four (4) members.

The Academy is a non-profit organization and is tax exempt under Section 501(c)(3) of the Internal Revenue Code.

The general operating authority of the Academy is contained in Section 1002.33, Florida Statutes. The current charter is effective until June 30, 2024. The charter may be renewed as provided in Section 1002.33, Florida Statutes, upon mutual consent of the parties and execution of a written renewal. 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 which case the District is required to notify the Academy 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.

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

**Government-wide and fund financial statements**

The government-wide financial statements consist of a statement of net position and a statement of activities. These statements report information on all of the non-fiduciary activities of the Academy. The effects of interfund activities have been removed from the Govt.-wide financial statements. Both statements report only governmental activities as the Academy does not engage in any business type activities.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Government-wide and fund financial statements (continued)**

Net position, the difference between assets and liabilities, as presented in the statement of net position, are subdivided into three categories: amounts invested in capital assets, restricted net position; and unrestricted net position. Net position are reported as restricted when constraints are imposed on the use of the amounts either externally by creditors, grantors, contributors, or laws or regulations of other governments, or enabling legislation.

The statement of activities presents a comparison between the direct and indirect expenses of a given function and its program revenues and displays the extent to which each function contributes to the change in net position for the fiscal year. Direct expenses are those that are clearly identifiable to a specific function. Indirect expenses are costs the Academy has allocated to various functions. Program revenues consist of charges for services, operating grants and contributions, and capital grants and contributions. Charges for services refer to amounts received from those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. Grants and contributions consist of revenues that are restricted to meeting the operational or capital requirements of a particular function. Revenues not classified as program revenues are reported as general revenues.

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions establishes the following classifications depicting the relative strength of the constraints that control how specific amounts can be spent:

- Nonspendable fund balance - includes amounts that are not in a spendable form or are required to be maintained intact and that are not expected to be converted to cash. The nonspendable fund balance includes deposits totaling \$2,968 at June 30, 2022.
  
- Restricted fund balance - includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation. Effectively, restrictions may be changed or lifted only with the consent of resource providers. The Restricted fund balance as of June 30, 2022, is \$1,238. Relating to Capital Outlays.
  
- Committed fund balance - includes amounts that can be used only for the specific purposes determined by a formal action of the Academy's highest level of decision-making authority. Commitments may be changed or lifted only by the Academy taking the same formal action that imposed the constraint originally. There is no committed fund balance at June 30, 2022.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Government-wide and fund financial statements (continued)**

- Assigned fund balance - comprises amounts intended to be used by the Academy for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund. There is no assigned fund balance at June 30, 2022.
  
- Unassigned fund balance - the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund. The unassigned fund balance at June 30, 2022, is (\$1,693).

Separate fund financial statements report detailed information about the Academy's governmental funds. The focus of the governmental fund financial statements is on major funds. Therefore, major funds are reported in separate columns on the fund financial statements. All of the Academy's funds were deemed major funds. A reconciliation is provided that converts the results of governmental fund accounting to the government - wide presentation.

**Measurement focus, basis of accounting, and financial statement presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized when a liability is incurred.

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues, except for certain grant revenues, are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days. 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.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Measurement focus, basis of accounting, and financial statement presentation (continued)**

Under the modified accrual basis of accounting, expenditures are generally recorded when the related fund liability is incurred. However, principal and interest on general long-term debt is recorded as expenditures only when payment is due.

The Academy's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. Accordingly, the financial statements are organized on the basis of funds. A fund is an accounting entity having a self-balancing set of accounts for recording assets, liabilities, fund equity, revenues, expenditures, and other financing sources and uses.

Resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled. The Academy reports the following major governmental funds:

General Fund— the general operating fund of the Academy. It is used to account for all financial resources not required to be accounted for in another fund.

Grant Fund— to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. This fund includes the TITLE I, and Lunch Reimbursements from the National School lunch Program.

The Academy has a revenue spending policy that provides policy for programs with multiple revenue sources. The board of directors will use resources in the following hierarchy: debt proceeds, federal funds, state funds, local non-city funds, city funds and funds passed through the District. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The board of directors has the authority to deviate from this policy if it is in the best interest of the Academy.

**Budgetary basis of accounting**

In compliance with Florida Statutes, the Board of Directors adopts an annual budget using 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). Revisions to the annual budget are approved by the Board.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Cash**

Cash is made up of cash on hand at the Academy and/or checking and money market accounts held at one financial institution. The Academy has no cash equivalents.

**Capital assets**

Capital assets, which includes leased property, computers and equipment, are reported on the government-wide financial statements. Capital assets are defined by the Academy as assets with an initial individual cost of more than \$1,000 and an estimated useful life of more than two years. Such assets are recorded at historical cost. Donated capital assets are recorded at acquisition value at the date of donation. For the year ended June 30, 2022, the Academy recorded net capital assets of \$1,251.

Property, plant and equipment of the Academy is depreciated using the straight-line method over the following estimated useful lives:

| <u>Asset Type</u>                  | <u>Estimated Useful Life</u> |
|------------------------------------|------------------------------|
| Furniture, Fixtures, and equipment | 5-7                          |
| Computers                          | 3                            |

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

**Revenue sources**

Revenues for current operations are received primarily from the State of Florida passed through the District to the Academy pursuant to the funding provisions included in the Academy’s charter. In accordance with the funding provisions of the charter and Section 1002.33(18), Florida Statutes, the Academy reports the number of full-time equivalent (FTE) students and related data to the District. Under the provisions of Section 1011.62, Florida Statutes, the District reports the number of FTE students and related data to the Florida Department of Education (FDE) for funding through the Florida Education Finance Program (FEFP). Funding for the Academy is adjusted during the year to reflect revised calculations by the FDE under the FEFP and actual weighted FTE students reported by the Academy during designated FTE student survey periods.

The Academy receives federal awards for the enhancement of various educational programs. This assistance is generally based on applications submitted to and approved by various granting agencies. These federal awards may have requirements whereby the issuance of grant funds is withheld until qualifying expenditures are incurred. Revenues for these awards are recognized only to the extent that eligible expenditures have been incurred. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Use of estimates**

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenditures/expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

**Income taxes**

The Academy is a not-for-profit organization that is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. Accordingly, no provision for income taxes is recorded in the accompanying financial statements.

The Academy adopted the provisions of FASB ASC 740 (formerly FASB Interpretation No. 48 Accounting for Uncertainty in Income Taxes (FIN 48). Under FASB ASC 740, an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not the position will be sustained. The implementation of ACS 740 had no impact on the Academy's financial statements. The Academy does not believe there are any uncertain tax positions and, accordingly, it will not recognize any liability for unrecognized tax benefits.

The Academy is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Academy's federal income tax returns remain subject to examination by major tax jurisdictions.

**NOTE B - CONCENTRATIONS**

**Cash**

Under Chapter 280, Florida Statutes, the Academy's deposits must be placed in banks and savings and loans which are qualified as public depositories. The Academy maintains cash deposits at a bank in Florida. Deposits at the bank are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. Monies deposited in amounts greater than the insurance coverage are secured by the banks pledging securities with the State Treasurer and collateral pool. As of June 30, 2022, the cash held was not over the uninsured bank deposit balances.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE B – CONCENTRATIONS (Continued)**

**Accounts Receivable**

Accounts receivable represent outstanding reimbursements from the following programs below.  
As of June 30, 2022:

Capital Outlay                      \$     1,238

**NOTE C – CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2022, was as follows:

|                                    | <b>Balance<br/>July 1, 2021</b> | <b>Additions</b> | <b>Deletions</b> | <b>Balance<br/>June 30, 2022</b> |
|------------------------------------|---------------------------------|------------------|------------------|----------------------------------|
| Furniture, Fixtures, and Equipment | \$     1,793                    | \$       -       | \$       -       | \$     1,793                     |
| Total Assets                       | 1,793                           | -                | -                | 1,793                            |
| <br>                               |                                 |                  |                  |                                  |
| Furniture, Fixtures, and Equipment | (286)                           | (256)            | -                | (542)                            |
| Total Accumulated Depreciation     | (286)                           | (256)            | -                | (542)                            |
| <br>                               |                                 |                  |                  |                                  |
| Total Assets, Net                  | \$     1,507                    | \$     (256)     | \$       -       | \$     1,251                     |

Depreciation expense of \$256 was charged to the basic instruction function for the year ended June 30, 2022.

**NOTE D – COMMITMENTS AND CONTINGENCIES**

On August 1, 2022, The Academy entered into a sublease with Stellar Leadership Academy of Excellence for its administrative and classroom space under a non-cancelable operating lease. The lease expires June 30, 2023. Rental expenses under operating leases for the year ended June 30, 2022, were approximately \$44,117. Lease commitment for the future year is \$44,117



**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE E – MANAGEMENT AGREEMENT**

The Academy currently does not have a management company.

**NOTE F - RISK MANAGEMENT**

The Academy is exposed to various risks of loss related to theft, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The Academy purchases commercial insurance for all material risks of loss to which the Academy is exposed, including general liability, property and workers' compensation.

**NOTE G – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through September 14, 2022, which is the date the financial statements became available to be issued.

Covid 19 is an ongoing issue and responses by federal, state, and local governments have included stay-at-home orders, school closures, and restrictions on public gatherings, travel, and non-essential businesses and services that have adversely affected workforces, economies, and financial markets resulting in significant economic downturn and volatility in investment markets. The heightened market risk and volatility associated with COVID-19 could materially the amounts reported in accompanying financial statements. Because of the uncertainty of the markets, management is unable to estimate the impact the pandemic will have.

**NOTE H– NEW ACCOUNTING PRONOUNCEMENTS**

GASB has issued GASB Statement No. 87 Leases, effective this fiscal year 2022, which affects the financial position, results of operations, and financial presentation of the School now that it is implemented. GASB 87 establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and a right of use asset.

Under the new guidance, a lessee should recognize a lease liability and a leased asset at the commencement of the lease term, unless the lease is a short-term lease, or it transfers ownership of the underlying asset. The lease liability should be measured at the present value of payments expected to be made during the lease term (less any lease incentives). The leased asset should be measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

The Academy did not meet the lease term requirements for GASB No. 87 to be implemented.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE I- RELATED PARTY**

The Charter School's governing board approved a transfer of funds to Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence North in the amount of \$15,955 from Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central. The governing board agreed that Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence North will repay \$15,955 over the term of the charter.

**REQUIRED SUPPLEMENTAL INFORMATION**

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES – GENERAL FUND AND GRANT FUND**  
**JUNE 30,2022**  
**(UNAUDITED)**

**GENERAL FUND**

|  | Original<br>Budget | Final<br>Budget    | Actual<br>Amounts<br>GAAP Basis | Variances<br>Positive<br>(Negative) |
|--|--------------------|--------------------|---------------------------------|-------------------------------------|
| Revenues:                                      |                    |                    |                                 |                                     |
| State sources                                  | \$ 115,000         | \$ 115,000         | \$ 113,279                      | \$ (1,721)                          |
| Capital outlay and other contributions         | 10,314             | 10,314             | 10,314                          | -                                   |
| Total revenues                                 | <u>125,314</u>     | <u>125,314</u>     | <u>123,593</u>                  | <u>(1,721)</u>                      |
| Instruction                                    | 50,000             | 50,000             | 47,944                          | 2,056                               |
| Pupil Personnel Services                       | 12,000             | 12,000             | 11,050                          | 950                                 |
| General Administration                         | 6,000              | 6,000              | 5,664                           | 336                                 |
| School Administration                          | 50,000             | 50,000             | 49,699                          | 301                                 |
| Fiscal Services                                | 18,000             | 18,000             | 17,624                          | 376                                 |
| Pupil Transportation Services                  | 2,500              | 2,500              | 1,557                           | 943                                 |
| Operation of Plant                             | 55,000             | 55,000             | 37,798                          | 17,202                              |
| Total expenditure                              | <u>193,500</u>     | <u>193,500</u>     | <u>171,336</u>                  | <u>22,164</u>                       |
| Excess (deficit) of revenues over expenditures | <u>\$ (68,186)</u> | <u>\$ (68,186)</u> | <u>\$ (47,743)</u>              | <u>\$ 20,443</u>                    |

**GRANT FUND**

|  | Original<br>Budget | Final<br>Budget | Actual<br>Amounts<br>GAAP Basis | Variances<br>Positive<br>(Negative) |
|--|--------------------|-----------------|---------------------------------|-------------------------------------|
| Revenues:                                      |                    |                 |                                 |                                     |
| Operating grants and contributions             | \$ 40,000          | \$ 34,063       | \$ 38,913                       | \$ 4,850                            |
| Total revenues                                 | <u>40,000</u>      | <u>34,063</u>   | <u>38,913</u>                   | <u>4,850</u>                        |
| Instruction                                    | -                  | 34,063          | 24,729                          | 9,334                               |
| Food Services                                  | 5,000              | 5,000           | 3,289                           | 1,711                               |
| Total expenditure                              | <u>5,000</u>       | <u>34,063</u>   | <u>28,018</u>                   | <u>1,711</u>                        |
| Excess (deficit) of revenues over expenditures | <u>\$ 35,000</u>   | <u>\$ -</u>     | <u>\$ 10,895</u>                | <u>\$ 6,561</u>                     |

The accompanying notes are an integral part of these basic financial statements.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.**  
**D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL**  
**NOTES TO SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2022**  
**(UNAUDITED)**

**Budgetary Basis of Accounting**

An annual budget is adopted on the Budgets modified accrual basis of accounting, consistent with generally accepted accounting principles. Amendments to the budget can only be made with the approval of the Board of Directors. During the fiscal year, expenditures were controlled at the object level (e.g., salaries, purchased services, and capital outlay).

**NOTE A.**

The Charter School formally adopted a budget for the year ended June 30, 2022. Budgeted amounts may be amended by resolution or ordinance by the Board. A comparison of the actual results of operations to the budgeted amounts for the General Fund is presented as required supplementary information.

**NOTE B.**

The budget is adopted using the same basis of accounting on which the financial statements are prepared except for a 5% administrative charge up to the first 250 students that is retained by the School Board of Miami-Dade County.



# *S.L Gardner & Company, P.A.*

*Certified Public Accountants*

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## **INDEPENDENT AUDITORS' 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  
Phoenix Academies of Excellence, Inc.  
D/B/A Phoenix Academy of Excellence Central  
Miami, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central (the "Academy"), a component unit of the Miami-Dade County District School Board, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central's basic financial statements, and have issued our report thereon dated September 14, 2022.

### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Academy'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 Academy's internal control. Accordingly, we do not express an opinion on the effectiveness of the Academy'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 may exist that have not been identified.

**INDEPENDENT AUDITORS' 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**

***CONTINUED***

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Academy's financial statements are free of 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.

This report is intended solely for the information and use of the Board of Directors, management, the Miami-Dade County District School Board and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

*S.L. Gardner & Company P.A.*

S.L. Gardner & Company P.A  
Miramar, Florida  
September 14, 2022



# *S.L Gardner & Company, P.A.*

*Certified Public Accountants*

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

To the Board of Directors  
Phoenix Academies of Excellence, Inc.  
D/B/A Phoenix Academy of Excellence Central  
Miami, Florida

### **Report on the Financial Statements**

We have audited the financial statements of Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central (the “Academy”), as of and for the fiscal year ended June 30, 2022, and have issued our report thereon dated September 14, 2022

### **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 Reports and Schedules**

We have issued our Independent Auditors’ Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report and schedule, which is dated September 14, 2022, 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 findings or recommendations in the preceding annual financial audit report.

### **Official Title**

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are of Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central, 6099.



## **Management Letter - Continued**

### **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 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 website 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, waste, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

### **Purpose of this letter**

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

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