

**ATLANTIC MONTESSORI CHARTER
SCHOOL WEST CAMPUS
DAVIE, FLORIDA
(A CHARTER SCHOOL UNDER ATLANTIC
MONTESSORI CHARTER SCHOOL, INC.)**

**BASIC FINANCIAL STATEMENTS, INDEPENDENT
AUDITOR'S REPORT AND SUPPLEMENTAL
INFORMATION**

JUNE 30, 2023

ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
BASIC FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION
JUNE 30, 2023

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ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)

2550 South Flamingo Road
Davie, FL 33325
(954) 423-9704

2022-2023

BOARD OF DIRECTORS

Mrs. Aurora Vales, President
Ms. Lissete Ference, Vice President
Ms. Kisha McClean, Secretary
Ms. Betty Gordon, Secretary
Mr. Ricardo Carrea, Secretary

SCHOOL ADMINISTRATION

Ms. Juana Garcia, Principal



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Atlantic Montessori Charter School West Campus
Davie, Florida

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Atlantic Montessori Charter School West Campus (the "School"), a charter School under Atlantic Montessori Charter School, Inc., as of and for the year ended June 30, 2023, 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, each major fund, and the aggregate remaining fund information of Atlantic Montessori Charter School West Campus, as of June 30, 2023, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, 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 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 Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
October 6, 2023

Management’s Discussion and Analysis
Atlantic Montessori Charter School West Campus
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)
June 30, 2023

The corporate officers of Atlantic Montessori Charter School West Campus (the “School”) have prepared this narrative overview and analysis of the School’s financial activities for the fiscal year ended June 30, 2023.

FINANCIAL HIGHLIGHTS

1. The net position deficit of the School as of June 30, 2023 was \$75,830.
2. At year-end, the School had current assets on hand of \$126,627.
3. The unassigned fund balance at year end was a negative \$33,597.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the School’s basic financial statements. The School’s financial statements for the year ended June 30, 2023 are presented in accordance with GASB Codification Section 2200. The financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *Government-Wide Financial Statements* are designed to provide readers with a broad overview of the School’s finances, in a manner similar to a private-sector business.

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

The *Statement of Activities* presents information on how the School’s net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event resulting in the change occurs, without regard to the timing of related cash flows. Accordingly, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 10 – 11 of this report.

Fund Financial Statements

A “fund” is a collection of related accounts grouped to maintain control over resources that have been segregated for specific activities, projects, or objectives. The School, like other state and local governments, uses fund accounting to ensure and report compliance with finance-related legal requirements.

All of the funds of the School are governmental funds. *Governmental Funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements.

Governmental Fund financial statements, however, focus on *near-term* inflows and outflows of spendable resources, as well as on the balances of spendable resources which are available at the end of the fiscal year. Such information may be used to evaluate a government’s requirements for near-term financing.

Prior to the start of the School’s fiscal year, the Board of the School adopts an annual budget for all of its governmental funds, if applicable. A budgetary comparison statement has been provided for the School’s governmental funds to demonstrate compliance with the School’s budget. The basic governmental fund financial statements can be found on pages 12 - 15 of this report.

Notes to 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 - 23 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a charter school's financial position. In the case of the School, the net position deficit was \$75,830 at the close of the fiscal year. A summary of the School's net position as of June 30, 2023 and 2022 is as follows:

	2023	2022
Cash	\$ 2,316	\$ 48,753
Due from other agencies	11,345	20,275
Prepaid expenses	42,619	47,444
Deposits	54,093	54,093
Due from related party	16,299	471
Capital Assets, net	2,266	9,598
Right-of-use asset, net	761,129	1,094,103
Total Assets	\$ 890,067	\$ 1,274,737
Salaries and wages payable	29,365	30,066
Accounts payable	34,192	1,901
Note payable	3,662	146,065
Bonds payable	898,678	1,094,103
Total Liabilities	965,897	1,272,135
Net Position:		
Net investment in deposits, capital and right-of-use assets	56,359	9,598
Unrestricted	(132,189)	(6,996)
Total Net Position (Deficit)	(75,830)	2,602
Total Liabilities and Net Position	\$ 890,067	\$ 1,274,737

A summary and analysis of the School's revenues and expenses for the years ended June 30, 2023 and 2022 were as follows:

REVENUES	<u>2023</u>	<u>2022</u>
Program Revenues		
Capital Grants and Contributions	\$ 74,877	\$ 77,669
Federal sources	112,871	119,182
General Revenues		
Local Sources (FTE and other non specific)	1,066,732	1,089,236
Other Revenues	293,763	42,674
Total Revenues	<u>\$ 1,548,243</u>	<u>\$ 1,328,761</u>
EXPENSES		
Instruction	\$ 551,997	\$ 503,779
Instructional and student support services	62,180	44,445
General administration	57,706	59,004
School administration	180,849	162,248
Fiscal services	44,918	28,006
Central services	34,812	26,518
Food services	23,303	18,510
Pupil transportation	1,915	2,077
Operation of plant	556,208	115,221
Maintenance of plant	10,095	11,526
Administrative technology services	18,527	13,111
Community services	23,347	29,495
Interest expense	60,818	80,330
Unallocated depreciation/amortization	-	316,572
Total Expenses	<u>\$ 1,626,675</u>	<u>\$ 1,410,842</u>
Decrease in Net Position	(78,432)	(82,081)
Net Position at Beginning of Year	<u>2,602</u>	<u>84,683</u>
Net Position at End of Year	<u>\$ (75,830)</u>	<u>\$ 2,602</u>

The School's revenues increased by \$219,482 and expenses increased by \$215,833. The School had a decrease in its net position of \$78,432, for the year.

CAPITAL IMPROVEMENT REQUIREMENT

The School maintains a continuous capital improvements program to enhance facilities and update fixtures and equipment as required.

SCHOOL ENROLLMENT

This past year, the School had approximately 152 students enrolled in grades kindergarten through fifth grade.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND

As noted earlier, the School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

GOVERNMENTAL FUNDS

The focus of the School's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the School's financing requirements. In particular, the *unassigned fund* balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Most of the School's operations are funded in the General Fund. The majority of the General Fund revenues are distributed to the School by the District through the Florida Education Finance Program (FEFP), which uses formulas to distribute state funds and an amount of local property taxes (i.e., required local effort) established each year by the Florida Legislature.

At the end of the fiscal year, the School's governmental general fund reported an ending fund balance of \$63,115. The fund balance unassigned and available for spending at the School's discretion is negative \$33,597.

CAPITAL ASSETS

The School's investment in capital assets as of June 30, 2023 amounts to \$2,266 (net of accumulated depreciation). This investment in capital assets includes, leasehold improvements, furniture, fixtures and textbooks.

DEBT

In the 2019-20 fiscal year, the School entered into a promissory note payable for \$ 150,000 through the COVID-19 SBA Economic Injury Disaster Loan Program. The remaining balance as of June 30, 2023, of \$141,211 is payable in annual principal and interest payments through July 20,2050.

The School has entered into a long-term lease for its educational facility through July 2026. The lease has been reported as long-term debt under guidance from GASB 87 in the original amount of \$761,129. The long-term lease liability ends July 2026.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Atlantic Montessori Charter School West Campus 's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Juana Garcia, Director, 2550 S. Flamingo Road., Davie, FL 33325.

GOVERNMENTAL FUND BUDGET ANALYSIS

Prior to the start of the School's fiscal year, the Board of the Charter School adopted an annual budget. A budgetary comparison statement has been provided for the governmental funds to demonstrate compliance with the School's budget.

	Governmental Fund		
	Original Budget	Final Budget	Actual
REVENUES			
State capital outlay funding	\$ 60,000	\$ 74,877	\$ 74,877
State passed through local	830,429	1,066,732	1,066,732
Federal Sources	-	112,871	112,871
Charges and other revenues	68,000	293,763	293,763
Total Revenues	<u>\$ 958,429</u>	<u>\$ 1,548,243</u>	<u>\$ 1,548,243</u>
CURRENT EXPENDITURES			
Governmental Activities			
Instruction	\$ 398,719	\$ 551,997	\$ 551,997
Instructional and student support services	16,926	62,180	62,180
General administration	6,500	57,706	57,706
School administration	244,919	180,849	180,849
Fiscal services	14,100	44,918	44,918
Central services	-	34,812	34,812
Food services	10,000	23,303	23,303
Pupil transportation	-	1,915	1,915
Operation of plant	240,425	215,902	215,902
Maintenance of plant	3,500	10,095	10,095
Administrative technology services	9,027	18,527	18,527
Community services	25,112	23,347	23,347
Debt service			
Principal payments- right-of-use liability	-	337,828	337,828
Interest	-	60,818	60,818
Total Current Expenditures	<u>\$ 969,228</u>	<u>\$ 1,624,197</u>	<u>\$ 1,624,197</u>
Excess of Revenues Over Expenditures	<u>(10,799)</u>	<u>(75,954)</u>	<u>(75,954)</u>
Other financing sources (uses):			
Change in amounts due to (from) related party	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (10,799)</u>	<u>\$ (75,954)</u>	<u>\$ (75,954)</u>

Most variances between the initial budget and actual results occurred as a result of the Budget adopted being more conservative than actual results for the year. Over the course of the year, the School revised its budgets for all funds and the final budgets were equal to the actual expenditures.

**ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)
STATEMENT OF NET POSITION
JUNE 30, 2023**

	<u>Governmental Activities</u>
ASSETS	
CURRENT ASSETS	
Cash	\$ 2,316
Due from other agencies	11,345
Prepaid expenses	42,619
Due from related party	16,299
Deposits	54,093
TOTAL CURRENT ASSETS	<u>126,672</u>
Right-of-use asset, net	761,129
Capital assets, net	2,266
TOTAL ASSETS	<u><u>890,067</u></u>
LIABILITIES	
CURRENT LIABILITIES	
Salaries and wages payable	29,365
Accounts payable and accrued expenses	34,192
Notes payable - current portion	3,662
TOTAL CURRENT LIABILITIES	<u>67,219</u>
Notes payable - long-term portion	137,549
Right-of-use liability	761,129
TOTAL LIABILITIES	<u>965,897</u>
NET POSITION	
Net investment in deposits, capital and right-of-use assets	56,359
Unrestricted	(132,189)
TOTAL NET POSITION (DEFICIT)	<u>(75,830)</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 890,067</u></u>

The accompanying notes are an integral part of this financial statement.

**ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

Functions	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 551,997	\$ -	\$ 104,513	\$ -	\$ (447,484)
Instructional and student support services	62,180	-	5,974	-	(56,206)
General administration	57,706	-	-	-	(57,706)
School administration	180,849	-	-	-	(180,849)
Fiscal services	44,918	-	-	-	(44,918)
Central services	34,812	-	-	-	(34,812)
Food services	23,303	-	-	-	(23,303)
Transportation	1,915	-	-	-	(1,915)
Operation of plant	556,208	-	2,384	74,877	(478,947)
Maintenance of plant	10,095	-	-	-	(10,095)
Administrative technology services	18,527	-	-	-	(18,527)
Community services	23,347	-	-	-	(23,347)
Interest expense	60,818	-	-	-	(60,818)
Total Governmental Activities	\$ 1,626,675	\$ -	\$ 112,871	\$ 74,877	\$ (1,438,927)
GENERAL REVENUES:					
FTE and other nonspecific revenues					1,066,732
Interest and other miscellaneous local revenue sources					293,763
Change in Net Position					(78,432)
NET POSITION - BEGINNING					2,602
NET POSITION (DEFICIT) - ENDING					<u>\$ (75,830)</u>

The accompanying notes are an integral part of this financial statement.

**ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2023**

	General Fund	Non-major Governmental Funds	Total Governmental Funds
ASSETS			
Cash	\$ 2,316	\$ -	\$ 2,316
Due from other agencies	-	11,345	11,345
Due from realted party	16,299	-	16,299
Prepaid expenses and deposits	96,712	-	96,712
Due from fund	11,345	-	11,345
TOTAL ASSETS	<u>\$ 126,672</u>	<u>\$ 11,345</u>	<u>\$ 138,017</u>
LIABILITIES			
Salaries and wages payable	29,365	-	29,365
Accounts payable and accrued expenses	34,192	-	34,192
Due to fund	-	11,345	11,345
TOTAL LIABILITIES	<u>63,557</u>	<u>11,345</u>	<u>74,902</u>
FUND BALANCE			
Nonspendable	96,712	-	96,712
Unassigned	(33,597)	-	(33,597)
TOTAL FUND BALANCE	<u>63,115</u>	<u>-</u>	<u>63,115</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 126,672</u>	<u>\$ 11,345</u>	<u>\$ 138,017</u>

The accompanying notes are an integral part of this financial statement.

**ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT
OF NET POSITION
JUNE 30, 2023**

Total Fund Balance - Governmental Funds		\$ 63,115
Amounts reported for governmental activities in the statement of net assets 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.	Capital assets, net	2,266
Right-of-use assets and liabilities used in governmental activities are not financial resources and, therefore, are not reported in the fund	Right-of use asset, net	761,129
	Right-of use liability	(761,129)
Long term debt in governmental activities are financial obligations but are not reported in the governmental funds.	Long-term liability	(141,211)
Total Net Position - Governmental Activities		<u>\$ (75,830)</u>

The accompanying notes are an integral part of this financial statement.

**ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023**

	General Fund	Non-major Governmental Funds	Capital Grants and Contributions	Total Governmental Funds
REVENUES				
State capital outlay funding	\$ -	\$ -	\$ 74,877	\$ 74,877
State passed through local	1,066,732	-	-	1,066,732
Federal Sources	-	112,871	-	112,871
Charges and other revenues	293,763	-	-	293,763
TOTAL REVENUES	\$ 1,360,495	\$ 112,871	\$ 74,877	\$ 1,548,243
EXPENDITURES				
Current				
Instruction	\$ 447,484	\$ 104,513	\$ -	\$ 551,997
Instructional and student support services	56,206	5,974	-	62,180
General administration	57,706	-	-	57,706
School administration	180,849	-	-	180,849
Fiscal services	44,918	-	-	44,918
Central services	34,812	-	-	34,812
Food services	23,303	-	-	23,303
Pupil transportation	1,915	-	-	1,915
Operation of plant	213,518	2,384	-	215,902
Maintenance of plant	10,095	-	-	10,095
Administrative technology services	18,527	-	-	18,527
Community services	23,347	-	-	23,347
Debt service:				
Principal payments- right-of-use liability	319,539	-	18,289	337,828
Interest	4,230	-	56,588	60,818
TOTAL EXPENDITURES	\$ 1,436,449	\$ 112,871	\$ 74,877	\$ 1,624,197
Excess (deficit) of revenues over expenditures	(75,954)	-	-	(75,954)
Net change in fund balance	(75,954)	-	-	(75,954)
Fund balance at beginning of year	139,069	-	-	139,069
Fund balance at end of year	<u>\$ 63,115</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,115</u>

The accompanying notes are an integral part of this financial statement.

**ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

Net Change in Fund Balance - Governmental Funds	\$	(75,954)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Depreciation expense	(7,332)
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In the statement of activities, amortization of the right-to-use asset is reported as an expense over the estimated life of the lease, however, in the governmental funds report it is not included as an expense

Amortization expense	(332,974)
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Repayments of long term debt are expenditures in the governmental funds, but the repayment reduces long term liabilities in the statement of net position.

Repayments of principal	337,828
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<u>\$</u>	<u>(78,432)</u>
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The accompanying notes are an integral part of this financial statement.

**ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – ORGANIZATION AND OPERATIONS

Reporting Entity

The Atlantic Montessori Charter School West Campus (“School”), a charter school under Atlantic Montessori Charter School, Inc., is a component unit of the District School Board of Broward County, Florida (“District”). The School’s charter is held by Atlantic Montessori Charter School, Inc., a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not- For-Profit Corporation Act and Section 1002.33, Florida Statutes. 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 Broward County, Florida, (“District”). The current charter is effective until June 30, 2025, 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.

Basis of Presentation

The School's accounting policies conform to accounting principles generally accepted in the United States as applicable to state and local governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Accordingly, the basic financial statements include both the government-wide and fund financial statements.

Deferred Outflow/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section of 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 and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

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

Government-wide and Fund Financial Statements

Government Wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information about the School as a whole. Any internal interfund activity has been eliminated from these financial statements. Both statements report only governmental activities as the School does not engage in any business type activities.

**ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – ORGANIZATION AND OPERATIONS (Continued)
Government-wide and Fund Financial Statements (Continued)

Government Wide Financial Statements

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees; (2) operating grants such as the National School Lunch Program, Federal grants, and other state allocations; and (3) capital grants specific to capital outlay.

In addition, revenues not classified as program revenues are shown as general revenues, which include Florida Education Finance Program (FEFP) revenues and other miscellaneous sources.

Fund Financial Statements

Fund financial statements are provided for governmental. The operations of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, and liabilities, deferred inflows of resources, equity, revenues and expenditures. The School reports the following major governmental funds with all non-major funds aggregated in a single column:

General Fund - is the School's primary operating fund. It accounts for all financial resources of the school, except those required to be accounted for in another fund.

Debt Service Fund - accounts for the resources accumulated and payments made for principal and interest on long-term debt of the School.

Measurement Focus and Basis of Accounting

The financial statements of the School are prepared in accordance with generally accepted accounting principles (GAAP). The School's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) Codification of Accounting and Financial Reporting Guidance.

The government-wide statements report using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The School recognizes assets of non-exchange transactions in the period when the underlying transaction occurs, when an enforceable legal claim has arisen, or when all eligibility requirements are met. Revenues are recognized, on the modified accrual basis, when they are measurable and available. Non-exchange transactions occur when the school provides (or receives) value to (from) another party without receiving (or giving) equal or nearly equal value in return. Most donations are examples of non-exchange transactions. Revenues from grants and donations are recognized on the accrual basis, in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School considers revenues to be available if they are collected within 60 days of the end of the fiscal year.

**ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – ORGANIZATION AND OPERATIONS (Continued)

Measurement Focus and Basis of Accounting (Continued)

Florida Education Finance Program (FEFP) revenues are recognized when received. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Charges for services and fees are recognized when cash is collected as amounts are not measurable. When grant terms provide that the expenditure of funds is the prime factor for determining eligibility for federal, state, and other grant funds, revenue is recognized at the time the expenditure is made. Expenditures are recorded when the related fund liability is incurred, except for long-term debt principal and interest which are reported as expenditures in the year due.

Budgets and Budgetary 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.

Cash

Cash and cash equivalents include all highly liquid investments with a maturity of three months or less.

Inter-fund Transfers

Inter-fund receivables/payables ("due from/to") are short-term balances that represent reimbursements between funds for payments made by one fund on behalf of another fund.

Due from Other Governments or Agencies

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

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 \$750. 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:

Buildings and Improvements	15-40 Years
Furniture, Equipment and Software	5 Years
Textbooks	3 Years

**ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – ORGANIZATION AND OPERATIONS (Continued)

Revenue Sources

Revenues for current operations are received primarily from the State through 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, Florida Statutes, the School will report 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 the full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for funding through the 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 reported by the School during the designated full-time equivalent student survey periods. After review and verification of FTE reports and supporting documentation, the FDOE may adjust subsequent fiscal period allocations of FEFP funding for prior year errors disclosed by its review as well as to prevent statewide allocations from exceeding the amount authorized by the Legislature. Normally, such adjustments are treated as reductions of revenue in the year the adjustment is made.

The School receives state funds through the District under charter school capital outlay funding pursuant to Section 1013.62, Florida Statutes. Funds are based on a capital outlay plan submitted to the District and are to be used for lease of school facilities. In addition, the School may receive a portion of the local capital improvement ad valorem tax revenues levied by the District.

Finally, the School also receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to and approved by various granting agencies. For Federal 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. Any excess amounts are recorded as deferred revenues until expended. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

Net Position and Fund Balance Classifications

Government-wide financial statements

Equity is classified as net position and displayed in three (3) components:

- Net investment in deposits, capital and right-of-use assets - consists of right-of-use and capital assets net of accumulated depreciation and long-term deposits, reduced by the outstanding balances of any borrowings that are attributable 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, grantors, contributors or laws or regulations of other governments.
- Unrestricted net position - all other net position that do not meet the definition of "restricted" or "net investment in capital assets and long-term receivables."

When both restricted and unrestricted resources are available for a specific purpose, it is the District's policy to use restricted resources first, until exhausted, before using unrestricted resources.

**ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – ORGANIZATION AND OPERATIONS (Continued)

Fund financial statements

Under GASB Codification Section 1800.142, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement 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 properly reported within one of the fund balance categories listed below:

- Non-spendable - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Consists of fund balance associated with deposits, and prepaid expenses.
- Restricted - fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. There are no restricted balances at year-end.
- Committed - fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School's Board of Directors. There are no committed fund balances at year-end.
- Assigned - fund balance classification are intended to be used by the School's management for specific purposes but do not meet the criteria to be classified as restricted or committed. There are no assigned fund balances at year-end.
- Unassigned - portion of the fund balance that has not been restricted, committed or assigned for a specific purpose. This is the residual classification for the School's general fund.

Committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

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.

New Accounting Standard Adopted

In fiscal year 2021, the School adopted a new statement of financial accounting standard issued by Governmental Accounting Standards Board: Statement No. 78 Leases. The implementation of the new standard did not have an effect on the financial statements.

Use of Estimates

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

**ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 – ORGANIZATION AND OPERATIONS (Continued)

Subsequent Events

In accordance with GASB Codification Section 2250.106, the School has evaluated subsequent events and transactions for potential recognition or disclosure through October 6, 2023, which is the date the financial statements were available to be issued.

NOTE 2 – CAPITAL ASSETS AND RIGHT-OF-USE ASSETS

The following schedule provides a summary of changes in capital assets, acquired substantially with public funds, for the year ended June 30, 2023:

	Balance July 1, 2022	Additions	Retirements	Balance June 30, 2023
Leasehold improvements	\$ 24,318	\$ -	\$ -	\$ 24,318
Furniture, equipment and textbooks	4,393	-	(4,393)	-
Total Capital Assets	<u>\$ 28,711</u>	<u>\$ -</u>	<u>\$ (4,393)</u>	<u>\$ 24,318</u>
Less Accumulated Depreciation:				
Leasehold improvements	\$ (14,720)	\$ (7,332)	\$ -	\$ (22,052)
Furniture, equipment and textbooks	(4,393)	-	4,393	-
Total Accumulated Depreciation	<u>(19,113)</u>	<u>(7,332)</u>	<u>4,393</u>	<u>(22,052)</u>
Capital Assets, net	<u>\$ 9,598</u>	<u>\$ (7,332)</u>	<u>\$ -</u>	<u>\$ 2,266</u>

Depreciation expense for the year ended June 30, 2023 was \$7,332, which was allocated to operation of plant.

Changes in right-of-use assets, related to the School facility were as follows for the period ended June 30, 2023:

	Balance July 1, 2022	Additions	Retirements	Balance June 30, 2023
Right-of-use Asset	\$ 1,407,733	\$ -	\$ -	\$ 1,407,733
Total Right-of-use	<u>1,407,733</u>	<u>-</u>	<u>-</u>	<u>1,407,733</u>
Less Accumulated Amortization				
Right-of-use Asset	(313,630)	(332,974)	-	(646,604)
Total Accumulated Amortization	<u>(313,630)</u>	<u>(332,974)</u>	<u>-</u>	<u>(646,604)</u>
Right-of-use asset, net	<u>\$ 1,094,103</u>	<u>\$ (332,974)</u>	<u>\$ -</u>	<u>\$ 761,129</u>

**ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 3- CASH, OPERATING UNRESTRICTED

Deposits

The School's policy is to maintain its cash and cash equivalents in major banks and in high grade investments. As of June 30, 2023, the carrying amount of the School's operating deposits was \$2,316 and the respective bank balances totaled \$4,098.

Deposits at FDIC-insured institutions are insured up to \$250,000 per depositor, per financial institution. The School is a charter school under Atlantic Montessori Charter School, Inc., which also operates various other charter schools. All bank accounts are opened under the account ownership of Atlantic Montessori Charter School, Inc, therefore, bank balances at times may potentially be in excess of FDIC coverage. As of June 30, 2023, the School did not have bank balances in excess of FDIC coverage.

NOTE 4 – DUE FROM OTHER AGENCIES

The amounts due from other agencies included in the accompanying statement of net position and balance sheet – governmental funds mainly consist of amounts due from the District under the Elementary and Secondary School Emergency Relief fund (“ESSER”), which total \$11,345. These receivables are considered to be fully collectible and as such, no allowance for uncollectible accounts is recorded.

NOTE 5 - RELATED PARTY TRANSACTIONS

During the year, the School entered into a month-to-month agreement with Atlantic Montessori Academy to rent a portion of the School’s grounds, for a Pre-K program that is operated by a related party. Rental income for the year ended June 30, 2023 was \$99,475.

In addition, the School reported a receivable of \$16,299 that is due from Atlantic Montessori Charter School, a charter school under the same charter-holder, in its statement of net position and balance sheet - governmental funds. This amount represents cash advances given to partially fund the current operations of the Atlantic Montessori Charter School. This receivable is considered to be fully collectible and as such, no allowance for uncollectible is accrued.

Changes in long-term receivable balances were as follows:

	Balance July 1, 2022	Advances	Collections	Balance June 30, 2023
Atlantic Montessori Charter School	\$ 471	\$ 35,242	\$ (19,414)	\$ 16,299
Total Long Term Receivables	<u>\$ 471</u>	<u>\$ 35,242</u>	<u>\$ (19,414)</u>	<u>\$ 16,299</u>

NOTE 6 - COMMITMENTS, CONTINGENCIES AND CONCENTRATIONS

The School receives substantially all of its funding from the District under the Florida Education Finance Program (FEFP), which is based in part on a computation of the number of full-time equivalent (FTE) students attending different instructional programs. The accuracy of FTE student data submitted by individual schools and used in the FEFP computations is subject to audit by the state and, if found to be in error, could result in refunds to the state or in decreases to future funding allocations. Additionally, the School receives various forms of federal, state and local funding which are subject to financial and compliance audits. It is the opinion of management that the amount of funding, if any, which may be remitted back to the state due to errors in the FTE student data or the amount of grant expenditures which may be disallowed by grantor agencies would not be material to the financial position of the School.

**ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 6 - COMMITMENTS, CONTINGENCIES AND CONCENTRATIONS (Continued)

On July 1, 2022, the School implemented GASB Statement No. 87 Leases, and as a result recorded a lease right of use asset and liability in these financial statements for the facility lease. The School used an interest rate of 6% based on the average incremental borrowing rate of Atlantic Montessori Charter School, Inc.. to discount the annual lease payments and recognize the intangible right to use this asset and the lease liability as of July 1, 2022. The interest expense \$56,588, and the amortization of the right-of-use asset was \$332,975 for the year ended June 30, 2023.

Future minimum payments for the lease are as follows:

<u>Fiscal Year End</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 353,511	\$ 36,051	\$ 389,562
2025	375,315	14,247	389,562
2026	32,302	161	32,464
	<u>\$ 761,128</u>	<u>\$ 50,460</u>	<u>\$ 811,589</u>

Changes in long-term right-of-use liability during the year are as follows:

	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2023</u>
Right-of-use Liability	\$ 1,094,103	\$ -	\$ (332,974)	\$ 761,129
Total right-of-use liability	<u>\$ 1,094,103</u>	<u>\$ -</u>	<u>\$ (332,974)</u>	<u>\$ 761,129</u>

NOTE 6 - RISK MANAGEMENT

The School is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors, omissions, and natural disasters for which the School carries commercial insurance. Settlement amounts have not exceeded insurance coverage for the past years. In addition, there were no reductions in insurance coverage from those in the prior year.

NOTE 7— NOTES PAYABLE

On June 20, 2020, the School entered into an Economic Injury Disaster Loan agreement for \$150,000 with the U.S Small Business Administration (“SBA”) under Section 7(b) of the Small Business Act, as amended. The loan calls for monthly installment payments, including principal and interest, of \$641 beginning eighteen (18) months from the date of the loan. Interest will accrue at the rate of 2.75% per annum and will accrue only on funds advanced from the date of each advance. The balance of principal and interest will be payable thirty (30) years from the date of the loan, in August 2050. As of the date of these financial statements, the School has received advances totaling \$141,211.

Future minimum payments are estimated as follows:

<u>Year end June 30,</u>	
2024	\$ 3,662
2025	3,764
2026	3,869
2027	3,977
2028	4,088
2029-2033	22,210
2034-2038	25,480
2039-2043	29,231
2044-2048	33,535
2049-2051	11,395
	<u>\$ 141,211</u>

**ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 8 — INTER-FUND BALANCES

Inter-fund due from (due to) balances are as follows:

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>
Due to General Fund from Special Revenue Fund for ESSER	\$ (11,345)	\$ 11,345
Total Due from (Due to)	<u>\$ (11,345)</u>	<u>\$ 11,345</u>

REQUIRED SUPPLEMENTAL INFORMATION

**ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023**

	General Fund		
	Original Budget	Final Budget	Actual
REVENUES			
State passed through local	\$ 800,429	\$ 1,066,732	\$ 1,066,732
Charges and other revenues	68,000	293,763	293,763
TOTAL REVENUES	\$ 868,429	\$ 1,066,732	\$ 1,066,732
EXPENDITURES			
Current:			
Instruction	\$ 398,719	\$ 447,484	\$ 447,484
Instructional and student support services	16,926	56,206	56,206
General administration	6,500	57,706	57,706
School administration	244,919	180,849	180,849
Fiscal services	14,100	44,918	44,918
Central services	-	34,812	34,812
Food services	-	23,303	23,303
Pupil transportation	-	1,915	1,915
Operation of plant	118,887	213,518	213,518
Maintenance of plant	3,500	10,095	10,095
Administrative technology services	9,027	18,527	18,527
Community services	25,112	23,347	23,347
Debt service:			
Principal payments- right-of-use liability	-	319,539	319,539
Interest	-	4,230	4,230
Total Current Expenditures	837,690	1,436,449	1,436,449
Net change in fund balance	\$ 30,739	\$ (369,717)	\$ (369,717)

Notes to Budgetary Comparison Schedule

An annual budget is adopted on the 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.

**ATLANTIC MONTESSORI CHARTER SCHOOL WEST CAMPUS
 BUDGETARY COMPARISON SCHEDULE – SPECIAL REVENUE FUND
 FOR THE YEAR ENDED JUNE 30, 2023**

	Special Revenue Fund		
	Original Budget	Final Budget	Actual
REVENUES			
State passed through local	\$ 30,000	\$ 112,871	\$ 112,871
TOTAL REVENUES	<u>30,000</u>	<u>112,871</u>	<u>112,871</u>
EXPENDITURES			
Current:			
Instruction	-	104,513	104,513
Instructional and student support services	-	5,974	5,974
Food services	10,000	-	-
Operation of plant	61,538	2,384	2,384
Total Current Expenditures	<u>61,538</u>	<u>112,871</u>	<u>112,871</u>
Net change in fund balance	<u>\$ (31,538)</u>	<u>\$ -</u>	<u>\$ -</u>

Notes to Budgetary Comparison Schedule

An annual budget is adopted on the 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.



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*

Board of Directors of
Atlantic Montessori Charter School West Campus
Davie, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Atlantic Montessori Charter School West Campus ("School"), a charter school under Atlantic Montessori Charter School, Inc., and component unit of the District School Board of Broward County, Florida, as of and for the year ended June 30, 2022, and the related notes to the Financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated October 6, 2023.

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) to determine the 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 may exist that have not been identified.

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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
October 6, 2023



MANAGEMENT LETTER

Board of Directors of
Atlantic Montessori Charter School West Campus
Davie, Florida

Armando Aburto, C.P.A.
Jorge Albeirus, C.P.A.
Viviana Bruno, C.P.A.
Lisset I. Cascudo, C.P.A.
Michelle del Sol, C.F.E., C.P.A.
Elizabeth Jarvis, C.P.A.
Cristy C. Rubio, C.P.A.
Pedro L. Silva, C.P.A.
Michael Vildosola, C.P.A.

Report on the Financial Statements

We have audited the financial statements of Atlantic Montessori Charter School West Campus (“School”), a charter school under Atlantic Montessori Charter School, Inc., and component unit of the District School Board of Broward County, Florida, as of and for the fiscal year ended June 30, 2023, and have issued our report thereon dated October 6, 2023.

Auditor’s Responsibility

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; 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 Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in that report, which is dated October 6, 2023, 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 and recommendations in the preceding financial audit report.

Official Title

Section 10.854(1)(e)5, Rules of the Auditor General, requires 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 Atlantic Montessori Charter School West Campus, 065164

Financial Condition and Management

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

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financials condition assessment procedures for the Atlantic Montessori Charter School West Campus. 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 abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have 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 the School Board of Broward County, Florida, and is not intended to be and should not be used by anyone other than these specified parties.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
October 6, 2023