

BELMONT ACADEMY, INC.

FINANCIAL STATEMENTS

JUNE 30, 2023

BELMONT ACADEMY, INC.
TABLE OF CONTENTS
JUNE 30, 2023

	Page(s)
Independent Auditors’ Report	1 – 3
Management’s Discussion and Analysis	4 – 9
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	10
Statement of Activities	11
Fund Financial Statements	
Governmental Funds - Balance Sheet	12
Governmental Funds - Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	13
Governmental Funds - Statement of Revenues, Expenditures, and Changes in Fund Balances	14
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government- Wide Statement of Activities	15
Notes to Financial Statements	16 – 25
Required Supplementary Information	26
General Fund - Budgetary Comparison Schedule	27
Cares Act Fund - Budgetary Comparison Schedule	28
Food Service Fund - Budgetary Comparison Schedule	29
Notes to Required Supplementary Information	30
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 <i>Government Auditing Standards</i>	31 – 32
Management Letter of Independent Auditors Required by Chapter 10.850, Rules of the Auditor General	33 – 34
Independent Auditors’ Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance	35 – 37
Schedule of Expenditures of Federal Awards	38
Notes to Schedule of Expenditures of Federal Awards	39
Schedule of Findings and Questioned Costs	40

INDEPENDENT AUDITORS' REPORT

To the Governing Board,
Belmont Academy, Inc.:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Belmont Academy, Inc. (the "School") (a component unit of the Columbia County School District) 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 accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the remaining aggregate fund information of Belmont Academy, Inc. 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 (GAAS) and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The School's 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.

Auditors' 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 and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 the 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 judgement, 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 other required supplementary information as listed in the table of contents 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.

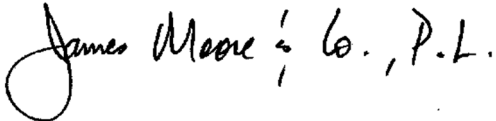
Other information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Belmont Academy, Inc.'s basic financial statements. The Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2023 on our consideration of Belmont Academy, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and 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* in considering Belmont Academy, Inc.'s internal control over financial reporting and compliance.

James Moore & Co., P.L.

Tallahassee, Florida
September 29, 2023

BELMONT ACADEMY, INC.
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2023

This section of Belmont Academy, Inc.’s annual financial report presents our discussion and analysis of the School’s financial performance during the fiscal year that ended on June 30, 2023. Please read it in conjunction with the School’s financial statements, which immediately follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Financial Statements

The financial statements presented herein include all of the activities of the Belmont Academy, Inc. (the “School”) using the integrated approach as prescribed by GASB Statement Number 34.

The Government-Wide Financial Statements present the financial picture of the School from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities. These statements include all assets of the School as well as all liabilities. Additionally, certain eliminations have occurred as prescribed by the statement in regards to interfund activity, payables and receivables.

The Fund Financial Statements include statements for the governmental activities. The Governmental Funds are prepared using the current financial resources measurement focus and modified accrual basis of accounting.

Reconciliations of the Fund Financial Statements to the Government-Wide Financial Statements are provided to explain the differences created by the integrated approach.

The Primary unit of the government is the School Board of Columbia County, Florida.

FINANCIAL HIGHLIGHTS OF THE PAST YEAR

An overview of significant financial information from the current year includes:

- The school’s total net position increased by approximately \$528 thousand.
- Total general fund revenues exceeded expenses by approximately \$492 thousand.
- Capital assets, net of depreciation, decreased approximately by \$134 thousand.
- Right-to-use, net of amortization, increased by approximately \$39 thousand.
- The School’s governmental funds reported combined ending fund balance of approximately \$2.5 million.

BELMONT ACADEMY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023
(Continued)

REPORTING THE SCHOOL AS A WHOLE

The Statement of Net Position and the Statement of Activities

The *Statement of Net Position* and the *Statement of Activities* report information about the School as a whole and about its activities. These statements include *all* assets and liabilities of the School using the accrual basis accounting, which is similar to the accounting used by most private-sector companies. All of the current year revenues and expenses are considered regardless of when cash is received or paid.

These two statements report the School's *net position* and changes in them. Net position is the difference between assets and liabilities and is one way to measure the School's financial health, or *financial position*. Over time, *increases or decreases* in the School's net position are one indicator of whether its financial health is improving or deteriorating. Other factors to consider are changes in the School's revenue base and the condition of the School's capital assets.

The relationship between revenues and expenses is the School's operating results. Since the Board's responsibility is to provide services to our students and not to generate profit as commercial entities do, one must consider other factors when evaluating the overall health of the School. The quality of the education and the safety of our schools will likely be an important component in this evaluation.

In the *Statement of Net Position* and the *Statement of Activities*, we designate the School activities as follows:

Governmental activities—All of the School's services are reported in this category. This includes the education of high school students, and the on-going effort to improve and maintain capital assets. Revenues received from the Florida Education Finance Program through the Columbia County Public School system, Federal grants and miscellaneous local revenues finance these activities.

REPORTING THE SCHOOL'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the School as a whole. Some funds are required to be established by State law. However, management may establish various funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other monies that it receives.

Governmental funds—The School'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 the modified accrual accounting method, 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 School's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the School's programs. The differences between the governmental fund financial statements and the government-wide financial statements are explained in reconciliations following each governmental fund financial statement.

BELMONT ACADEMY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023
(Continued)

THE SCHOOL AS A WHOLE

Net Position

The School's net position was approximately \$2.3 million for the fiscal year ended June 30, 2023. Our analysis below, in summary form, focuses on the net position (Table 1) and change in net position (Table 2) of the School's governmental activities.

Table 1

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Current and other assets	\$ 2,707,634	\$ 2,442,368
Capital and right-to-use assets	<u>11,846,897</u>	<u>11,981,165</u>
Total assets	<u>14,554,531</u>	<u>14,423,533</u>
Current liabilities	554,926	589,723
Long-term liabilities	<u>11,722,975</u>	<u>12,085,376</u>
Total Liabilities	<u>12,277,901</u>	<u>12,675,099</u>
Net position		
Restricted		
Capital projects	-	247,306
Classroom supply	3,419	-
Food service	187,173	97,267
Student Activities	47,848	-
Unrestricted	<u>2,038,190</u>	<u>1,403,861</u>
Total Net Position	<u>\$ 2,276,630</u>	<u>\$ 1,748,434</u>

Changes in Net Position

The results of this year's operations for the School as a whole are reported in the Statement of Activities on page 11. Table 2 takes the information from the Statement and rearranges it slightly to more readily identify the total revenues for the year.

BELMONT ACADEMY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023
(Continued)

THE SCHOOL AS A WHOLE (Continued)

Changes in Net Position (Continued)

Table 2

	June 30, 2023	June 30, 2022
Revenues		
Florida education finance program	\$ 5,734,654	\$ 5,077,028
Federal through state	987,021	1,337,914
Gifts and donations	1,958	14,484
Other state revenue	709,203	515,223
Other local revenue	469,554	320,590
Interest	45,263	745
Total Revenues	7,947,653	7,265,984
Expenses		
Instructional services	4,047,299	3,872,738
Instructional support services	300,227	281,842
General support services	2,107,305	1,899,011
Administrative technology services	22,166	12,453
Community services	29,116	23,338
Debt service	490,791	497,267
Depreciation and amortization	419,484	375,194
Loss on disposal	3,069	-
Total expenses	7,419,457	6,961,843
Change in Net Position	\$ 528,196	\$ 304,141

BELMONT ACADEMY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023
(Continued)

THE SCHOOL'S FUNDS

As the School completed this year, the governmental funds reported a combined fund balance of \$2,515,035 (Table 3).

Table 3

	Fund Balance June 30, 2023	Fund Balance June 30, 2022
General Fund	\$ 2,311,713	\$ 1,819,299
Capital Projects Fund	(31,699)	247,306
Food Service Fund	187,173	97,267
Other Governmental Funds	47,848	36,810
Totals	\$ 2,515,035	\$ 2,200,682

General Fund Budgetary Highlights

During the course of the fiscal year, the School revised its General Fund Budget in order to deal with unexpected changes in revenue and expenditures. The Governing Board adopts its initial budget based on projected enrollment and the corresponding projected revenues. Amendments are primarily required to reflect changes in revenue estimates from the State of Florida Education Finance Program (FEFP) as actual enrollments are determined. A schedule showing the School's original and final budget amounts compared with actual amounts paid and received is provided in budgetary comparison schedules as noted in the table of contents.

BELMONT ACADEMY, INC.
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2023
(Continued)

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2023, the School had \$11,678,246 in a broad range of capital assets (net of depreciation), including furniture, equipment and building improvements (Table 4).

Table 4

	Governmental Activities June 30, 2023	Governmental Activities June 30, 2022
Furniture and Equipment	\$ 178,478	\$ 178,182
Buildings and Fixed Equipment	12,113,484	12,113,484
Improvements Other than Buildings	555,932	258,556
Land	310,123	310,123
Construction in Process	-	36,930
Accumulated Depreciation	(1,479,771)	(1,108,502)
Totals	\$ 11,678,246	\$ 11,788,773

Right-to-use assets totaled \$168,651 (net of accumulated amortization) as of June 30, 2023.

SIGNIFICANT ACTIVITIES DURING FISCAL YEAR 2022-2023 ARE NOTED BELOW:

- The School’s enrollment was 787 students.

ECONOMIC FACTORS

The economic position of the school for general operating is closely tied to that of the State. The formula for determining funding for education is set by Statute. State funds to charter schools are provided primarily by legislative appropriations from the State’s general revenue funds under the Florida Education Finance Program (FEFP), and the State funding for operations is primarily from sales, gasoline, and corporate income taxes. Additionally, the level of tourism in the State heavily influences the amount of taxes collected. Significant changes in State revenue collections could directly impact future School revenue allocations.

CONTACTING THE SCHOOL’S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and creditors with a general overview of the School’s finances and to show the School’s accountability for the money it receives. If you have questions about this report or need any additional financial information, please write to Belmont Academy, Inc. at 1476 SW Walter Avenue, Lake City, Florida 32024.

BELMONT ACADEMY, INC.
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 1,064,109
Certificate of deposits	1,516,362
Accounts receivable	127,163
Capital assets, not being depreciated	310,123
Capital assets, being depreciated, net	11,368,123
Right-to-use assets, being amortized, net	168,651
Total Assets	\$ 14,554,531
 Liabilities	
Accounts payable and accrued expense	\$ 130,772
Accrued interest payable	39,699
Unearned revenues	21,708
Other liabilities	420
Noncurrent liability:	
Due within one year	340,900
Due within more than one year	11,568,782
Due within one year - lease	21,427
Due within more than one year - lease	154,193
Total Liabilities	\$ 12,277,901
 Net Position	
Restricted:	
Classroom supply	\$ 3,419
Food service	187,173
Student activities	47,848
Unrestricted	2,038,190
Total Net Position	\$ 2,276,630

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

BELMONT ACADEMY, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Instructional services	\$ 4,047,299	\$ 96,062	\$ 1,958	\$ -	\$ (3,949,279)
Instructional support services	300,227	-	-	-	(300,227)
Board	41,009	-	-	-	(41,009)
School administration	857,370	-	-	-	(857,370)
Fiscal services	44,854	-	-	-	(44,854)
Food services	251,913	87,634	-	-	(164,279)
Central services	44,147	-	-	-	(44,147)
Operation of plant	755,935	-	-	406,460	(349,475)
Administrative technology	22,166	-	-	-	(22,166)
Community services	29,116	-	-	-	(29,116)
Other	112,077	-	-	-	(112,077)
Debt service	490,791	-	-	-	(490,791)
Depreciation and amortization (Unallocated)	419,484	-	-	-	(419,484)
Loss on disposal (Unallocated)	3,069	-	-	-	(3,069)
Total Governmental Activities	<u>\$ 7,419,457</u>	<u>\$ 183,696</u>	<u>\$ 1,958</u>	<u>\$ 406,460</u>	<u>\$ (6,827,343)</u>
General revenues:					
State aid not restricted to specific purposes					5,734,654
Federal through state					987,021
Other state revenue					302,743
Local revenue					285,858
Interest					45,263
Total General Revenues					<u>7,355,539</u>
Change in Net Position					528,196
Net Position - Beginning, as restated					<u>1,748,434</u>
Net Position - Ending					<u>\$ 2,276,630</u>

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

BELMONT ACADEMY, INC.
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2023

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>CARES and Title II Fund</u>	<u>Food Service Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets						
Current Assets						
Cash and cash equivalents	\$ 776,126	\$ 8,000	\$ -	\$ 232,356	\$ 47,627	\$ 1,064,109
Certificate of deposits	1,516,362	-	-	-	-	1,516,362
Accounts receivable	20,909	-	105,883	-	371	127,163
Due from other funds	128,122	-	-	-	-	128,122
Total Assets	<u>\$ 2,441,519</u>	<u>\$ 8,000</u>	<u>\$ 105,883</u>	<u>\$ 232,356</u>	<u>\$ 47,998</u>	<u>\$ 2,835,756</u>
Liabilities and Fund Balances						
Current Liabilities						
Accounts payable and accrued expense	\$ 129,386	\$ -	\$ 1,236	\$ -	\$ 150	\$ 130,772
Accrued interest payable	-	39,699	-	-	-	39,699
Due to other funds	-	-	104,647	23,475	-	128,122
Unearned revenue	-	-	-	21,708	-	21,708
Other liabilities	420	-	-	-	-	420
Total Liabilities	<u>\$ 129,806</u>	<u>\$ 39,699</u>	<u>\$ 105,883</u>	<u>\$ 45,183</u>	<u>\$ 150</u>	<u>\$ 320,721</u>
Fund Balances						
Restricted						
Classroom supply	\$ 3,419	\$ -	\$ -	\$ -	\$ -	\$ 3,419
Food service	-	-	-	187,173	-	187,173
Student activities	-	-	-	-	47,848	47,848
Unassigned	2,308,294	(31,699)	-	-	-	2,276,595
Total Fund Balances	<u>2,311,713</u>	<u>(31,699)</u>	<u>-</u>	<u>187,173</u>	<u>47,848</u>	<u>2,515,035</u>
Total Liabilities and Fund Balances	<u><u>\$ 2,441,519</u></u>	<u><u>\$ 8,000</u></u>	<u><u>\$ 105,883</u></u>	<u><u>\$ 232,356</u></u>	<u><u>\$ 47,998</u></u>	<u><u>\$ 2,835,756</u></u>

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

BELMONT ACADEMY, INC.
GOVERNMENTAL FUNDS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Total Fund Balance - Governmental Funds		\$ 2,515,035
Amounts reported for Governmental Activities in the Statement of Net Position are Different Because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds:		
Capital assets	13,158,017	
Accumulated depreciation	<u>(1,479,771)</u>	11,678,246
Right-to-use lease assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Lease assets	213,466	
Accumulated amortization	<u>(44,815)</u>	168,651
Long term debt not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds payable	(11,909,682)	
Lease payable	<u>(175,620)</u>	(12,085,302)
Total Net Position - Governmental Activities		<u><u>\$ 2,276,630</u></u>

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

BELMONT ACADEMY, INC.
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Capital Projects Fund	CARES and Title II Fund	Food Service Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Florida education finance program	\$ 5,711,185	\$ -	\$ -	\$ -	\$ -	\$ 5,711,185
Federal through state	-	-	735,252	251,769	-	987,021
State	161,361	414,460	-	2,416	-	578,237
Local	256,389	156,851	-	87,634	123,115	623,989
Contributions	1,958	-	-	-	-	1,958
Interest income	45,263	-	-	-	-	45,263
Total Revenues	<u>6,176,156</u>	<u>571,311</u>	<u>735,252</u>	<u>341,819</u>	<u>123,115</u>	<u>7,947,653</u>
Expenditures						
Instructional services	3,751,809	-	295,490	-	-	4,047,299
Instructional support services	153,046	-	147,181	-	-	300,227
Board	41,009	-	-	-	-	41,009
School administration	842,514	-	14,856	-	-	857,370
Fiscal services	44,854	-	-	-	-	44,854
Food services	-	-	-	251,913	-	251,913
Central services	44,147	-	-	-	-	44,147
Operation of plant	656,622	-	99,313	-	-	755,935
Administrative technology	22,166	-	-	-	-	22,166
Community services	20,464	420	8,232	-	-	29,116
Other	-	-	-	-	112,077	112,077
Capital outlay	30,391	87,714	170,180	-	-	288,285
Redemption of principle	20,560	-	-	-	-	20,560
Debt service	8,303	327,551	-	-	-	335,854
Interest	-	482,488	-	-	-	482,488
Total expenditures	<u>5,635,885</u>	<u>898,173</u>	<u>735,252</u>	<u>251,913</u>	<u>112,077</u>	<u>7,633,300</u>
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	<u>540,271</u>	<u>(326,862)</u>	<u>-</u>	<u>89,906</u>	<u>11,038</u>	<u>314,353</u>
Other Financing Sources (Uses)						
Transfers In	-	47,857	-	-	-	47,857
Transfers Out	(47,857)	-	-	-	-	(47,857)
Total Other Financing Sources (Uses)	<u>(47,857)</u>	<u>47,857</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances						
	492,414	(279,005)	-	89,906	11,038	314,353
Fund Balances, Beginning of year						
	1,819,299	247,306	-	97,267	36,810	2,200,682
Fund Balances, Ending of year						
	<u>\$ 2,311,713</u>	<u>\$ (31,699)</u>	<u>\$ -</u>	<u>\$ 187,173</u>	<u>\$ 47,848</u>	<u>\$ 2,515,035</u>

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

BELMONT ACADEMY, INC.
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Total Net Change in Fund Balances - Governmental Funds		\$ 314,353
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:		
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures, however, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation and amortization expenses in the statements of activities.</p>		
Capital outlays	288,285	
Loss on disposal of capital assets	(3,069)	
Depreciation and amortization expense	<u>(419,484)</u>	(134,268)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds.</p>		
Long-term lease liability - redemption of principle		20,560
<p>Proceeds from the issuance of debt are reported in governmental funds as revenues, however, for governmental activities, those proceeds are shown in the statement of net position as long term debt</p>		
Payments of long term debt		327,551
Change in Net Position of Governmental Activities		<u><u>\$ 528,196</u></u>

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

BELMONT ACADEMY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

(1) **Summary of Significant Accounting Policies:**

(a) **Financial reporting entity**—The Belmont Academy, Inc. (the “School”) operates under a charter of the sponsoring District. The current charter is effective until July 31, 2032. 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 School in writing at least 90 days prior to the charter's expiration. Pursuant to Section 1002.33(8), Florida Statutes, the charter school contract provides that in the event the school is dissolved or terminated, any unencumbered funds and all School property purchased with public funds automatically revert to the District. During the term of the charter, the district may also terminate the charter if good cause is shown.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the School consists of all funds, departments, boards, and agencies that are not legally separate from the School. For Belmont Academy, Inc., this includes general operations and student related activities of the School.

Component units—Component units are legally separate organizations for which the School is financially accountable. Component units may include organizations that are fiscally dependent on the School in that the School approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the School is not financially accountable but the nature and significance of the organization’s relationship with the School is such that exclusion would cause the School’s financial statements to be misleading or incomplete. The School has no component units. However, the School is considered a component unit of the Columbia County School District.

(b) **Description of government wide financial statements**—The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. Governmental activities, are normally supported by intergovernmental revenues, and other nonexchange transactions.

(c) **Basis of presentation—government wide financial statements**—While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

(d) **Basis of presentation—fund financial statements**—The fund financial statements provide information about the government’s funds. A separate statement for the governmental fund category is presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. Major individual governmental funds are reported as separate columns in the fund financial statements.

BELMONT ACADEMY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

(d) **Basis of presentation—fund financial statements** (Continued)

The School uses the following major governmental funds:

General fund—The General Fund accounts for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the School for any purpose provided it is expended or transferred according to the general laws of Florida.

Capital Projects Fund—The capital projects fund is used to account for financial resources to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, and major maintenance projects.

CARES and Title II Fund—The CARES and Title II fund is used to account for the receipts and expenditures of CARES Act grants and Title II funds.

Food Service Fund—The food service fund is used to account for receipts and expenditures for the sale of meals and other related food service activities, including receipts from other agencies or projects for meals provided under contract to various groups or agencies.

During the course of operations, the School has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

(e) **Cash and cash equivalents**—The School’s cash and cash equivalents are considered to be cash on hand and demand deposits. The school considers investments in time certificates of deposit with an original maturity of three months or less to be cash equivalents.

(f) **Accrued liabilities**—All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

(g) **Revenues**—Amounts reported as program revenues include operating grants and contributions. Items not properly included among program revenues, such as monies received from the Columbia County District School Board, are reported as general revenues.

BELMONT ACADEMY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

(h) **Measurement focus and basis of accounting**—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, regardless of the timing of related cash flows. Amounts reported as program revenues include charges for services, operating grants and contributions, and capital grants and contributions. Items not properly included among program revenues, such as monies received from the Columbia County School Board, are reported as general revenues.

All governmental fund financial statements are reported using the current financial resources measurement focus and the 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. Available means collectible within the current period, or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, state, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recorded when the related fund liability is incurred. The principal exceptions to this are: principal and interest on general long-term debt, which are recorded as expenditures only when payment is due.

(i) **Capital assets and depreciation**—Capital assets, which include property, plant, equipment, and furniture, are reported in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals or betterments are capitalized. Capital assets are defined by the School as assets with an initial, individual cost of \$1,000 or more and an estimated useful life in excess of one year.

Depreciation has been calculated on each class of property using the straight-line method over the following estimated useful lives:

Asset	Years
Furniture, Fixtures, and Equipment	5-7
Improvements Other than Buildings	15-39
Buildings and Fixed Equipment	15-39

(j) **Net position flow assumption**—Sometimes the School will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

BELMONT ACADEMY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

(k) **Fund balance flow assumptions**—Sometimes the School will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

(l) **Fund balance policies**—The School classifies governmental fund balances in various categories based on the nature of limitations requiring the use of resources for specific purposes as follows:

Non-spendable—amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted—amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation.

Committed—amounts that are constrained for specific purposes, are internally imposed by the School’s governing Board, and do not lapse at year-end.

Assigned—amounts that are intended to be used for specific purposes that are neither considered restricted nor committed. Fund balance minimums may be assigned by management.

Unassigned—all other spendable amounts.

The School has not adopted a formal minimum fund balance policy but budgets to strive for a minimum general fund balance of five percent of current year expenditures.

(m) **Use of estimates**—The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

(n) **Budgetary data**—The budgetary process is prescribed by provisions of the laws of Florida and requires the governing board to adopt an operating budget each year. The School governing board satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major function at year end.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for.

BELMONT ACADEMY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

(o) **Leases**—The School leases parking spaces and copiers. The School determines the arrangement of lease at inception. The School recognizes intangible right-to-use (RTU) assets and corresponding lease liabilities for all leases that are not considered short-term. RTU assets represent the School's right to use an underlying asset for the lease term and lease liabilities represent the School's obligation to make lease payments arising from the lease. RTU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term.

Basis of lease classification – Leases that meet the following requirements will not be considered short term: the maximum possible lease term(s) is non-cancelable by both lessee and lessor, and is more than 12 months.

Discount Rate – Unless explicitly stated in the lease agreement, known by the School, or the School is able to determine the rate implicit within the lease, the discount rate used to calculate lease right-to-use assets and liabilities will be the School's estimated borrowing rate at the time of lease inception.

(p) **Income taxes**—The School is exempt from the payment of income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in the accompanying financial statements. The School files income tax returns in the U.S. Federal jurisdiction. The School's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination. The School has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statements of the School.

(q) **Subsequent events**—Subsequent events have been evaluated through September 29, 2023, which is the date the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

(r) **New accounting pronouncements**—GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) The School has considered the impact of this new accounting standard and determined that there is no impact to the financial statements related to the implementation.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* provides guidance on the accounting and financial reporting for Public-private and public-public partnership arrangements. The School has considered the impact of this new accounting standard and determined that there was no impact on the financial statements related to implementation.

BELMONT ACADEMY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

(2) Cash and Cash Equivalents:

Custodial credit risk-deposits. In the case of deposits, this is the risk that in the event of a bank failure, the School's deposits may not be returned. The School's deposits are covered by Federal depository insurance or by collateral held by the School's custodial bank which is pledged to a state trust fund that provides security for amounts held in excess of FDIC coverage in accordance with the Florida Security for Deposits Act Chapter 280, Florida Statutes. The Florida Security for Public Deposits Act established guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral.

The Florida Security for Public Deposits Act established guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral.

(3) Retirement Plan:

The Belmont Academy Retirement Savings Plan (the "Plan") is a 401(k) defined contribution pension plan. All eligible employees may participate in the plan. Eligibility requirements are described as, attainment of age 21 and completion of 3 consecutive months of employment.

The School currently elects to match the employees' contribution, up to 3.3% of their salary. The School made matching contributions of \$50,816 during the year ended June 30, 2023.

(4) Interfund Balance and Transfers:

The composition of interfund balances as of June 30, 2023, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	CARES and Title II Fund	\$ 104,647
General Fund	Food Service Fund	\$ 23,475

Transfers from/to other funds for the year ended June 30, 2023, were as follows:

Recipient Fund	Amount	Reason for Transfer
Capital Projects	\$ 47,857	Transfer from General Fund to aid in cost for the Capital Projects Fund for the current year.

(5) Risk Management:

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters and is provided through purchased commercial insurance. Health and hospitalization insurance coverage is provided to school employees through purchased commercial insurance. Insurance coverage for fiduciary and student accident are provided by commercial insurance. Settled claims resulting from insurance coverage above have not exceeded purchased insurance coverage for the past three fiscal years.

BELMONT ACADEMY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

(6) **Capital Assets:**

All capital asset additions were acquired with public funds. Capital asset activity for the fiscal year ended June 30, 2023, was as follows:

	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2023</u>
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 310,123	\$ -	\$ -	\$ 310,123
Construction in Progress	36,930	-	(36,930)	-
Total capital assets not being depreciated	<u>347,053</u>	<u>-</u>	<u>(36,930)</u>	<u>310,123</u>
Capital assets being depreciated				
Improvements	258,556	300,014	(2,638)	555,932
Buildings	12,113,484	-	-	12,113,484
Furniture, Fixtures and Equipment	178,182	25,201	(24,905)	178,478
Total capital assets being depreciated	<u>12,550,222</u>	<u>325,215</u>	<u>(27,543)</u>	<u>12,847,894</u>
Less: Accumulated depreciation				
Improvements	(20,936)	(20,323)	1,275	(39,984)
Buildings	(959,273)	(357,930)	-	(1,317,203)
Furniture, Fixtures, and Equipment	(128,293)	(17,490)	23,199	(122,584)
Total accumulated depreciation	<u>(1,108,502)</u>	<u>(395,743)</u>	<u>24,474</u>	<u>(1,479,771)</u>
Governmental activities				
Capital assets, net	<u>\$ 11,788,773</u>	<u>\$ (70,528)</u>	<u>\$ (39,999)</u>	<u>\$ 11,678,246</u>

During the year ended June 30, 2023, \$395,743 was charged to depreciation expense.

Governmental Activities

Unallocated \$ 395,743

BELMONT ACADEMY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

(7) **Long-term Liabilities:**

In August 2020, the school issued educational facilities revenue bonds series 2020A in the amount of \$12,232,700 at an interest rate of 4.00% beginning September 1, 2020. Interest only payments will be made monthly until July 1, 2022. Payments of principal and interest in the amount of \$67,593 will be made monthly beginning July 1, 2022 through the maturity date of September 1, 2030.

\$11,909,682

Total Bonds Payable

\$11,909,682

The following is a summary of changes in long-term obligations for the year ended June 30, 2023:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within one year</u>
Governmental Activities:					
Bonds payable	\$ 12,237,233	\$ -	\$ (327,551)	\$ 11,909,682	\$ 340,900
Total Governmental Activities:	<u>\$ 12,237,233</u>	<u>\$ -</u>	<u>\$ (327,551)</u>	<u>\$ 11,909,682</u>	<u>\$ 340,900</u>

As of June 30, 2023, the scheduled payments for the next 5 years and thereafter is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2024	\$ 340,900	\$ 470,216	\$ 811,116
2025	354,788	456,328	811,116
2026	369,243	441,873	811,116
2027	384,286	426,830	811,116
2028	399,943	411,173	811,116
2029-2031	10,060,522	834,090	10,894,612
Total	<u>\$ 11,909,682</u>	<u>\$ 3,040,510</u>	<u>\$ 14,950,192</u>

BELMONT ACADEMY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

(8) **Leases:**

The School leases office equipment and a parking lot under leases, with options, extending through 2034.

As of June 30, 2023, total lease related assets by major class, and the related accumulated amortization, disclosed separately from other capital assets as follows:

	Balance June 30, 2022	Additions	Disposals	Balance June 30, 2023
Right-to-use leased assets, being amortized:				
Parking lot	\$ 169,037	\$ -	\$ -	\$ 169,037
Copiers	44,429	-	-	44,429
Total leased assets, being amortized	<u>213,466</u>	<u>-</u>	<u>-</u>	<u>213,466</u>
Less accumulated amortization for:				
Parking lot	(13,893)	(13,894)	-	(27,787)
Copiers	<u>(7,181)</u>	<u>(9,847)</u>	-	<u>(17,028)</u>
Total accumulated amortization	<u>(21,074)</u>	<u>(23,741)</u>	<u>-</u>	<u>(44,815)</u>
Right-to-use leased assets, net	<u>\$ 192,392</u>	<u>\$ (23,741)</u>	<u>\$ -</u>	<u>\$ 168,651</u>

The amortization expense for right-to-use leased assets was \$23,741 for the year ended June 30, 2023.

The principal and interest requirements for the School to maturity for the lease liability as of June 30, 2023 is as follows:

Year ended June 30,	Principal	Interest	Debt Service
2024	\$ 21,427	\$ 7,435	\$ 28,862
2025	22,412	6,451	28,863
2026	18,728	5,506	24,234
2027	15,632	4,708	20,340
2028	13,930	4,070	18,000
2029-2033	79,859	10,141	90,000
2034	<u>3,632</u>	<u>17</u>	<u>3,649</u>
Total minimum future payments	<u>\$ 175,620</u>	<u>\$ 38,328</u>	<u>\$ 213,948</u>

BELMONT ACADEMY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

(9) **Recent Accounting Pronouncements:**

The Governmental Accounting Standards Board (“GASB”) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates effective for subsequent fiscal years that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on the School’s financial statements:

GASB issued Statement No. 101, Compensated Absences, in June 2022. GASB Statement No. 101 amends the existing guidance related to the calculation and disclosures surrounding the liability for compensated absences. The provisions for GASB 101 are effective for fiscal years beginning after December 15, 2023.

(10) **Restatement of Beginning Net Position:**

Subsequent to the issuance of the June 30, 2022 financial statements, management became aware of the following: overstatement of Construction in Progress.

Net Position:	
June 30, 2022, originally reported	\$ 1,809,851
Construction in Progress adjustment	61,417
Net Position:	
June 30, 2023, as restated	<u><u>\$ 1,748,434</u></u>

The impact of the restatement decreased government wide beginning net position on the statement of activities in the amount of \$61,417.

REQUIRED SUPPLEMENTARY INFORMATION

BELMONT ACADEMY, INC.
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2023

	Budget		Actual	Variances - Positive (Negative)
	Original	Final		Final to Actual
Revenues				
Florida education finance program	\$ 5,439,000	\$ 5,769,139	\$ 5,711,185	\$ (57,954)
State	162,588	161,361	161,361	-
Local	160,742	256,389	256,389	-
Contributions	-	1,958	1,958	-
Interest income	2,820	45,263	45,263	-
Total Revenues	<u>5,765,150</u>	<u>6,234,110</u>	<u>6,176,156</u>	<u>(57,954)</u>
Expenditures				
Instructional services	3,080,429	3,560,905	3,751,809	(190,904)
Instructional support services	260,523	300,283	153,046	147,237
Board	50,800	41,009	41,009	-
School administration	824,061	849,785	842,514	7,271
Fiscal services	56,197	44,854	44,854	-
Central services	44,352	44,147	44,147	-
Operation of plant	766,396	717,371	656,622	60,749
Administrative technology	12,064	22,166	22,166	-
Community services	25,000	20,464	20,464	-
Capital outlay	16,663	146,040	30,391	115,649
Redemption of principal	-	-	20,560	(20,560)
Debt service	811,116	810,369	8,303	802,066
Total Expenditures	<u>5,947,601</u>	<u>6,557,393</u>	<u>5,635,885</u>	<u>921,508</u>
Net change in fund balances	<u>(182,451)</u>	<u>(323,283)</u>	<u>540,271</u>	<u>863,554</u>
Other Financing Sources (Uses)				
Transfers out	-	-	(47,857)	(47,857)
Total Other Financing Sources (Uses)	-	-	(47,857)	(47,857)
Net Change in Fund Balance	<u>(182,451)</u>	<u>(323,283)</u>	<u>492,414</u>	<u>815,697</u>
Fund balance, Beginning of year	1,819,299	1,819,299	1,819,299	-
Fund balance, Ending of year	<u>\$ 1,636,848</u>	<u>\$ 1,496,016</u>	<u>\$ 2,311,713</u>	<u>\$ 815,697</u>

The accompanying notes are an integral
part of this schedule.

**BELMONT ACADEMY, INC.
CARES AND TITLE II FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2023**

	Budget		Actual	Variances - Positive (Negative)
	Original	Final		Final to Actual
Revenues				
Federal through state	\$ 578,226	\$ 735,252	\$ 735,252	\$ -
Total Revenues	<u>578,226</u>	<u>735,252</u>	<u>735,252</u>	<u>-</u>
Expenditures				
Instructional services	578,226	295,490	295,490	-
Instructional support services	-	147,181	147,181	-
School administration	-	14,856	14,856	-
Operation of plant	-	99,313	99,313	-
Community services	-	8,232	8,232	-
Capital outlay	-	170,180	170,180	-
Total Expenditures	<u>578,226</u>	<u>735,252</u>	<u>735,252</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, Beginning of year	-	-	-	-
Fund balance, Ending of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this schedule.

BELMONT ACADEMY, INC.
FOOD SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Budget</u>		<u>Actual</u>	<u>Variances -</u>
	<u>Original</u>	<u>Final</u>		<u>Positive</u>
				<u>(Negative)</u>
				<u>Final</u>
				<u>to Actual</u>
Revenues				
Federal through state	\$ 114,000	\$ 251,769	\$ 251,769	\$ -
State	-	2,416	2,416	-
Local	50,000	87,634	87,634	-
Total Revenues	<u>114,000</u>	<u>341,819</u>	<u>341,819</u>	<u>-</u>
Expenditures				
Food services	187,608	228,438	251,913	(23,475)
Total Expenditures	<u>187,608</u>	<u>228,438</u>	<u>251,913</u>	<u>(23,475)</u>
Net change in fund balances	<u>(73,608)</u>	<u>113,381</u>	<u>89,906</u>	<u>(23,475)</u>
Fund balance, Beginning of year	97,267	97,267	97,267	-
Fund balance, Ending of year	<u>\$ 23,659</u>	<u>\$ 210,648</u>	<u>\$ 187,173</u>	<u>\$ (23,475)</u>

The accompanying notes are an integral
part of this schedule.

BELMONT ACADEMY, INC.
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2023

(1) **Summary of Significant Accounting Policies:**

The Statements of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual are presented using the School’s budget format for the general fund.

(2) **Budgetary Basis of Accounting:**

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual budgets are adopted for the entire operations at the combined governmental level and may be amended by the Board of Directors (the “Board”). The budget presented for fiscal year ended June 30, 2023, has been amended.

**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 Governing Board,
Belmont Academy, Inc.:

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 Belmont Academy, Inc. as of and for the year ended June 30, 2023, and related notes to the financial statements which collectively comprise Belmont Academy, Inc.'s basic financial statements and have issued our report thereon dated September 29, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Belmont Academy, Inc.'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 Belmont Academy, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Belmont Academy, Inc.'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.

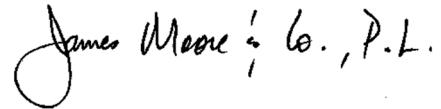
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting 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 Belmont Academy, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests did not disclose 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.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Tallahassee, Florida
September 29, 2023



**MANAGEMENT LETTER OF INDEPENDENT AUDITORS'
REQUIRED BY CHAPTER 10.850, RULES OF THE AUDITOR GENERAL**

To the Governing Board,
Belmont Academy, Inc.:

Report on the Financial Statements

We have audited the financial statements of the Belmont Academy, Inc., a component unit of the Columbia County School District, as of and for the fiscal year ended June 30, 2023, and have issued our report thereon dated September 29, 2023.

Auditors' 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 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, which is dated September 29, 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. Corrective actions have been taken to address findings and recommendations made 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 Belmont Academy, Inc. and 160531.

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 to communicate whether or not Belmont Academy, Inc. 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 Belmont Academy, Inc. did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, require that we apply financial condition assessment procedures for Belmont Academy, Inc.. It is management's responsibility to monitor Belmont Academy, Inc.'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

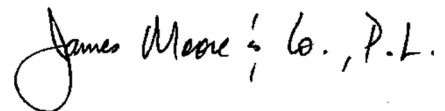
Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require that we apply appropriate procedures to determine whether Belmont Academy, Inc. maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that Belmont Academy, Inc. 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 that 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 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, Columbia County District School Board, the Board of Directors, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

James Moore & Co., P.L.

Tallahassee, Florida
September 29, 2023

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

To the Board of Directors,
Belmont Academy, Inc.:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Belmont Academy, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Belmont Academy, Inc.'s major federal programs for the year ended June 30, 2023. Belmont Academy, Inc.'s major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Belmont Academy, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Belmont Academy, Inc. and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Belmont Academy, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Belmont Academy, Inc.'s federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Belmont Academy, Inc.'s compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Belmont Academy, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Belmont Academy, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Belmont Academy, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Belmont Academy, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

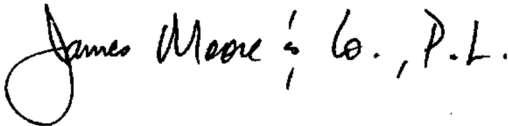
Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large, prominent loop at the beginning of the word "James".

Tallahassee, Florida
September 29, 2023

BELMONT ACADEMY, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

<u>Federal Grantor/State Grantor/Pass Through Grantor/ Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Contract Number</u>	<u>Expenditures</u>
FEDERAL AWARDS			
U.S. Department of Agriculture			
Passed through Florida Department of Agriculture and Consumer Services:			
School Breakfast Program	10.553	-	\$ 36,327
National School Lunch Program	10.555	-	215,442
Total Children Nutrition Cluster			<u>251,769</u>
U.S Department of Education			
Passed through Columbia County School District:			
Education Stabilization Fund	84.425D	TAPS 21A164, TAPS 22A170, TAPS 22A171, TAPS 22A172, TAPS 22A173	8,809
Education Stabilization Fund	84.425U	TAPS 22A175, TAPS 22A177	685,539
Total Education Stabilization Fund			<u>694,348</u>
Supporting Effective Instruction State Grants	84.367	-	40,904
Total Federal Awards			<u><u>\$ 987,021</u></u>

BELMONT ACADEMY, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the Federal awards of Belmont Academy, Inc.. under programs of the federal government for the year ended June 30, 2023 in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Belmont Academy, Inc. it is not intended to and does not present the financial position, changes in net assets, or cash flows of Belmont Academy, Inc.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

Note 3. De Minimis Indirect Cost Rate Election

Belmont Academy, Inc. has elected not to use the 10 percent de minimis indirect cost rate as allowed under Uniform Guidance.

Note 4. Subrecipients

For the year ended June 30, 2023, there were no amounts passed through to subrecipients.

BELMONT ACADEMY, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

I. Summary of Auditors' Results:

Financial Statements

Type of audit report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes X no
- Significant deficiencies identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major Federal programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiencies identified? _____ yes X none reported

Types of auditor's report issued on compliance for major Federal programs: *Unmodified*

Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes X no

Identification of major Federal programs:

Federal Program	Federal Assistance Listing Number
Education Stabilization Fund	84.425
Dollar threshold used to distinguish between type A and type B Federal programs:	\$ 750,000
Auditee qualified as low-risk auditee	_____ yes <u> X </u> no

II. Financial Statement Findings: None.

III. Federal Award Findings and Questions Costs: None.

IV. Federal Award Summary Schedule of Prior Year Findings: There were no audit findings for the year ended June 30, 2023.