Alachua Learning Academy
Elementary School

An elementary school program of
Alachua Learning Center, Inc.

A Component Unit of the Alachua County District School Board

Financial Statements
And
Independent Auditors' Reports

June 30, 2026

KATTELL AND COMPANY, P.L.
Certified Public Accountants Serving the Nonprofit Community

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808-B NW 16th Avenue
Gainesville, Florida 32601

(352) 395-6565

Financial Statements and Independent Auditors' Reports

June 30, 2026

Alachua Learning Academy Elementary School

A Component Unit of the Alachua County District School Board

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Kattell and Company, P.L.
Certified Public Accountants Serving the Nonprofit Community
808-B NW 16th Avenue Gainesville, Florida 32601 352-395-6565 kattell.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Alachua Learning Center, Inc.

October 15, 2026

Report on the Audit of the Financial Statements

Opinions

We have audited the special purpose financial statements of the governmental activities and each major fund of Alachua Learning Academy Elementary School (the School), an elementary school program of Alachua Learning Center, Inc., a component unit of the Alachua County District School Board, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the School, as of June 30, 2026, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (*Government Auditing Standards*), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' 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.

Emphasis of Matter

Special Purpose Statements. As discussed in Note 1, the financial statements of the School are intended to present the financial position and changes in financial position of the governmental activities and each major fund of the School. They do not purport to, and do not, present fairly the financial position of the Alachua Learning Center, Inc., as of June 30, 2026, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

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.

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 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that,

individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Report on the Audit of the Financial Statements (concluded)

Auditors' Responsibilities for the Audit of the Financial Statements (concluded)

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated October 15, 2026, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the School's internal control over financial reporting and compliance.

Kattell and Company, P.L.

Gainesville, Florida

"Not everything that counts can be counted, and not everything that can be counted counts."
-Albert Einstein

Management's Discussion and Analysis
June 30, 2026
Alachua Learning Academy Elementary School
A Component Unit of the Alachua County District School Board

This discussion and analysis of the School's financial performance provides an overview of the School's financial activities for the fiscal year ended June 30, 2026. Please read it in conjunction with the School's financial statements, which follow this section.

Alachua Learning Center, Inc. operates as two different schools, a middle school and an elementary school. Although this discussion and analysis is for the elementary school alone, it should be noted that Alachua Learning Center, Inc. has elected to report all capital assets, and long-term debt, if any, in the financial statements of the middle school.

The following are various financial highlights for fiscal year 2026:

- The School's overall Net Position increased by approximately $223,000, which is a 13% increase.
- Total ending unrestricted Net Position was $1,758,307.
- The School had total expenses for the year of approximately $938,000 compared to revenues of approximately $1,171,000 and a transfer of approximately $10,000.
- The School educated 107 and 108 students in the years ending June 30, 2026 and 2025, respectively, serving grades K-5.

OVERVIEW OF THE SPECIAL PURPOSE FINANCIAL STATEMENTS
This annual report contains government-wide financial statements that report on the School's activities as a whole and fund financial statements that report on the School's individual funds.

Government-wide Financial Statements
The first financial statement is the Statement of Net Position. This statement includes all of the School's assets and liabilities using the accrual basis of accounting. Accrual accounting is similar to the accounting used by most private-sector companies. All of the current year revenues and expenses are recorded, regardless of when cash is received or paid. Net Position – the difference between assets and liabilities – can be used to measure the School's financial position.

The second financial statement is the Statement of Activities. This statement is also shown using the accrual basis of accounting. It shows the increases and decreases in net position during the fiscal year. Over time, the increases or decreases in net position are useful indicators of whether the School's financial health is improving or deteriorating. However, other non-financial factors, such as enrollment levels or changes in state funding, must also be considered when assessing the overall health of the School.

In these statements, all of the School's activities are considered to be governmental activities. The School has no business-type activities, which are generally financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements
Following the government-wide financial statements are the fund financial statements. They provide more detailed information about the School's funds.

The School maintains three individual governmental funds, the General Fund, Special Revenue Fund and Capital Projects Fund. All three are considered to be major funds and, accordingly, they are separately displayed.

Governmental funds are accounted for using modified accrual accounting. Modified accrual accounting focuses on available cash and other financial assets that can readily be converted to cash. This provides a shorter-term view of the fund's financial position. A reconciliation is provided with these statements, which helps to explain the differences between the fund financial statements and the government-wide financial statements.

CONDENSED FINANCIAL INFORMATION

The following table presents condensed, government-wide current year data about net position and changes in net position.

	2026 Governmental Activities	2025 Governmental Activities
Net Position		
Assets:		
Non-capital Assets	$ 1,992,041	$ 1,769,408
Total Assets	1,992,041	1,769,408
Liabilities:		
Current Liabilities	--	--
Total Liabilities	--	--
Net Position:		
Restricted for Capital Outlay	233,734	144,355
Unrestricted	1,758,307	1,625,053
Total Net Position	$ 1,992,041	$ 1,769,408
Change in Net Position		
Program Revenues:		
Capital Grants and Contributions	$ 129,397	$ 96,994
General Revenues:		
Federal	4,613	4,593
Federal Through State	36,087	32,535
State	878,116	867,376
District School Taxes	69,251	89,129
Other Local Revenue	4,613	2,251
Investment Income	48,814	27,994
Total Revenues	1,170,891	1,120,872
Program Expenses:		
Instruction	607,750	554,358
Instructional Support Services	23,186	21,378
General Support	307,655	323,581
Total Expenses	938,591	899,317
Change in Net Position before Transfers	232,300	221,555
Transfer to Middle School	(9,667)	(10,533)
Change in Net Position	222,633	211,022
Beginning Net Position	1,769,408	1,558,386
Ending Net Position	$ 1,992,041	$ 1,769,408

Management's Discussion and Analysis
June 30, 2026
Alachua Learning Academy Elementary School
A Component Unit of the Alachua County District School Board

OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS

Governmental Activities. The governmental activities generated $129,397 in program revenues and $1,041,494 of general revenues, and incurred $938,591 of program expenses. There was also a transfer of $9,667 to the Middle School for the School's share of the cost of the land lease. This resulted in a $222,633 increase in Net Position.

The increase in net position for the year ended June 30, 2025 was $211,022. Revenues and expenses for the year ended June 30, 2026 were not significantly different from those of the prior year. This explains the similar increase in net position.

THE SCHOOL'S INDIVIDUAL FUNDS

General Fund. The fund balance of the General Fund increased by $133,254 from $1,625,053 to $1,758,307.

Special Revenue Fund. The fund balance of the Special Revenue Fund remained the same at $0. This is expected due to the nature of Title I funding.

Capital Projects Fund. The fund balance of the Capital Projects Fund increased by $89,379 from $144,355 to $233,734. Capital outlay revenues were not fully expended during the year.

All Funds. Although the increase in fund balance for all funds was similar to the prior year, the School adopted a conservative approach to the allocation of costs to capital outlay funding. As a result, the Capital Projects fund increased by a higher proportion of total fund balance than in the prior year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The School and the Alachua Learning Academy Middle School are programs operated by Alachua Learning Center, Inc. (the Corporation). The Corporation has elected to report all capital assets and all long-term debt in the special purpose financial statements of the Middle School. As such, there will be no capital asset and debt administration activities reported in these special purpose financial statements.

ECONOMIC FACTORS

The School currently is not aware of any conditions that are expected to have a significant effect on the School's financial position or results of operations.

CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the School's finances and to show the School's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Krishna Rivera, Director; P.O. Box 1389, Alachua, Florida 32616.

Statement of Net Position
June 30, 2026
Alachua Learning Academy Elementary School
A Component Unit of the Alachua County District School Board

	Governmental Activities
Assets	
Cash	$ 990,197
Investments	678,670
Due from Middle School	312,733
Grants Receivable	10,441
Total Assets	1,992,041
Liabilities	
Accounts Payable	--
Due to Middle School	--
Total Liabilities	--
Net Position	
Restricted for Capital Outlay	233,734
Unrestricted	1,758,307
Total Net Position	$ 1,992,041

See accompanying notes.

Statement of Activities
For the Year Ended June 30, 2026
Alachua Learning Academy Elementary School
A Component Unit of the Alachua County District School Board

Functions/Programs:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Change in Net Assets
Governmental Activities:					
Instruction	$ (607,750)	$ --	$ --	$ --	$ (607,750)
Instructional Support	(23,186)	--	--	--	(23,186)
General Support	(307,655)	--	--	129,397	(178,258)
Total	$ (938,591)	$ --	$ --	$ 129,397	(809,194)

General Revenues:	
Federal:	
ERATE Grant	4,613
Federal Through State:	
Title I Grant	36,087
State Revenue:	
Florida Education Finance Program	868,991
Other State Revenues	9,125
Local Revenue:	
Local Tax Revenue	69,251
Investment Income	48,814
Other	4,613
Total General Revenues	**1,041,494**
Change in Net Position, Before Transfer	**232,300**
Transfer to Middle School	**(9,667)**
Change in Net Position	**222,633**
Net Position – Beginning of Year	**1,769,408**
Net Position – End of Year	**$ 1,992,041**

See accompanying notes.

Balance Sheet – Governmental Funds
June 30, 2026
Alachua Learning Academy Elementary School
A Component Unit of the Alachua County District School Board

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
Assets				
Cash	$ 756,463	$ --	$ 233,734	$ 990,197
Investments	678,670	--	--	678,670
Due from Middle School	312,733	--	--	312,733
Grants Receivable	10,441	--	--	10,441
Total Assets	**$ 1,758,307**	**$ --**	**$ 233,734**	**$ 1,992,041**
Liabilities and Fund Balances				
Liabilities:				
Accounts Payable	$ --	$ --	$ --	$ --
Due to Middle School	--	--	--	--
Total Liabilities	--	--	--	--
Fund Balances:				
Restricted for Capital Outlay	--	--	233,734	233,734
Unassigned	1,758,307	--	--	1,758,307
Total Fund Balances	1,758,307	--	233,734	1,992,041
Total Liabilities and Fund Balances	**$ 1,758,307**	**$ --**	**$ 233,734**	**$ 1,992,041**

See accompanying notes.

Reconciliation of the Balance Sheet to the Statement of Net Position – Governmental Funds

June 30, 2026

Alachua Learning Academy Elementary School

A Component Unit of the Alachua County District School Board

Fund Balances – Total Governmental Funds	$ 1,992,041
Amounts reported for Governmental activities in the Statement of Net Position are not different from amounts reported in the Governmental Fund Financial Statements.	--
Net Position of Governmental Activities	$ 1,992,041

See accompanying notes.

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

For the Year Ended June 30, 2026

Alachua Learning Academy Elementary School

A Component Unit of the Alachua County District School Board

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
Revenues				
Federal:				
USAC E-rate Grant	$ 4,613	$ --	$ --	$ 4,613
Federal through State:				
Title I Grant	--	36,087	--	36,087
State Revenue:				
Florida Education Finance Program	868,991	--	--	868,991
Public Education Capital Outlay	--	--	71,289	71,289
Other State Revenue	9,125	--	--	9,125
Local Revenue:				
Local Capital Improvement	--	--	58,108	58,108
Local Tax Revenue	69,251	--	--	69,251
Investment Income	48,814	--	--	48,814
Other Local Revenues	4,613	--	--	4,613
Total Revenues	**1,005,407**	**36,087**	**129,397**	**1,170,891**
Expenditures and Changes in Fund Balances				
Expenditures:				
Current:				
Instruction	571,663	36,087	--	607,750
Instructional Support	23,186	--	--	23,186
General Support	277,304	--	--	277,304
Capital Outlay	--	--	30,351	30,351
Total Expenditures	**872,153**	**36,087**	**30,351**	**938,591**
Excess of Revenues of Expenditures	**133,254**	**--**	**99,046**	**232,300**
Transfer to Middle School	**--**	**--**	**(9,667)**	**(9,667)**
Change in Fund Balances	**133,254**	**--**	**89,379**	**222,633**
Fund Balances, July 1, 2025	**1,625,053**	**--**	**144,355**	**1,769,408**
Fund Balances, June 30, 2026	**$ 1,758,307**	**$ --**	**$ 233,734**	**$ 1,992,041**

See accompanying notes.

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Funds

For the Year Ended June 30, 2026

Alachua Learning Academy Elementary School

A Component Unit of the Alachua County District School Board

Change in Fund Balances – Total Governmental Funds	$ 222,633
Amounts reported for governmental activities in the Statement of Activities are not different from amounts reported in the Governmental Fund Financial Statements.	--
Change in Net Position of Governmental Activities	$ 222,633

See accompanying notes.

NOTE 1 – REPORTING ENTITY

Alachua Learning Center, Inc. (the Corporation) is 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 Corporation operates an elementary school under the name "Alachua Learning Academy Elementary School" and a middle school under the name "Alachua Learning Academy Middle School" (Middle School). These special purpose financial statements are those of the Alachua Learning Academy Elementary School (the School) only. The governing body of the School is the Corporation's Board of Directors. The School is a program of the Corporation; the Corporation is considered a component unit of the Alachua County District School Board (the District).

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the District, the sponsoring entity. The current charter is effective until June 30, 2031, and may be renewed provided that a program review demonstrates that certain criteria addressed in Section 1002.33(7), Florida Statutes, have been successfully accomplished. 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)(e), 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.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the School conform to generally accepted accounting principles as applicable to governments. The more significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

Government-wide Financial Statements

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information on all of the activities of the School. Governmental activities are reported separately from business-type activities, which rely on fees charged to external parties as their primary revenues. The School has no business-type activities.

Any internal inter-fund activity has been eliminated from the government-wide financial statements.

The Statement of Net Position reports the School's financial position as of the end of the fiscal year. In this statement, the School's net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government-wide Financial Statements (concluded)

The Statement of Activities is displayed using a net-cost format and reports the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges for services that are directly related to a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

The financial transactions of the School are reported in individual funds in the fund financial statements. The governmental fund statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for the governmental funds.

The following funds are used by the School:

GOVERNMENTAL FUNDS

General Fund – The General Fund is the general operating fund of the School. It is used to account for all financial resources, except those associated with grants that are restricted to specified uses.

Special Revenue Fund – The Special Revenue Fund is used to account for financial resources associated with grants that are restricted to operational uses.

Capital Projects Fund – The Capital Projects Fund is used to account for financial resources associated with grants that are restricted to capital uses.

In the accompanying fund financial statements, the General Fund, Special Revenue Fund and Capital Projects Fund are all considered to be major funds and, therefore, are separately displayed. The School has no non-major funds.

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 recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. 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. Expenditures generally are recorded when the related fund liability is incurred. However, debt service expenditures, if any, are recorded only when payment is due.

Most revenues are considered to be susceptible to accrual and have been measured in the current fiscal period. Certain other items are considered to be measurable and available only when cash is received.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash

Cash consists of deposits in financial institutions. Such deposits qualify as public deposits and are insured by Florida's Public Deposits Program as defined in Section 280.02, Florida Statutes. The School has no policy regarding deposit custodial credit risk.

Investments

Investments are reported at fair value.

Capital Assets and Depreciation

The School is a program of the Corporation. The School contributes to the purchase of capital assets, but the Corporation has elected to report all capital assets in the special purpose financial statements of the Middle School. As such, the School does not report capital assets in these special purpose financial statements.

Revenue Sources

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

The School also receives other financial assistance. This assistance is generally based on applications submitted to and approved by the granting agency.

Compensated Absences

The School's employees had no unused sick and vacation time at the end of the school year. Therefore, no liability for compensated absences is recorded.

Long-term Liabilities

The School is a program of the Corporation. The Corporation has elected to report all long-term liabilities, specifically its lease liability, in the special purpose financial statements of the Middle School. The School reported a transfer to the Middle School for its share of the payments on the lease liability. As such, the School does not report long-term liabilities in these special purpose financial statements.

Net Position

Net position represents the difference between assets and liabilities and is reported, as applicable, in three categories as hereafter described. Net investment in capital assets represents capital assets net of accumulated depreciation and any outstanding debt related to those assets. Net position is reported as restricted when there are legal limitations imposed on their use by legislation, or external restrictions imposed by other governments, creditors, or grantors. The balance of the net position is reported as unrestricted.

When both restricted and unrestricted resources are available for use, it is the School's policy to use restricted resources first, and then unrestricted resources as they are needed.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

Fund Balance Classifications

Governmental funds report separate classifications of fund balance.

Non-Spendable. The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted. The restricted fund balance is defined as having restrictions (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed. Committed fund balance is defined as amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School's Board of Directors.

Assigned. Assigned fund balance is defined as amounts that are constrained by the intent of the School's Board of Directors to be used for specific purposes, but are neither restricted nor committed. The School has given the authority to assign fund balance to the School's Director. Assigned fund balance includes spendable fund balance amounts established by the Director that are intended to be used for specific purposes that are neither considered restricted nor committed. Assignment of fund balance may be (a) made for a specific purpose that is narrower than the general purposes of the government itself; and/or (b) used to reflect the appropriation of a portion of existing unassigned fund balance to eliminate a projected deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues. Assigned fund balance shall reflect management's intended use of resources as set forth each year by the Director. Assigned fund balance may or may not be appropriated for expenditure in the subsequent year depending on the timing of the project/reserve for which it was assigned.

Unassigned. Unassigned fund balance is the residual classification for the general fund.

It is the policy of the School to use restricted resources to the extent they are available, then committed resources, followed by assigned resources. Once these are consumed the School will then use unassigned resources. The School does not have a formal policy requiring a minimum fund balance.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

NOTE 3 – INVESTMENTS

The School's investments consist of the following:

	2026
Annuity Contract Value at Purchase	$ 500,000
Accumulated Interest Credits	178,670
Contract Value at June 30, 2026	**$ 678,670**

The School invested $500,000 in a five-year, fixed index annuity agreement with Global Atlantic Financial Group, which has earned an A Rating from A.M. Best. The annuity includes a guaranteed principal provision and a guaranteed annual interest rate. Up to 10% can be withdrawn each year without a penalty. Annuities are valued at contract value which approximates fair value. Fair value is measured using Level 2 inputs.

Cash surrender value at June 30, 2026 is $645,985.

NOTE 4 – LAND LEASE

The Corporation entered into a lease for land used by the School and the Middle School. As discussed in Note 2, the Corporation has elected to report capital assets and long-term liabilities in the special purpose financial statements of the Middle School. The School will make annual transfers to the Middle School for its share of the lease payments as determined by student attendance. The School transferred $9,667 for the year ended June 30, 2026, which amounted to 56% of the lease payments.

The lease specifies an end date of April 30, 2045 and includes an option to renew for an additional five years which the Corporation is reasonably certain to exercise. At June 30, 2026, the Middle School has recorded a lease liability for $244,545 for the present value of lease payments for the lease term. The Middle School used an estimated incremental borrowing rate of 4.75% to compute the lease liability.

Principal and interest requirements on the lease liability are as follows:

Fiscal Years Ending June 30,	Principal	Interest	Total
2027	$ 5,666	$ 11,494	$ 17,160
2028	5,941	11,219	17,160
2029	6,230	10,930	17,160
2030	6,532	10,628	17,160
2031	6,850	10,310	17,160
2032	7,182	9,978	17,160
2033	7,531	9,629	17,160
2034-2038	43,509	42,291	85,800
2039-2043	55,142	30,658	85,800
2044-2048	69,891	15,909	85,800
2049-2050	30,071	1,387	31,458
Total	**$ 244,545**	**$ 164,433**	**$ 408,978**

NOTE 5– RISK MANAGEMENT

The School is exposed to various risks of loss, including general liability, personal injury, workers compensation, and errors and omissions. To manage its risks, the Corporation has purchased commercial insurance which covers both the Elementary School and the Middle School. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three years.

NOTE 6 – RETIREMENT

The Corporation has elected to report the costs of all retirement benefits in the special purpose financial statements of the Middle School. The School reimburses the Middle School for the School's share of all personnel costs, including retirement. Retirement costs paid by the Corporation are disclosed in the financial statements of the Middle School.

The Corporation made contributions on behalf of its employees to a 457(b) Deferred Compensation Plan managed by Empower Retirement. The Corporation matches employee contributions up to five percent of each eligible employee's salary. The Board of Directors of the Corporation has the authority to amend or terminate this benefit.

NOTE 7 – INTER-COMPANY TRANSACTIONS

The Middle School pays all of the expenses of the School. The School reimburses the Middle School for all direct costs of the School as well as a share of other costs. Below is a breakdown of the associated costs:

Salaries and Payroll Taxes - Teachers and Administration	$ 766,528
Supplies and Curriculum	41,470
Contract Labor and Professional Fees	65,258
Occupancy	41,378
Insurance	17,512
Travel and Transportation	1,524
Total	$ 933,670

NOTE 8 – CONTINGENCIES

The School is subject to occasional lawsuits and claims arising in the normal conduct of business. In the opinion of management, the ultimate disposition of these matters, if any, will not have a significant impact on the financial position of the School.

Budgetary Comparison Schedule – General Fund
For the Year Ended June 30, 2026
Alachua Learning Academy Elementary School
A Component Unit of the Alachua County District School Board

	Budgeted Amounts		Variance with Original and Final	Actual Amounts	Variance with Final Budget and Actual
	Original	Final			
Revenues					
Revenues:					
Federal:					
USAC-Erate Grant	$ 4,593	$ 4,593	$ --	$ 4,613	$ 20
State Revenue:					
Florida Education Finance Program	853,396	853,396	--	868,991	15,595
Other State Revenue	7,600	7,600	--	9,125	1,525
Local Revenue:					
District School Taxes	77,306	77,306	--	69,251	(8,055)
Investment Income	27,994	27,994	--	48,814	20,820
Other Local Revenue	32,751	32,751	--	4,613	(28,138)
Total Revenues	**1,003,640**	**1,003,640**	**--**	**1,005,407**	**1,767**
Expenditures and Changes in Fund Balances					
Expenditures:					
Current:					
Instruction	580,065	580,065	--	571,663	8,402
Instructional Support Services	22,130	22,130	--	23,186	(1,056)
Food Services	81,882	81,882	--	--	81,882
General Support	336,672	336,672	--	277,304	59,368
Total Expenditures	**1,020,749**	**1,020,749**	**--**	**872,153**	**148,596**
Change in Fund Balance	**(17,109)**	**(17,109)**	**--**	**133,254**	**150,363**
Fund Balances, July 1, 2025	**17,109**	**17,109**	**--**	**1,625,053**	**1,607,944**
Fund Balances, June 30, 2026	**$ --**	**$ --**	**$ --**	**$ 1,758,307**	**$ 1,758,307**

Notes:

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. The fund is the legal level of control.

The School did not amend its budget during the year; therefore, there are no differences between the original and final budgets.

Final Budget to Actual Variances:

- The original budget included revenues and expenses related to the food service activity. However, that activity was accounted for in the Middle School.
- The School's budget did not include a line item for beginning fund balances.
- The School included generous amounts in its budget for noncapitalized equipment and supplies that it did not spend by the end of the year.

Budgetary Comparison Schedule – Special Revenue Fund

For the Year Ended June 30, 2026

Alachua Learning Academy Elementary School

A Component Unit of the Alachua County District School Board

	Budgeted Amounts		Variance with Original and Final	Actual Amounts	Variance with Final Budget and Actual
	Original	Final			
Revenues					
Revenues:					
Federal through State:					
Title I Grant	$ 32,535	$ 32,535	$ --	$ 36,087	$ 3,552
Expenditures and Changes in Fund Balances					
Expenditures:					
Current:					
Instruction	32,535	32,535	--	36,087	(3,552)
Change in Fund Balance	--	--	--	--	--
Fund Balances, July 1, 2025	--	--	--	--	--
Fund Balances, June 30, 2026	**$ --**	**$ --**	**$ --**	**$ --**	**$ --**

Notes:

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. The fund is the legal level of control.

The School did not amend its budget during the year; therefore, there are no differences between the original and final budgets.

There are no significant differences between the final budget and actual amounts.

Kattell and Company, P.L.
Certified Public Accountants Serving the Nonprofit Community
808-B NW 16th Avenue Gainesville, Florida 32601 352-395-6565 kattell.com

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

To the Board of Directors
Alachua Learning Center, Inc.

October 15, 2026

We have audited the special purpose financial statements of Alachua Learning Academy Elementary School (the School), a program of Alachua Learning Center, Inc., for the year ended June 30, 2026, and have issued our report thereon dated October 15, 2026. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated September 3, 2026. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Accounting Policies. Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the School are described in the notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the School during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There are no estimates that are particularly sensitive.

Disclosures. There are no disclosures that are particularly sensitive.

Corrected and Uncorrected Misstatements. Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We have communicated all known and likely adjustments to management. All material adjustments were reflected in the financial statements of the School.

Our Working Relationship with Management

Difficulties Encountered in Performing the Audit. We encountered no difficulties in dealing with management in performing and completing our audit.

Disagreements with Management. For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations. We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants. In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the School's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Consultations Prior to Engagement. We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the School's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

* * * * * * * *

This letter is intended solely for the information and use of management and the Board of Directors of the School and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Kattell and Company, P.L.

Kattell and Company, P.L.
Certified Public Accountants Serving the Nonprofit Community
808-B NW 16th Avenue Gainesville, Florida 32601 352-395-6565 kattell.com

MANAGEMENT LETTER

To the Board of Directors
Alachua Learning Center, Inc.

October 15, 2026

Report on the Financial Statements. We have audited the financial statements of Alachua Learning Academy Elementary School (the School), as of and for the fiscal year ended June 30, 2026, and have issued our report thereon dated October 15, 2026.

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 on Compliance and Other Matters Required by *Government Auditing Standards* and Schedule of Findings. Disclosures in that report and schedule, which are dated October 15, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings. Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. In that regard, there are no uncorrected findings to 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 of the entity is Alachua Learning Academy Elementary School and the school code assigned by the Florida Department of Education is 01-957.

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 financial condition assessment procedures for the School. It is management's responsibility to monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Transparency. Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the School maintains on its website the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School had not maintained on its website all of the information specified in Section 1002.33(9)(p), Florida Statutes on September 10, 2026, the date of our procedures. See Finding 2026-001.

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 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, the local district school board, the Board of Directors and management of the School, and is not intended to be and should not be used by anyone other than these specified parties.

* * * * * * *

Thank you for the cooperation and courtesies extended to us during the course of the audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or any other matters.

Kattell and Company, P.L.

Kattell and Company, P.L.
Certified Public Accountants Serving the Nonprofit Community
808-B NW 16th Avenue Gainesville, Florida 32601 352-395-6565 kattell.com

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Alachua Learning Center, Inc.

October 15, 2026

We have audited, 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, the financial statements of the governmental activities and each major fund of Alachua Learning Academy Elementary School (the School), as of and for the year ended June 30, 2026, and the related notes to financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated October 15, 2026.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) as a basis for designing 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

School's Response to Finding

The School's response to the finding identified in the Schedule of Findings is described in the accompanying letter from the School. The School's response was not subjected to auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

* * * * * * *

As required by the Rules of the Auditor General of the State of Florida, we noted certain matters that we reported to management of the School in the management letter dated October 15, 2026.

Kattell and Company, P.L.

Schedule of Findings
June 30, 2026
Alachua Learning Academy Elementary School
A Component Unit of the Alachua County District School Board

2026-001 Transparency

The School did not maintain on its website all of the information required by Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General.

ALACHUA LEARNING ACADEMY
Elementary & Middle School
Established 1999

Alachua Learning Academy Elementary School Audit 6/2026

10/15/2026

Kattel and Company, P.L.
808-B NW 16th Ave
Gainesville, FL 32601

We have received the results of the June 30, 2026 audit report of our school conducted by your firm.

We will make the following adjustments:

- 2026-001 - The school will maintain on its website all of the information required by Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General.

We appreciate your professionalism and look forward to working with you again.

Sincerely,

KP Rivera
Administrative Director