

Beacon College Prep K-8

A Division of Beacon College Prep, Inc.

Basic Financial Statements
For the Year Ended June 30, 2026

Beacon College Prep K-8

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Beacon College Prep K-8
Opa Locka, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Beacon College Prep K-8 (the "School"), a division of Beacon College Prep, Inc., as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements of the School are intended to present the financial position and changes in financial position of only that portion of the governmental activities and each major fund of Beacon College Prep, Inc. that is attributable to the transactions of the School. They do not purport to, and do not, present fairly the financial position of Beacon College Prep, Inc. as of June 30, 2026, or its changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with 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.

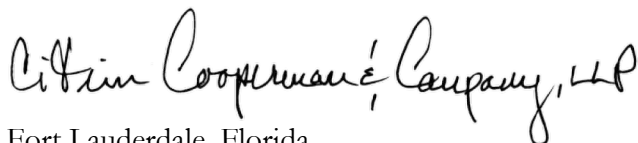
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 9 and 26 through 28 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 September 11, 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.



Fort Lauderdale, Florida
September 11, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

Beacon College Prep K-8
Management's Discussion and Analysis
June 30, 2026

As management of Beacon College Prep K-8 (the School), a division of Beacon College Prep, Inc. we offer readers of the School's financial statements this narrative overview and analysis of the financial activities of the School for the years ended June 30, 2026 and 2025.

Management's discussion and analysis is included at the beginning of the School's financial statements to provide, in layman's terms, the past and current position of the School's financial condition. This summary should not be taken as a replacement for the audit which consists of the financial statements.

Financial Highlights

Our financial statements provide these insights into the results of this year's operations.

- As of June 30, 2026, the School's fund balances were \$ 414,650 as compared to \$ 1,248,229 at June 30, 2025.
- As of June 30, 2026, the School had a net position (deficit) of \$ (983,869), as compared to a net position of \$ 462,475 as of June 30, 2025.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the School's financial statements. The financial statements have three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements.

Government-Wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the School's finances, in a manner similar to a private-sector business.

The statement of net position (deficit) presents information on all of the School's assets, deferred outflows of resources, liabilities and deferred inflows of resources. The difference is reported as net position. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the School is improving or deteriorating.

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

The government-wide financial statements include all governmental activities that are principally supported by grants and entitlements from the state for full-time equivalent funding. The School does not have any business-type activities. The governmental activities of the School primarily include instruction and instructional support services.

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

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

Overview of the Financial Statements (continued)

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the School's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School maintains several individual governmental funds. Information is presented in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. The General Fund, Special Revenue Fund, and Capital Projects Fund are considered to be the School's major funds.

The School adopts an annual budget for its governmental funds except for the Capital Projects Fund. A budgetary comparison schedule has been provided for the General Fund and Special Revenue Fund to demonstrate compliance with the budget.

The governmental fund financial statements can be found on pages 12 through 15 of this report.

Notes to Financial Statements: The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16 through 25 of this report.

Financial Summary and Detailed Analysis

Government-Wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of financial position. In the case of the School, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$ 983,869 at the close of the most recent fiscal year.

Our analysis in the table below focuses on the net position (deficit) of the School's governmental activities:

Beacon College Prep K-8 Net Position (Deficit)			
	June 30, 2026	June 30, 2025	Variance
Assets:			
Current and other assets	\$ 825,453	\$ 1,692,636	\$ (867,183)
Capital assets, net	10,572,792	11,253,222	(680,430)
Total assets	11,398,245	12,945,858	(1,547,613)

Beacon College Prep K-8
Management's Discussion and Analysis
June 30, 2026

Government-Wide Financial Analysis (continued)

	<u>June 30, 2026</u>	<u>June 30, 2025</u>	<u>Variance</u>
Liabilities:			
Other liabilities	\$ 410,803	\$ 444,407	\$ (33,604)
Long-term liabilities	<u>11,971,311</u>	<u>12,038,976</u>	<u>(67,665)</u>
Total liabilities	<u>12,382,114</u>	<u>12,483,383</u>	<u>(101,269)</u>
Net Position (Deficit):			
Net investment in capital assets	(1,398,519)	(785,754)	(612,765)
Restricted for referendum funding	-	33,863	(33,863)
Unrestricted	<u>414,650</u>	<u>1,214,366</u>	<u>(799,716)</u>
Total net position (deficit)	\$ <u>(983,869)</u>	\$ <u>462,475</u>	\$ <u>(1,446,344)</u>

Current and other assets decreased by \$ 867,183 during fiscal year 2026, primarily because referendum revenues receivables accrued at June 30, 2025 were collected during the current year. The remaining balance at June 30, 2026 consists primarily of amounts due from the National School Lunch Program and charter school capital outlay funding programs. The decrease does not represent a reduction in the School's ability to collect amounts due, but rather reflects the timing of governmental funding receipts between fiscal years. Capital assets, net of depreciation and amortization, decreased mainly due to the current year's depreciation and amortization expenses of \$ 759,551 partially offset by purchases of textbooks and school grounds improvements totaling \$ 79,121. Current liabilities remained relatively consistent with the prior year. Long-term liabilities decreased due to lease liability payments.

Governmental Activities: The School's overall net position (deficit) decreased by \$ 1,446,344 from the prior fiscal year. The reasons for this overall decrease are discussed in the following section for governmental activities.

Beacon College Prep K-8
Change in Net Position (Deficit)

	<u>June 30, 2026</u>	<u>June 30, 2025</u>	<u>Variance</u>
Revenues:			
Program Revenues:			
Charges for services	\$ 46,425	\$ -	\$ 46,425
Operating grants and contributions	660,712	1,059,070	(398,358)
Capital grants and contributions	575,858	469,283	106,575
General Revenues:			
FEFP nonspecific revenue	3,243,653	3,549,866	(306,213)
Local sources	668,950	1,425,254	(756,304)
Other revenue	<u>15,668</u>	<u>16,068</u>	<u>(400)</u>
Total revenues	<u>5,211,266</u>	<u>6,519,541</u>	<u>(1,308,275)</u>

Beacon College Prep K-8
Management's Discussion and Analysis
June 30, 2026

Governmental Activities (continued)

Beacon College Prep K-8
Change in Net Position (Deficit) (continued)

	June 30, 2026	June 30, 2025	Variance
Functions/Program Expenses:			
Instruction	\$ 2,488,305	\$ 3,160,947	\$ (672,642)
Instructional support services	75,307	125,561	(50,254)
Board services	269,493	183,946	85,547
School administration	1,019,076	780,343	238,733
Fiscal services	68,332	77,586	(9,254)
Food services	360,615	376,935	(16,320)
Transportation	292,659	10,210	282,449
Operation of plant	1,092,923	1,144,216	(51,293)
Maintenance of plant	75,879	135,190	(59,311)
Administrative technology services	21,709	49,852	(28,143)
Community services	52,728	-	52,728
Interest on long-term debt	840,584	843,905	(3,321)
Total expenses	<u>6,657,610</u>	<u>6,888,691</u>	<u>(231,081)</u>
Change in net position	(1,446,344)	(369,150)	(1,077,194)
Net position-beginning	<u>462,475</u>	<u>831,625</u>	<u>(369,150)</u>
Net position (deficit)-ending	\$ <u>(983,869)</u>	\$ <u>462,475</u>	\$ <u>(1,446,344)</u>

Total revenues decreased by approximately \$1.3 million, from \$6.5 million in fiscal year 2025 to \$5.2 million in fiscal year 2026. The decrease was primarily attributable to the absence of one-time revenues recognized during the prior year. During fiscal year 2025, the School recognized \$780,678 of referendum settlement revenue related to the Miami-Dade County Public Schools settlement agreement concerning previously undistributed proceeds from the 2018 voter-approved referendum. The settlement provided for payments to be made over two years, with a significant receivable recognized in fiscal year 2025 and collected during fiscal year 2026. Because this revenue was nonrecurring in nature, no comparable revenue was recognized in fiscal year 2026.

Revenues were also impacted by the expiration of Elementary and Secondary School Emergency Relief ("ESSER") funding. During fiscal year 2025, the School received approximately \$405,000 of ESSER funds that supported instructional and educational programs. These federal pandemic-related funding sources were no longer available during fiscal year 2026, resulting in a corresponding reduction in operating grant revenue.

Excluding the effects of the referendum settlement revenue and ESSER funding received in the prior year, the School's recurring revenue sources remained relatively consistent with historical operations and continued to be primarily comprised of Florida Education Finance Program ("FEFP") funding, local referendum revenues, federal program revenues, and charter school capital outlay funding.

Instruction expenses decreased by \$619,914, in fiscal year 2026. The decrease was primarily attributable to the School hiring fewer instructional personnel during the current year in anticipation of the expiration of ESSER funding and referendum settlement revenues. Transportation expenses increased by \$282,449, compared with the prior year, primarily due to the commencement of student bus transportation services during the 2025-2026 school year.

Financial Analysis of Governmental Funds

The General Fund is the chief operating fund of the School. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$ 402,427, while total fund balance decreased to \$ 414,650. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents 8% of total General Fund expenditures, while total fund balance represents 9% of that same amount.

The General Fund balance decreased by \$ 833,579 during fiscal year 2026 as expenditures exceeded revenues for the year. The decrease was primarily attributable to the reduction of approximately \$1.2 million in funding, as previously discussed. Although the School's recurring revenue sources remained relatively stable, they were not sufficient to offset operating expenditures and the absence of these prior-year funding sources, resulting in a reduction of fund balance at year end.

General Fund instruction expenditures decreased by \$619,914, while transportation expenditures increased by \$282,449 during fiscal year 2026. The decrease in instruction expenditures and increase in transportation expenditures are attributable to the factors previously discussed.

The Special Revenue Fund does not have an increase or decrease in fund balance during the fiscal year as this fund reports federal and certain state expenditure reimbursement grants.

The Capital Projects Fund does not have an increase or decrease in fund balance during the year since this fund reports state and local capital outlay funding that is used to cover a portion of principal and interest expenditure.

Significant Capital Asset and Long-Term Financing Activity

Capital assets: At June 30, 2026, the School reported capital assets, net of accumulated depreciation, of \$ 10,572,792, compared to \$ 11,253,222 in the prior year. During the year, the School invested \$ 79,121 in capital assets, primarily for leasehold improvements and instructional resources. Depreciation and amortization expense for the year totaled \$ 759,551, resulting in a decrease in net capital assets of \$ 680,430.

Long-term obligations: The School's primary long-term obligation is its lease payable associated with facility and equipment leases. Total lease liabilities decreased from \$12,038,976 at June 30, 2025, to \$ 11,971,311 at June 30, 2026, as scheduled principal payments of \$ 67,665 were made during the year. Interest expense related to lease obligations totaled \$ 840,584 for fiscal year 2026.

Additional information regarding the School's capital assets, and lease obligations can be found in Notes 3 and 11 to the financial statements.

Currently Known Facts, Decisions, or Conditions

In fiscal year 2026, the State of Florida continued to include a teacher salary increase allocation of \$ 1.25 billion. The capital outlay funding pool ended up at \$ 230 million.

For fiscal year 2027, the funding for teacher salaries and other instructional personnel will be \$ 1.36 billion. Additionally, the State of Florida approved an increase to the base funding allocation and capital outlay. A 3% merit increase for all staff was included in the budget. All other expenditures are budgeted in alignment with the enrollment changes and the School's strategic objectives.

Requests For Information

If you have questions about this report or need additional information, please contact Mr. Carlos Gonzalez, Board Liaison, Beacon College Prep K-8, 2750 NW 135th Street, Opa Locka, FL 33054.

BASIC FINANCIAL STATEMENTS

Beacon College Prep K-8
Statement of Net Position (Deficit)
June 30, 2026

	Governmental Activities
Current assets:	
Cash	\$ 751,190
Due from other governments	62,040
Total current assets	<u>813,230</u>
Noncurrent assets:	
Capital assets, depreciable - net	10,572,792
Deposits	12,223
Total noncurrent assets	<u>10,585,015</u>
 Total assets	 <u>11,398,245</u>
Current liabilities:	
Accounts payable	32,024
Salaries, benefits and payroll taxes payable	267,478
Due to related party	111,301
Lease payable	79,450
Total current liabilities	<u>490,253</u>
Noncurrent liabilities:	
Lease payable	11,891,861
Total noncurrent liabilities	<u>11,891,861</u>
 Total liabilities	 <u>12,382,114</u>
Net position (deficit):	
Net investment in capital assets	(1,398,519)
Unrestricted	414,650
Total net position (deficit)	\$ <u><u>(983,869)</u></u>

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

Beacon College Prep K-8
Statement of Activities
For The Year Ended June 30, 2026

	Expenses	Program Revenues			Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net Revenue (Expense) and Changes in Net Position (Deficit)
Functions/Programs:					
Instruction	\$ 2,488,305	\$ -	\$ 299,847	\$ -	\$ (2,188,458)
Instructional support services	75,307	-	-	-	(75,307)
Board services	269,493	-	-	-	(269,493)
School administration	1,019,076	-	250	-	(1,018,826)
Fiscal services	68,332	-	-	-	(68,332)
Food services	360,615	-	360,615	-	-
Transportation	292,659	-	-	-	(292,659)
Operation of plant	1,092,923	-	-	-	(1,092,923)
Maintenance of plant	75,879	-	-	-	(75,879)
Administrative technology services	21,709	-	-	-	(21,709)
Community services	52,728	46,425	-	-	(6,303)
Interest on long-term debt	840,584	-	-	575,858	(264,726)
Total governmental activities	<u>\$ 6,657,610</u>	<u>\$ 46,425</u>	<u>\$ 660,712</u>	<u>\$ 575,858</u>	<u>\$ (5,374,615)</u>
General revenues:					
FEFP and other nonspecific revenues					3,243,653
Local sources					668,950
Fundraising and other revenue					<u>15,668</u>
Total general revenues					3,928,271
Change in net position (deficit)					(1,446,344)
Net position, July 1, 2025					<u>462,475</u>
Net position (deficit), June 30, 2026					<u>\$ (983,869)</u>

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

Beacon College Prep K-8
Balance Sheet – Governmental Funds
June 30, 2026

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Assets:				
Cash	\$ 751,190	\$ -	\$ -	\$ 751,190
Due from other governments	-	42,710	19,330	62,040
Due from other fund	62,040	-	-	62,040
Deposits	<u>12,223</u>	<u>-</u>	<u>-</u>	<u>12,223</u>
Total assets	\$ <u><u>825,453</u></u>	\$ <u><u>42,710</u></u>	\$ <u><u>19,330</u></u>	\$ <u><u>887,493</u></u>
Liabilities:				
Accounts payable	\$ 32,024	\$ -	\$ -	\$ 32,024
Salaries, benefits and payroll taxes payable	267,478	-	-	267,478
Due to related party	111,301	-	-	111,301
Due to other fund	<u>-</u>	<u>42,710</u>	<u>19,330</u>	<u>62,040</u>
Total liabilities	<u>410,803</u>	<u>42,710</u>	<u>19,330</u>	<u>472,843</u>
Fund Balances:				
Nonspendable:				
Deposits	12,223	-	-	12,223
Unassigned	<u>402,427</u>	<u>-</u>	<u>-</u>	<u>402,427</u>
Total fund balances	<u>414,650</u>	<u>-</u>	<u>-</u>	<u>414,650</u>
Total liabilities and fund balances	\$ <u><u>825,453</u></u>	\$ <u><u>42,710</u></u>	\$ <u><u>19,330</u></u>	\$ <u><u>887,493</u></u>

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

Beacon College Prep K-8
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position (Deficit)
June 30, 2026

Total Fund Balances - Governmental Funds	\$ 414,650
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Amounts reported for governmental activities in the statement of net position (deficit) are different because:

The cost of capital assets acquired is reported as an expenditure in the governmental fund financial statements. The statement of net position (deficit) includes those capital assets, net of accumulated depreciation and amortization, among the assets of the School as a whole.

Cost of capital assets	\$ 15,143,057	
Accumulated depreciation and amortization	<u>(4,570,265)</u>	10,572,792

Liabilities not payable with current available resources are not reported as fund liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide statements.

Lease payable	<u>(11,971,311)</u>	<u>(11,971,311)</u>
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Net Position (Deficit) of Governmental Activities	\$ <u>(983,869)</u>
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The accompanying notes to the financial statements are an integral part of these statements.

Beacon College Prep K-8
Statement of Revenues, Expenditures and
Changes in Fund Balances – Governmental Funds
For The Year Ended June 30, 2026

	General Fund	Special Revenue Fund	Capital Projects Fund	Total
Revenues:				
State passed through local	\$ 3,279,058	\$ -	\$ -	\$ 3,279,058
Federal sources	-	264,692	-	264,692
Local sources	668,950	-	575,858	1,244,808
Federal lunch program	-	360,615	-	360,615
Aftercare	46,425	-	-	46,425
Fundraising and other revenues	15,668	-	-	15,668
Total revenues	<u>4,010,101</u>	<u>625,307</u>	<u>575,858</u>	<u>5,211,266</u>
Expenditures:				
Current:				
Instruction	2,161,815	264,442	-	2,426,257
Instructional support services	75,307	-	-	75,307
Board services	269,493	-	-	269,493
School administration	756,023	250	-	756,273
Fiscal services	68,332	-	-	68,332
Food services	-	360,615	-	360,615
Transportation services	292,659	-	-	292,659
Operation of plant	658,223	-	-	658,223
Maintenance of plant	75,879	-	-	75,879
Administrative technology services	21,709	-	-	21,709
Community services	52,728	-	-	52,728
Capital outlay	79,121	-	-	79,121
Debt service:				
Principal	67,665	-	-	67,665
Interest	264,726	-	575,858	840,584
Total expenditures	<u>4,843,680</u>	<u>625,307</u>	<u>575,858</u>	<u>6,044,845</u>
Net change in fund balance	(833,579)	-	-	(833,579)
Fund Balances, July 1, 2025	<u>1,248,229</u>	<u>-</u>	<u>-</u>	<u>1,248,229</u>
Fund Balances, June 30, 2026	<u>\$ 414,650</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 414,650</u>

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

Beacon College Prep K-8
Reconciliation of The Statement of Revenues,
Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For The Year Ended June 30, 2026

Change in Fund Balances - Governmental Funds \$ (833,579)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures; however, in the statement of activities, the costs of those assets are depreciated over their estimated useful lives as depreciation and amortization.

Capital outlay	\$ 79,121	
Depreciation expense	<u>(759,551)</u>	(680,430)

Principal payments on long-term debt are reported as an expenditure in the governmental funds, but as a reduction of long-term liabilities in the statement of net position (deficit). 67,665

Change in Net Position (Deficit) of Governmental Activities \$ (1,446,344)

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

Beacon College Prep K-8
Notes to Financial Statements
June 30, 2026

Note 1 – Organization and Operations

Beacon College Prep K-8 (the “School”), is a charter school sponsored by Miami Dade County School District (the “School District”). The School’s charter is held by Beacon College Prep, Inc. (“Corporate”), a not-for-profit corporation, organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 1002.33, Florida Statutes. The governing body of the School is the Board of Directors of Corporate, which is comprised of five members.

The financial statements of the School present only the balances, activity, and disclosures related to the School. The financial statements do not purport to, and do not, present fairly the financial position of Corporate as of June 30, 2026, and its changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Note 2 – Summary of Significant Accounting Policies

Reporting Entity: The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, Miami Dade County School District. Previously, the School operated under the charters of Beacon College Prep Elementary School and Beacon College Prep Middle School (collectively, the “Schools”). Commencing on July 1, 2023, the School District approved a consolidation between the Schools into a single school and charter contract under the new school name of Beacon College Prep K-8. The Charter School Contract Consolidation was approved for a fifteen-year term commencing on July 1, 2023 and ending on June 30, 2038. At the end of the term of the charter, the School District may choose not to renew the charter under grounds specified in the charter, in which case the School District is required to notify the School in writing at least 90 days prior to the School’s expiration. During the term of the charter, the School District may also terminate the charter if good cause is shown.

These financial statements are for the year ended June 30, 2026 when 381 students were enrolled in kindergarten through eighth grade.

Basis of Presentation: The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, (2) operating grants and contributions which finance annual operating activities, and (3) capital grants and contributions which fund the acquisition or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. Other revenue sources not properly included with program revenues are reported as general revenues.

This government-wide focus is more on the ability to sustain the School as an entity and the change in the School’s net position resulting from the current year’s activities.

Note 2 – Summary of Significant Accounting Policies (continued)

Fund Financial Statements: Fund financial statements are provided for governmental funds. The operations of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures. The School reports the following major governmental funds as separate columns in the fund financial statements:

General Fund – This is the School’s primary operating fund. It is used to account for all operating activities of the School except for those required to be accounted for in another fund.

Special Revenue Fund – This fund is used to account for federal grants, federal lunch program, and certain state grants that are legally restricted to expenditures for particular purposes other than debt service and capital projects.

Capital Projects Fund – This fund is used to account for financial resources used for the acquisition of major capital facilities and for the proceeds and related expenditures of charter school capital outlay funding.

During the course of operations, the School has residual balances outstanding at year-end are reported as due from/to other funds. While these balances are reported in the governmental fund financial statements, they are eliminated in the preparation of the government-wide financial statements.

Basis of Accounting: Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are prepared using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within sixty days or at the end of the current period.

Revenues for operations are substantially all received from the School District pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the School will report the number of full-time equivalent (“FTE”) students and related data to the School District. Under the provisions of Section 1011.62, Florida Statutes, the School District reports the number of the full-time equivalent (“FTE”) students and related data to the Florida Department of Education (“FLDOE”) for funding through the Florida Education Finance Program (the “FEFP”). Funding for the School is adjusted during the year to reflect the revised calculations by the FLDOE under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods. The School is eligible to receive an annual allocation of charter school capital outlay funds for leasing of School facilities.

All other revenue items are considered to be measurable and available only when cash is received by the School. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Note 2 - Summary of Significant Accounting Policies (continued)

The School may also receive federal and state awards for the enhancement of various educational programs. Federal and state awards are generally received based on applications submitted to and approved by various granting agencies. For federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred and the amount is received during the period or within the availability period for this revenue source. Any excess amounts are recorded as deferred revenues until expensed. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

Cash and Cash Equivalents: The School considers cash on hand and demand deposits, with original maturities of three months or less, to be cash and cash equivalents.

Deposits: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as deposits.

Local Sources: Local sources are from a Secure Our Future Referendum on ad valorem taxes. Miami-Dade County voters approved a referendum in 2022. Funding from the referendum will be used to increase teacher compensation and improve school safety and security.

Capital Assets: Capital assets purchased or acquired are carried at historical cost or estimated historical cost. The School capitalizes tangible personal property with a cost of \$500 and useful life of over one year. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method. When capital assets are disposed of, the costs and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Internally constructed or donated property and equipment are recorded if the item costs, or has a fair market value of, \$100 or more. Donated properties are valued at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related capital assets. For leasehold improvements made under related party lease that is reasonably assured of being renewed for multiple periods, depreciation is calculated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives, in years, for depreciable assets are as follows:

Furniture and equipment	5 Years
Leasehold improvements	5 Years
Computer equipment and software	3 Years
Textbooks	3 Years

Deferred Outflows/Inflows of Resources: In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. The School does not have any items that qualify for reporting in this category.

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

Note 2 - Summary of Significant Accounting Policies (continued)

Compensated Absences: The School grants a specific number of days for sick/personal leave. Full-time employees are eligible for eighty hours (ten days) of paid time off at the start of each school year. Full-time employees who start mid-year (after December) will receive forty hours (five days) upon hire. In the event an employee does not use their paid time off prior to the end of the school year on June 15, the employee will be paid \$150 per unused paid time off day (eight hours) up to a maximum of ten days. This amount will be paid in the second pay period of June. The School also provides certain days to be used for specific personal matters such as family death and jury duty. Because the use of such days is contingent upon those events taking place and such events are out of the control of both the employer and the employee, there is no accrual for such days.

Net Position: Government-wide fund net position is divided into three components:

- Net investment in capital assets – Represents the cost of capital assets, less accumulated depreciation reduced by the outstanding balances of any borrowings that are attributable to the acquisition or improvement of those assets plus deferred outflows of resources less deferred inflows of resources.
- Restricted – Consists of net position with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments less related liabilities and deferred inflows of resources.
- Unrestricted – the residual portion of net position that does not meet the definition of the other two categories.

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

Fund Balance: The governmental fund financial statements present fund balances based on the provisions of GASB, which provides more clearly defined fund balance classifications and also sets a hierarchy which details how the School may spend funds based on certain constraints. The following are the fund balance classifications used in the governmental fund financial statements:

- Nonspendable – Includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The School classifies deposits as non-spendable since they are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted – Includes amounts that can be spent only for specific purposes as stipulated by external parties such as grantors and creditors or are imposed by law through constitutional provisions or enabling legislation.
- Committed – Includes amounts that can be used only for the specific purposes determined by a formal action of the School's Board of Directors, the highest decision-level marking authority. The committed amount cannot be used for any other purpose unless the Board of Directors removes or changes the commitment through formal action.
- Assigned – Includes amounts intended to be used by the School's management or Board of Directors for specific purposes but are neither as either restricted or committed.

Note 2 - Summary of Significant Accounting Policies (continued)

- **Unassigned** – Includes all spendable amounts within the School's general fund not contained in the other classifications.

Order of Fund Balance Spending Policy: When the School incurs expenditures for which restricted or unrestricted fund balance is available, the School would consider restricted funds to be spent first. When the School has expenditures for which committed, assigned or unassigned fund balance is available, the School would consider committed funds to be spent first, then assigned funds and, lastly, unassigned funds. As of June 30, 2026, there are no minimum fund balance requirements for any of the School's funds.

Income Taxes: The School is a division of a nonprofit corporation. Revenue of the School is derived primarily from other governmental entities. The School is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements.

Leases: The School leases property and equipment under various non-cancelable leases. Leases are recorded in accordance with GASB Statement No. 87, Leases (GASB 87). Leases with terms of 12 months or less at commencement, are expensed based on the provisions of the lease contract. For all other leases, the School recognizes a lease payable and an intangible right-of-use ("ROU") lease asset. At lease commencement, the School initially measures the lease payable at the present value of payments expected to be made during the lease term. Subsequently, the lease payable is reduced by the principal portion of lease payments made. The ROU asset is initially measured as the initial amount of the lease payable, less lease payments made at or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any lease incentives received at or before the lease commencement date. Subsequently, the ROU asset is depreciated on a straight line basis over the shorter of the lease term or the useful life of the underlying asset. The School generally uses its incremental borrowing rate as the discount rate for leases unless the rate that the lessor charges is known. The lease term includes the noncancelable period of the lease plus any additional periods covered by any options to extend or terminate which are reasonably certain to be exercised.

Use of Estimates: The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Date of Management's Review: Subsequent events were evaluated through September 11, 2026, the date in which the financial statements were available to be issued.

Adoption of New Accounting Standards: The School implemented GASB Statement No. 103, *Financial Reporting Model Improvements*, during the year ended June 30, 2026. The Statement revised certain financial reporting requirements, including the content and presentation of management's discussion and analysis and other financial statement presentation and disclosure requirements.

The School also implemented GASB Statement No. 104, *Disclosure of Certain Capital Assets*, which addresses obligations for governmental entities to separately disclose certain types of capital assets. Implementation did not change the presentation and related disclosures of the School.

The adoption of both standards did not affect any amounts previously reported in the School's financial statements.

Beacon College Prep K-8
Notes to Financial Statements
June 30, 2026

Note 3 – Capital Assets

Capital asset balances and activity for the year ended June 30, 2026, are as follows:

	Balance at July 1, 2025	Additions	Deductions/ Transfers	Balance June 30, 2026
Capital assets being depreciated/amortized:				
Leasehold improvements	541,767	22,519	-	564,286
Furniture, fixtures & equipment	728,810	-	-	728,810
Computer equipment & software	838,230	-	-	838,230
Textbooks	765,224	56,602	-	821,826
Lease assets:				
Facilities	12,062,945	-	-	12,062,945
Copiers	126,960	-	-	126,960
Total capital assets being depreciated/amortized	15,063,936	79,121	-	15,143,057
Less accumulated depreciation/ amortization for:				
Leasehold improvements	(226,647)	-	(68,622)	(295,269)
Furniture, fixtures & equipment	(485,216)	-	(74,839)	(560,055)
Computer equipment & software	(644,194)	-	(95,157)	(739,351)
Textbooks	(693,688)	-	(62,048)	(755,736)
Lease assets:				
Facilities	(1,738,802)	-	(434,700)	(2,173,502)
Copiers	(22,167)	-	(24,185)	(46,352)
Total accumulated depreciation/ amortization	(3,810,714)	-	(759,551)	(4,570,265)
Net capital assets being depreciated/amortized	11,253,222	79,121	(759,551)	10,572,792

Depreciation and amortization was charged to governmental activities as follows:

Instruction	\$ 62,048
School administration	262,803
Operation of plant	434,700
Total	<u>\$ 759,551</u>

Note 4 – Transactions With Service Companies

The School entered into an agreement with Building Hope Services, LLC, (“Building Hope”) to provide human resources, payroll, consulting, and professional services to the School. Building Hope manages the finances and ledger and makes recommendations to the School’s management and independent Board of Directors, who make the final determinations regarding policies and contracts. In providing services to the School, officers of Building Hope may not serve as members of the Board of Directors of the School. The contract calls for \$340 per employee per year for human resources and payroll services, \$100 per student per month for accounting services and \$100 per student for online registration system. For the year ended June 30, 2026, the School incurred service fees of \$ 68,332. At June 30, 2026, the School had an amount due to Building Hope of \$ 4,845, as reported in accounts payable.

On July 1, 2024, the School entered into an agreement with Bridgerock Education Consulting, LLC, (“Bridgerock”) to provide management, budgeting, compliance and administrative services to the School. The agreement is for a period of five years through June 30, 2029 unless terminated by either party. The agreement will automatically renew for additional one-year period unless terminated by either party. For the year ended June 30, 2026, the School incurred consulting fees of \$ 187,532. At June 30, 2026, the School had an amount due to Bridgerock of \$ 24,469, as reported in accounts payable.

Note 5 – Deposits Policy And Credit Risk

It is the School’s policy to maintain its cash in major banks. Deposits are insured by the Federal Depository Insurance Corporation (“FDIC”) up to \$250,000 per depositor, per financial institution, per account classification. As of June 30, 2026, the School’s cash balance in excess of the FDIC insured limit was \$496,084.

State statutes require, and it is the School’s policy, that all deposits be made into, and be held by, financial institutions designated by the Treasurer of the State of Florida as “qualified public depositories” as defined by Chapter 280 of the Florida Statutes. This Statute requires that every qualified public depository institution maintain eligible collateral to secure the public entity’s funds. The minimum collateral to be pledged by an institution, the collateral eligible to pledge, and reporting requirements of the qualified public depositor to the Treasurer is defined by the Statute. Collateral is pooled in a multiple qualified depository institution pool with the ability to assess members of the pool should the need arise. The School’s deposits are held in a qualified public depository. They are covered by the collateral pool as the School has identified itself as a public entity at June 30, 2026.

Note 6 – Grants

In the normal course of operations, the School receives grant funds from various federal, state and local agencies. The grant programs are subject to audits by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liabilities for reimbursement which may arise as the result of these audits are not reflected in these financial statements.

Note 7 – Due From Governmental Agencies

The amounts due from governmental agencies included in the accompanying statement of net position (deficit) and balance sheet – governmental funds consist of the following as of June 30, 2026:

Capital outlay fund	\$	19,330
National School Lunch Program		42,710
	\$	<u>62,040</u>

Beacon College Prep K-8
Notes to Financial Statements
June 30, 2026

Note 8 – Related Party Transactions

For the year ended June 30, 2026, the School made monthly rent payments of \$ 73,000 to Corporate. As of June 30, 2026, the School had a due to Corporate balance in the amount of \$ 111,301 in relation to those payments.

In July 2018, Corporate issued \$11,900,000 of Industrial Development Revenue Bonds to acquire the School facility used by the School. Although there is no formal lease agreement between the School and Corporate, the School's use of the facility and related monthly payments are based on an ongoing understanding between the parties. The parties expect the arrangement to continue through the repayment period of the bonds. The School's payments are intended to provide Corporate with funds necessary to satisfy the annual debt service requirements of the bonds. Accordingly, the lease payable disclosed in Note 11 was calculated using payment amounts and a term that reflect the substantive terms and repayment schedule of the bonds, which management believes represent the economic substance of the arrangement.

Note 9 – Interfund Receivables and Payables

The composition of interfund balances as of June 30, 2026, is as follows:

Due To/From Other Funds		
Receivable Fund	Payable Fund	Amount
General Fund	Capital Projects Fund	\$ 19,330
General Fund	Special Revenue Fund	42,710
		<u>\$ 62,040</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Note 10 – Risk Management

The School is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions and natural disasters for which the School carries commercial insurance. The School does not sponsor a public entity risk pool and has had no settlements that have exceeded its insurance coverage for the past three years.

Note 11 – Lease Payable

Facilities: As of June 30, 2026, the School has a lease payable of \$ 11,885,910 for the facilities in accordance with GASB Statement No. 87. The School used an interest rate of 7%, based on the interest rate of the bond referenced above, to discount the annual lease payments.

Copiers: As of June 30, 2026, the School has a lease payable of \$85,401 for the copier in accordance with GASB Statement No. 87. The lease payments include a fixed base charge that provides for a specified number of copies. If actual usage exceeds the monthly allowance, the School is required to pay additional charges based on the excess copies. These variable payments are not included in the measurement of the lease payable and lease asset, as they are dependent on future usage. Such charges are recognized as lease expenses in the period incurred.

Beacon College Prep K-8
Notes to Financial Statements
June 30, 2026

Note 11 – Lease payable (continued)

Annual requirements to amortize the facilities and copier lease payables and related interest are estimated as follows:

Year Ending June 30,	Principal Payments	Interest Payments	Total
2027	\$ 79,450	\$ 835,474	\$ 914,924
2028	86,201	829,700	915,901
2029	88,094	823,606	911,700
2030	117,000	816,300	933,300
2031	162,715	806,885	969,600
2032–2036	1,015,487	3,838,338	4,853,825
2037–2041	1,461,235	3,411,515	4,872,750
2042–2046	2,050,950	2,804,400	4,855,350
2047–2049	6,910,179	1,071,296	7,981,475
	<u>\$ 11,971,311</u>	<u>\$ 15,237,514</u>	<u>\$ 27,208,825</u>

Note 12 – Long-Term Liabilities

Changes in the School's long-term liabilities for fiscal year ended June 30, 2026, are as follows:

	Balance at July 1, 2025	Additions	Deletions	Amortization	Balance at June 30, 2026	Amount Due Within One Year
Lease - facilities	\$ 11,931,596	\$ -	\$ -	\$ (45,686)	\$ 11,885,910	\$ 55,882
Lease - copiers	107,380	-	-	(21,979)	85,401	23,568
Total	<u>\$ 12,038,976</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (67,665)</u>	<u>\$ 11,971,311</u>	<u>\$ 79,450</u>

Note 13 - Employee Benefit Plan

During the year ended June 30, 2026, the School offered all of its employees who had attained 21 years of age and completed one year of eligibility service, a retirement plan (the "Plan") under Internal Revenue Code Section 401(k). Under the Plan, participants may elect to defer a portion of their compensation, subject to limitations established by the Internal Revenue Code. The Plan permits both pre-tax and Roth elective deferrals. The School provides a Qualified Automatic Contribution Arrangement (QACA) safe harbor matching contribution equal to 100% of participant deferrals up to 4% of eligible compensation. The School may also make discretionary non-elective (profit-sharing) contributions, as determined annually by management.

Participants are immediately vested in their elective deferrals and the earnings thereon. Safe harbor matching contributions made under the QACA provisions become 100% vested upon completion of two years of vesting service. Other employer matching contributions and discretionary non-elective contributions are subject to the following graded vesting schedule:

<u>Years of Service</u>	<u>Vesting Percentage</u>
1	20%
2	40%
3	60%
4	80%
5	100%

Nonvested contributions are forfeited upon termination of employment and such forfeitures are used to reduce any employer contribution. For the year ended June 30, 2026, the School contributed a matching amount of \$ 10,072.

Note 14 - Capital Appropriations Funding

The Florida Department of Education has approved a Charter School Capital Outlay ("CSCO") award for the School. In each year that funds are appropriated by the state for charter school capital outlay purposes those funds are allocated among eligible charter schools. The funds for the School's allocation are transferred to the School once a CSCO plan has been provided to and approved by the sponsoring district. The School's CSCO award totaled \$ 257,005 for the 2025-2026 school year which has been recognized as revenue in the accompanying financial statements. If the CSCO funds are used to acquire tangible property assets, the District has a reversionary interest in those assets. In the event of nonrenewal, termination, or breach of the charter school agreement, ownership of the assets would automatically revert to the District. The School has elected to use these funds to pay a portion of the principal and interest expenditure on the bonds payable.

Local Capital Improvement Revenue ("LCIR") funds are also appropriated by the District for charter school capital outlay purposes, with funds being allocated among eligible charter schools in a similar manner to the CSCO award. The School's LCIR award totaled \$ 318,853 for the 2025-2026 school year which has been recognized as revenue in the accompanying financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Beacon College Prep K-8
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget And Actual – General Fund
For the Year Ended June 30, 2026

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Original vs. Final Budget Variance</u>	<u>Actual</u>	<u>Actual vs. Final Budget Variance</u>
Revenues:					
State sources	\$ 3,392,000	\$ 3,279,058	\$ (112,942)	\$ 3,279,058	\$ -
Local sources	1,329,598	668,950	(660,648)	668,950	-
Aftercare	-	46,425	46,425	46,425	-
Fundraising and other revenues	-	15,668	15,668	15,668	-
Total revenues	<u>4,721,598</u>	<u>4,010,101</u>	<u>(711,497)</u>	<u>4,010,101</u>	<u>-</u>
Expenditures:					
Current:					
Instruction	2,412,958	2,161,815	(251,143)	2,161,815	-
Instructional staff training services	30,000	75,307	45,307	75,307	-
Board services	36,705	269,493	232,788	269,493	-
School administration	570,212	756,023	185,811	756,023	-
Facilities and acquisition	421,673	-	(421,673)	-	-
Fiscal Services	72,408	68,332	(4,076)	68,332	-
Transportation	-	292,659	292,659	292,659	-
Operation of Plant	645,122	658,223	13,101	658,223	-
Maintenance of Plant	135,000	75,879	(59,121)	75,879	-
Administrative technology services	-	21,709	21,709	21,709	-
Community services	-	52,728	52,728	52,728	-
Capital outlay	-	79,121	79,121	79,121	-
Debt service:					
Principal	-	67,665	67,665	67,665	-
Interest	-	264,726	264,726	264,726	-
Total expenditures	<u>4,324,078</u>	<u>4,843,680</u>	<u>519,602</u>	<u>4,843,680</u>	<u>-</u>
Net change in fund balance	\$ <u>397,520</u>	\$ <u>(833,579)</u>	\$ <u>(1,231,099)</u>	\$ (833,579)	\$ <u>-</u>
Fund Balance, July 1, 2025				<u>1,248,229</u>	
Fund Balance, June 30, 2026				\$ <u>414,650</u>	

See accompanying notes to budgetary comparison schedules.

Beacon College Prep K-8
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget And Actual – Special Revenue Fund
For the Year Ended June 30, 2026

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Original vs. Final Budget Variance</u>	<u>Actual</u>	<u>Actual vs. Final Budget Variance</u>
Revenues:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
Federal sources	213,919	264,692	50,773	264,692	-
Federal lunch program	392,081	360,615	(31,466)	360,615	-
Total revenues	<u>606,000</u>	<u>625,307</u>	<u>19,307</u>	<u>625,307</u>	<u>-</u>
Expenditures:					
Current:					
Instruction	213,919	264,442	50,523	264,442	-
School administration	-	250	250	250	-
Food services	392,081	360,615	(31,466)	360,615	-
Total expenditures	<u>606,000</u>	<u>625,307</u>	<u>19,307</u>	<u>625,307</u>	<u>-</u>
Net change in fund balance	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	-	\$ <u>-</u>
Fund Balance, July 1, 2025				<u>-</u>	
Fund Balance, June 30, 2026				\$ <u>-</u>	

See accompanying notes to budgetary comparison schedules.

Beacon College Prep K-8
Notes to Budgetary Comparison Schedules
For the Year ended June 30, 2026

Note 1 - Budgetary Policy and Basis of Accounting

An operating budget is adopted and maintained by the Governing Board for all governmental funds except the Capital Projects Fund, pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting used in the preparation of the financial statements. All appropriations lapse at the end of the fiscal year.

The level of budgetary control is at the total fund level. The School Principal may make unlimited transfers between functional categories throughout the year. Any budget transfers made must be discussed with management and presented to the Governing Board. A potential increase in expenditures over approved budget should be approved by the Governing Board.

Note 2 - Budgetary Highlights between Original Budget and Final Budget

In the General Fund, the final budget was amended during the fiscal year to reflect changes in the School's operating plans and funding expectations. Significant budget revisions included the removal of retro referendum funding that had been included in the original budget based on prior-year receipts, as management determined that this funding was not expected to recur during the fiscal year ended June 30, 2026.

In addition, the expenditure budget was revised to reflect the implementation of transportation services provided by the School during the fiscal year. As a result, appropriations for transportation expenditures were increased from amounts included in the original budget. Certain expenditures related to consultant services were also reclassified between functional expenditure categories to more appropriately reflect the nature of the services provided. These revisions resulted in changes to budgeted expenditures within the Board and Instruction functions between the original and final budget.

Note 3 - Budgetary Highlights between Actual Results and Final Budget

There were no variances between Actual Results and Final Budget.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Beacon College Prep K-8
Opa Locka, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Beacon College Prep K-8 (the "School"), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated September 11, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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

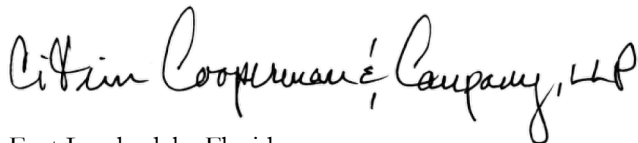
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Fort Lauderdale, Florida
September 11, 2026

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

To the Board of Directors
Beacon College Prep K-8
Opa Locka, Florida

Report on the Financial Statements

We have audited the financial statements of the governmental activities and each major fund of Beacon College Prep K-8 (the "School"), as of and for the fiscal year ended June 30, 2026, and have issued our report thereon dated September 11, 2026.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Other Reporting Required by *Government Auditing Standards*

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated September 11, 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. There were no findings or 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, unless disclosed in the notes to the financial statements. The official title and the school code assigned by the Florida Department of Education is Beacon College Prep K-8, 136034.

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.

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

Transparency

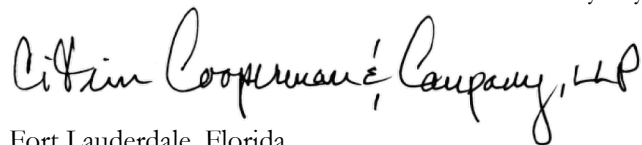
Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the School maintains on its website the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School maintained on its website 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 we address noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

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



Fort Lauderdale, Florida
September 11, 2026