**BRIDGEPREP ACADEMY OF ORANGE**
**CHARTER SCHOOL**
ORLANDO, FLORIDA
(A CHARTER SCHOOL UNDER BRIDGEPREP ACADEMY, INC.)

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

JUNE 30, 2026

**BRIDGEPREP ACADEMY OF ORANGE CHARTER SCHOOL**
BASIC FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION
JUNE 30, 2026

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**BRIDGEPREP ACADEMY OF ORANGE CHARTER SCHOOL**
(A Charter School Under Bridgeprep Academy, Inc.)

5710 La Costa Drive
Orlando, FL 32807
(321) 775-2119

**2025-2026**

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# INDEPENDENT AUDITOR'S REPORT

Board of Directors
Bridgeprep Academy of Orange Charter School
Orlando, Florida

## Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Bridgeprep Academy of Orange Charter School (the "School"), a charter school under Bridgeprep Academy, 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 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 the *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## Responsibilities of Management for the Financial Statements

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

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards 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 the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an

appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Emphasis of Matter**

As described in Note 1, the accompanying financial statements referred to above present only the net position of the School as of June 30, 2026, and the respective changes in net position for the year then ended, and are not intended to be a complete presentation of Bridgeprep Academy, Inc. These financial statements do not purport to and do not present fairly the financial position of Bridgeprep Academy, Inc. as of June 30, 2026 and its changes in net position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

García Santa María De Armas Trujillo, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 30, 2026

**Management's Discussion and Analysis**
Bridgeprep Academy of Orange Charter School
June 30, 2026

The corporate officers of Bridgeprep Academy of Orange Charter School (the "School") have prepared this narrative overview and analysis of the School's financial activities for the fiscal year ended June 30, 2026.

## FINANCIAL SUMMARY

1. The School had a net position of $120,616 at June 30, 2026.
2. The School had an increase of $700,953 in its net position for the year ended June 30, 2026.
3. The School had current assets of $1,404,252 at June 30, 2026.
4. The School's unassigned fund balance at June 30, 2026 was $606,156.

### *Overview of the Financial Statements*

This discussion and analysis are intended to serve as an introduction to the School's basic financial statements. The School's financial statements for the year ended June 30, 2026 are presented in accordance with GASB Codification Section 2200. The financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

### *Government-Wide Financial Statements*

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

The *Statement of Net Position* presents information on all of the School's assets plus deferred outflows of resources and liabilities plus 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 can be found on pages 10-11 of this report.

### *Fund Financial Statements*

A "fund" is a collection of related accounts grouped to maintain control over resources that have been segregated for specific activities, projects, or objectives. The School, like other state and local governments, uses fund accounting to ensure and report compliance with finance-related legal requirements. All of the funds of the School are governmental funds. *Governmental Funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements.

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

Prior to the start of the School's fiscal year, the Board of the School adopts an annual budget for its major governmental funds, if applicable. The School reported two major funds: the General, and Capital Projects Funds. A budgetary comparison statement has been provided as required supplementary information for the School's General Fund to demonstrate compliance with the School's budget. A budgetary comparison statement for the School's Capital Projects Fund was not provided, as it is not required.

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

*Notes to Financial Statements*

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 16-26 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, over time net position may serve as a useful indicator of a school's financial position. A summary of the School's net position as of June 30, 2026 and 2025 follows:

| **Assets** | 2026 | 2025 |
|---|---|---|
| Cash and cash equivalents | $ 1,088,276 | $ 686,447 |
| Due from other agencies | 269,652 | 369,943 |
| Deposits receivable and other assets | 46,324 | 74,734 |
| Capital assets, net | 9,542,535 | 8,002,881 |
| Total Assets | $ 10,946,787 | $ 9,134,005 |
| | | |
| **Liabilities and Net Position** | | |
| Accounts and wages payable and accrued liabilities | $ 688,529 | $ 684,659 |
| Right of use liability | 9,630,000 | 8,452,203 |
| Long-term debt | 507,642 | 577,480 |
| Total Liabilities | 10,826,171 | 9,714,342 |
| | | |
| Net investment in capital assets | (109,512) | (478,099) |
| Unrestricted | 230,128 | (102,238) |
| Total Net Position | 120,616 | (580,337) |
| | | |
| Total Liabilities and Net Position | $ 10,946,787 | $ 9,134,005 |

At June 30, 2026, the School reported a total net position of $120,616. The School terminated its previous right of use lease and liability and entered into a new lease in August 2025. Due to the implementation of GASB 87 *Leases* (see Note 6), the School recorded a new right-of-use lease asset and liability of $9,630,000.

A summary and analysis of the School's revenues and expenses for the years ended June 30, 2026 and 2025 follows:

| **REVENUES** | 2026 | 2025 |
|---|---|---|
| Program Revenues | | |
| Operating grants and contributions | $ 153,178 | $ 445,082 |
| Capital grants and contributions | 382,081 | 277,782 |
| Charges for services | 19,668 | 30,360 |
| General Revenues | | |
| State and local sources | 3,342,451 | 2,918,418 |
| Fundraising and other revenue | 783,317 | - |
| Total Revenues | $ 4,680,695 | $ 3,671,642 |
| | | |
| **EXPENSES** | | |
| Instruction | $ 1,377,195 | $ 1,335,939 |
| Instructional support services | 155,099 | 142,772 |
| Instructional related technology | 77,678 | 74,589 |
| Instructional staff training services | 16,462 | 16,511 |
| Board | 73,664 | 54,535 |
| General administrative | 267,961 | 156,020 |
| School administration | 313,993 | 379,312 |
| Fiscal services | 323,979 | 362,785 |
| Food services | - | 46,124 |
| Central services | 8,714 | 29,731 |
| Operation of plant | 699,288 | 705,187 |
| Maintenance of plant | 78,624 | 45,347 |
| Community services | 3,772 | 2,525 |
| Extracurricular activities | 11,578 | 11,451 |
| Interest expense | 571,735 | 505,442 |
| Total Expenses | $ 3,979,742 | $ 3,868,270 |
| | | |
| Change in Net Position | 700,953 | (196,628) |
| | | |
| **Net Position (Deficit) at Beginning of Year** | (580,337) | (383,709) |
| **Net Position (Deficit) at End of Year** | $ 120,616 | $ (580,337) |

The School's total revenues for the year ended June 30, 2026, increased by $1,009,053 from prior year. Due to the termination of the prior lease, the School recognized a gain on the termination of the lease of $642,571. In addition, the School had an increase in revenues from state and local sources due to an increase in enrollment.

The School's total expenses for the year ended June 30, 2026, increased by $111,472. Due to the new lease, the School incurred an increase in interest expense of $66,293 during the year.

## FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

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

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

At the end of the fiscal year, the School's governmental General Fund reported ending fund balance of $652,480. The fund balance unassigned and available for spending at the School's discretion is $606,156. These funds will be available for the School's future ongoing operations.

A summary and analysis of the General Fund's revenues, expenditures and changes in fund balance for the years ended 2026 and 2025 follows:

| | General Fund | | Capital Projects Fund | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| **Total Revenues** | $ 3,351,224 | $ 2,924,306 | $ 382,081 | $ 277,782 |
| **Total Expenditures** | 3,136,067 | 2,816,164 | 10,012,081 | 277,782 |
| **Excess (deficit) of revenues over expenditures** | 215,157 | 108,142 | (9,630,000) | - |
| **Other Financing Sources (Uses)** | | | | |
| Proceeds from debt issuance | - | 347,714 | - | - |
| Increase in right-of-use liability | - | - | 9,630,000 | - |
| **Total Other Financing Sources (Uses)** | - | 347,714 | 9,630,000 | - |
| Net change in fund balance | 215,157 | 455,856 | - | - |
| Fund balance at beginning of year | 437,323 | (18,533) | - | - |
| **Fund balance at end of year** | $ 652,480 | $ 437,323 | $ - | $ - |

The School increased its fund balance in the General Fund by $215,157 for the year ended June 30, 2026. The School's total revenues in the General Fund increased by $426,918, due to an increase in funding from state and local sources due to increased enrollment and the capital sales surtax revenues.

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

**CAPITAL AND RIGHT TO USE ASSETS**
The School's investment in capital and right-of-use assets, as of June 30, 2026, amounts to $9,542,535 (net of accumulated depreciation and amortization). This investment in capital assets includes leasehold improvements, fixtures, furniture and equipment, audiovisual materials, and computer software. The School maintains a continuous capital improvements program to enhance facilities and update fixtures and equipment as required. Due to the implementation of GASB 87 *Leases,* the above amount includes a right-of-use asset of $9,389,250, net of accumulated amortization.

**RIGHT OF USE LIABILITY**
The School has recorded a right-of-use liability of $9,630,000 as of June 30, 2026.

**CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS**
The School's enrollment for the school year was 325 students. The enrollment for the upcoming school year is expected to increase to approximately 413 students.

Management considered currently known facts, decisions, and conditions that are expected to have a significant effect on the School's financial position or to produce significant differences from current year results of operations. Based on that evaluation, management is not aware of any such matters that require disclosure.

**SCHOOL LOCATION**
The School operates in the Kissimmee area and is located at 5710 La Costa Drive, Orlando, FL 32807.

**REQUESTS FOR INFORMATION**
This financial report is intended to provide a general overview of the finances of the School. Requests for additional information may be addressed to Mr. Wyatt Truscheit of S.M.A.R.T. Management, LLC at 9200 South Dadeland Blvd., Suite 720, Miami, Florida 33156.

**BRIDGEPREP ACADEMY OF ORANGE CHARTER SCHOOL**
**STATEMENT OF NET POSITION**
**JUNE 30, 2026**

| | Governmental Activities |
|---|---|
| **ASSETS** | |
| CURRENT ASSETS | |
| Cash and cash equivalents | $ 1,088,276 |
| Due from other agencies | 269,652 |
| Prepaid expenses | 46,324 |
| TOTAL CURRENT ASSETS | 1,404,252 |
| Capital and right-of-use assets, net | 9,542,535 |
| TOTAL ASSETS | $ 10,946,787 |
| **LIABILITIES AND NET POSITION** | |
| LIABILITIES | |
| Accounts payable and accrued liabilities | $ 535,573 |
| Accrued wages payable | 152,956 |
| Compensated absences - current portion | 33,901 |
| Other liability | 63,243 |
| Equipment note payable - current portion | 6,730 |
| Right-of-use liability - current portion | 65,000 |
| TOTAL CURRENT LIABILITIES | 857,403 |
| Equipment note payable - long-term portion | 15,317 |
| Right-of-use liability - long-term portion | 9,565,000 |
| Advance from Education Service Provider | 75,000 |
| Due to Bridgeprep, Inc. | 313,451 |
| TOTAL LIABILITIES | 10,826,171 |
| NET POSITION | |
| Net investment in capital and right-of-use assets | (109,512) |
| Unrestricted | 230,128 |
| TOTAL NET POSITION | 120,616 |
| TOTAL LIABILITIES AND NET POSITION | $ 10,946,787 |

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

**BRIDGEPREP ACADEMY OF ORANGE CHARTER SCHOOL**
**STATEMENT OF ACTIVITIES**
**FOR THE YEAR ENDED JUNE 30, 2026**

| Functions | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Program Revenues: Capital Grants and Contributions | Net (Expense) Revenue and Changes in Net Assets |
|---|---|---|---|---|---|
| **Governmental Activities:** | | | | | |
| Instruction | $ 1,377,195 | $ - | $ 153,178 | $ - | $ (1,224,017) |
| Instructional support services | 155,099 | - | - | - | (155,099) |
| Instructional staff training services | 16,462 | - | - | - | (16,462) |
| Instructional related technology | 77,678 | - | - | - | (77,678) |
| Board | 73,664 | - | - | - | (73,664) |
| General administrative | 267,961 | - | - | - | (267,961) |
| School administration | 313,993 | - | - | - | (313,993) |
| Fiscal services | 323,979 | - | - | - | (323,979) |
| Central services | 8,714 | - | - | - | (8,714) |
| Operation of plant | 699,288 | - | - | 382,081 | (317,207) |
| Maintenance of plant | 78,624 | - | - | - | (78,624) |
| Community services | 3,772 | 7,230 | - | - | 3,458 |
| Extracurricular activities | 11,578 | 12,438 | - | - | 860 |
| Interest expense | 571,735 | - | - | - | (571,735) |
| **Total Governmental Activities** | $ 3,979,742 | $ 19,668 | $ 153,178 | $ 382,081 | $ (3,424,815) |

| | |
|---|---|
| GENERAL REVENUES: | |
| State and local sources | $ 3,342,451 |
| Gifts, grants and bequests | 140,746 |
| Gain on termination of lease | 642,571 |
| Total general revenues | 4,125,768 |
| Change in Net Position | 700,953 |
| NET POSITION (DEFICIT) - BEGINNING | (580,337) |
| NET POSITION - ENDING | $ 120,616 |

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

**BRIDGEPREP ACADEMY OF ORANGE CHARTER SCHOOL**
**BALANCE SHEET- GOVERNMENTAL FUNDS**
**JUNE 30, 2026**

| | General Fund | Capital Projects Fund | Non-Major Funds | Total Governmental Funds |
|---|---|---|---|---|
| ASSETS | | | | |
| Cash and cash equivalents | $ 1,088,276 | $ - | $ - | $ 1,088,276 |
| Due from other agencies | 143,016 | - | 126,636 | 269,652 |
| Due from internal funds | 126,636 | - | (126,636) | - |
| Prepaid expenses | 46,324 | - | - | 46,324 |
| TOTAL ASSETS | $ 1,404,252 | $ - | $ - | $ 1,404,252 |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable and accrued liabilities | $ 535,573 | $ - | $ - | $ 535,573 |
| Accrued wages payable | 152,956 | - | - | 152,956 |
| Other liabilities | 63,243 | - | - | 63,243 |
| TOTAL LIABILITIES | 751,772 | - | - | 751,772 |
| FUND BALANCE | | | | |
| Nonspendable | | | | |
| Deposit receivable and other assets | 46,324 | - | - | 46,324 |
| Unassigned | 606,156 | - | - | 606,156 |
| TOTAL FUND BALANCE | 652,480 | - | - | 652,480 |
| TOTAL LIABILITIES AND FUND BALANCE | $ 1,404,252 | $ - | $ - | $ 1,404,252 |

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

**BRIDGEPREP ACADEMY OF ORANGE CHARTER SCHOOL**
**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT OF NET POSITION**
**JUNE 30, 2026**

| | | | |
|---|---|---|---|
| Total Fund Balance - Governmental Funds | | $ | 652,480 |
| Amounts reported for governmental activities in the statement of net assets are different because: | | | |
| Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the fund. | | | |
| | Capital assets | | 673,648 |
| | Accumulated depreciation | | (520,363) |
| Right-to-use assets and liabilities used in governmental activities are not financial resources or obligations and therefore are not reported. | | | |
| | Right-of-use asset, net | | 9,389,250 |
| | Right-of-use liability | | (9,630,000) |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. | | | |
| | Equipment note payables | | (22,047) |
| | Advance from ESP | | (75,000) |
| | Compensated absences | | (33,901) |
| | Due to Bridgeprep, Inc. | | (313,451) |
| Total Net Position - Governmental Activities | | $ | 120,616 |

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

**BRIDGEPREP ACADEMY OF ORANGE CHARTER SCHOOL**
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2026**

| | General Fund | Capital Projects Fund | Non-Major Funds | Total Governmental Funds |
|---|---|---|---|---|
| REVENUES | | | | |
| State and local sources | $ 3,342,451 | $ - | $ - | $ 3,342,451 |
| State capital outlay funding | - | 382,081 | - | 382,081 |
| Revenue from federal sources | - | - | 153,178 | 153,178 |
| Charges for services | 8,773 | - | 10,895 | 19,668 |
| TOTAL REVENUES | $ 3,351,224 | $ 382,081 | $ 164,073 | $ 3,897,378 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | $ 1,159,328 | $ - | $ 153,178 | $ 1,312,506 |
| Instructional support services | 154,080 | - | - | 154,080 |
| Instructional staff training services | 16,462 | - | - | 16,462 |
| Instructional related technology | 77,678 | - | - | 77,678 |
| Board | 73,664 | - | - | 73,664 |
| General administrative | 267,961 | - | - | 267,961 |
| School administration | 314,574 | - | - | 314,574 |
| Fiscal services | 323,979 | - | - | 323,979 |
| Central services | 8,714 | | | 8,714 |
| Operation of plant | 423,847 | - | - | 423,847 |
| Maintenance of plant | 78,624 | - | - | 78,624 |
| Community services | 3,772 | - | - | 3,772 |
| Extracurricular activities | 683 | - | 10,895 | 11,578 |
| Capital Outlay: | | | | |
| Other capital outlay | 17,482 | - | - | 17,482 |
| Increase in right-of-use asset | - | 9,630,000 | - | 9,630,000 |
| Debt Service: | | | | |
| Redemption of principal | 8,861 | - | - | 8,861 |
| Reduction of right-of-use liability | 16,704 | - | - | 16,704 |
| Interest | 189,654 | 382,081 | - | 571,735 |
| TOTAL EXPENDITURES | $ 3,136,067 | $ 10,012,081 | $ 164,073 | $ 13,312,221 |
| Excess of revenues over expenditures | 215,157 | (9,630,000) | - | (9,414,843) |
| OTHER FINANCING SOURCES | | | | |
| Increase in right-of-use liability | - | 9,630,000 | - | 9,630,000 |
| Total other financing sources | - | 9,630,000 | - | 9,630,000 |
| Net change in fund balance | 215,157 | - | - | 215,157 |
| Fund balance at beginning of year | 437,323 | - | - | 437,323 |
| Fund balance at end of year | $ 652,480 | $ - | $ - | $ 652,480 |

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

**BRIDGEPREP ACADEMY OF ORANGE CHARTER SCHOOL**
**RECONCILIATION OF THE STATEMENT OF ACTIVITIES AND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS**
**FOR THE YEAR ENDED JUNE 30, 2026**

| | | |
|---|---|---|
| Change in Fund Balance - Governmental Funds | | $ 215,157 |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. | Capital outlays | 17,482 |
| | Depreciation expense | (43,348) |
| In the statement of activities, amortization of the right to use asset is reported as an expense over the estimated life of the lease; however, in the governmental funds report it is not included as an expense. | Amortization expense | (271,552) |
| In the statement of activities, the change in compensated absences is reported as an expense , however; in the governmental funds report it is not included as an expense. | Change in liability for compensated absences | (25,668) |
| The proceeds from debt issuance provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. | Repayments of principal | 8,861 |
| | Reduction of right-of-use liability | 16,704 |
| | Gain on termination of right-of-use lease | 642,571 |
| | Forgiveness of debt | 140,746 |
| Change in Net Position of Governmental Activities | | $ 700,953 |

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

## NOTE 1 – ORGANIZATION AND OPERATIONS

### Reporting Entity

Bridgeprep Academy of Orange Charter School (the "School") is a charter school sponsored by the School Board of Orange County, Florida (the "District"). The School's charter is held by Bridgeprep Academy, Inc., a not-for-profit corporation, organized pursuant to Chapter 617, Florida Statutes, the Florida Not For Profit Corporation Act, and Section 1002.33, Florida Statutes. The governing body of the School is the Board of Directors, which is comprised of six members and they have determined that no component unit exists that would require inclusion in the School's financial statements.

The general operating authority of Bridgeprep Academy of Orange Charter School (the "School") is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, the District School Board of Orange County, Florida (the "School Board"). The current charter is effective until June 30, 2032. At the end of the term of the charter, the School Board may choose not to renew the charter under grounds specified in the charter, in which case the School Board 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 Board may also terminate the charter if good cause is shown.

These financial statements are for the year ended June 30, 2026, when approximately 325 students were enrolled in grades Kindergarten through 8$^{th}$ grade.

## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of Presentation

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

### Government-wide and Fund Financial Statements

*Government-wide Financial Statements*

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information 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. These statements do not include fiduciary funds.

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 such as after care and student activity fees, (2) operating grants and contributions such as the National School Lunch Program, federal grants and other state allocations; and (3) capital grants and contributions, which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. In addition, revenues not classified as program revenues are shown as general revenues, which include Florida Education Finance Program (FEFP) revenues, and other state and local sources.

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 their assets, deferred outflows of resources, liabilities, deferred inflows of resources, equity, revenues and expenditures. The School reports the following major and non-major funds:

*General Fund* – is the School's primary operating fund. The general fund accounts for all financial resources not accounted for and reported in another fund.

*Special Revenue Fund* – accounts for specific revenues, such as federal funding, federal lunch program, that are legally restricted to expenditures for particular purposes. It also accounts for resources of the School's Internal Fund, which is used to administer monies collected in connection with school, student athletics, class, and club activities.

*Capital Projects Fund* – accounts for state and local capital outlay as authorized by Charter School Capital Outlay, Section 1013.62, Florida Statutes mainly for capital outlay including construction or lease of school facilities, capital equipment and additions to existing schools.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

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

The government-wide statements report using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The School recognizes assets of non-exchange transactions in the period when the underlying transaction occurs, when an enforceable legal claim has arisen, or when all eligibility requirements are met. Revenues are recognized, on the modified accrual basis, when they are measurable and available. Non-exchange transactions occur when the School provides (or receives) value to (from) another party without receiving (or giving) equal or nearly equal value in return. Most donations are examples of non-exchange transactions. Revenues from grants and donations are recognized on the accrual basis in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to pay current liabilities. Florida Education Finance Program (FEFP) revenues are recognized when received. A one-year availability period is used for revenue recognition for all other governmental fund revenues. When grant terms provide that the expenditure of funds is the prime factor for determining eligibility for federal, state, and other grant funds, revenue is recognized at the time the expenditure is made. Expenditures are recorded when the related fund liability is incurred, except for long-term debt principal and interest which are reported as expenditures in the year due.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Budgetary Basis Accounting**

In compliance with Florida Statutes, the Board of Directors adopts an annual budget using the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each activity (e.g. instructional, pupil personnel services and school administration). Any revisions to the annual budget are approved by the Board.

Cash and Cash Equivalents

The School's cash is considered to be cash on hand and demand deposits, with original maturities of three months or less.

Prepaid Expenses and Other Assets

Prepaid expenses and other assets consist mainly of payments for goods or services that have not been consumed or used at year end. The expenditure will be recorded when the asset is used. Accordingly, prepaid expenses are equally offset by a nonspendable fund balance classification.

Fund Transfers

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

Due from Other Agencies

Due from other agencies consists of amounts due from other governmental units for revenues from federal, federal through state, state, or other sources. No allowance for uncollectible accounts is deemed necessary. Accounts receivable consist of after-school care fees and other contributions pending collections. Any bad debts are expensed in the subsequent period when they are determined to be uncollectible.

Capital Assets, Depreciation and Amortization

Capital assets purchased or acquired are carried at historical cost or estimated historical cost. The School generally capitalizes assets with a cost of $1,000 or more. 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. Estimated useful lives, in years, for depreciable assets are as follows:

| | |
|---|---|
| Furniture and equipment | 5 Years |
| Computer equipment and software | 7 Years |
| Building and improvements | 39 Years |

Compensated Absences

Employees of the School are entitled to paid time off (PTO) in accordance with the School's personnel policies and applicable state regulations. PTO also includes sick leave and personal days. Any PTO which has been accrued over the school year, but has not been used, will be rolled over into the next school year. Unused PTO will not be paid out at the end of the year or upon separation from the School. In accordance with GASB Statement No. 101, *Compensated Absences*, the School recognizes a liability for leave when:

1. The leave is attributable to services already rendered by employees;
2. The leave accumulates and can be carried forward to future reporting periods;
3. It is more likely than not that the leave will be used for time off, paid in cash, or settled through other non-cash means.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
The liability for compensated absences is measured using employees' pay rates in effect at the financial statement date. In the government-wide financial statements, compensated absences are reported as liabilities and expensed as incurred. In the governmental fund financial statements, the liability is recognized only for amounts that have matured as of the fiscal year end.

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.

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

- Net investment in capital and right-of-use – consists of capital and right-of-use assets less accumulated depreciation and amortization and reduced by the outstanding balances of any borrowings that are attributable to the acquisition or improvement of those assets.
- Restricted net position – consists of net position with constraints placed on its 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 – all other net position is reported in this category.

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

Governmental Fund Balances
GASB Codification Section 1800.142, *Fund Balance Reporting and Governmental Fund Type Definitions*, defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Sources

Revenues for operations will be received primarily from the District School Board of Orange County (the "School Board") 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 Board. Under the provisions of Section 1011.62, Florida Statutes, the School Board reports the number of the full-time equivalent (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 Education Finance Program and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods.

The School receives state funds through the District under charter school capital outlay funding pursuant to Section 1013.62, Florida Statutes. Funds are based on a capital outlay plan submitted to the District and are to be used for lease of school facilities. In addition, the School may receive a portion of the local capital improvement tax revenues levied by the District. Finally, the School also receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to and approved by various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred. Any excess amounts are recorded as deferred revenues until expended. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

Income Taxes

The School is a division of a nonprofit corporation. The School qualifies as a tax-exempt organization under the Internal Revenue Code Section 501(c)(3), and is, therefore, exempt from income tax. Accordingly, no tax provision has been made in the accompanying financial statements.

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The School has evaluated subsequent events and transactions for potential recognition or disclosure through September 30, 2026, which is the date the financial statements were available to be issued.

Adopted Accounting Pronouncements

**Implementation of GASB Statement No. 103**

During the current fiscal year, the School implemented Governmental Accounting Standards Board (GASB) Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance the effectiveness of financial reporting in providing information that is essential for decision-making and assessing accountability.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Adopted Accounting Pronouncements

The implementation of GASB Statement No. 103, *Financial Reporting Model Improvements* resulted in changes to the presentation and related disclosures of the School's financial statements, as applicable, including requirements related to management's discussion and analysis, budgetary comparison information, and the presentation and classification of certain financial statement items.

**Implementation of GASB Statement No. 104**

The School evaluated and implemented the requirements of GASB Statement No. 104, *Disclosure of Certain Capital Assets* for the year ended June 30, 2026. The implementation of both statements did not have a material effect on the School's beginning net position or fund balance.

NOTE 3 – CAPITAL ASSETS

The following schedule provides a summary of changes in capital assets, acquired substantially with public funds, for the year ended June 30, 2026:

| Capital Assets | Balance July 1, 2025 | Additions | Deletions | Balance June 30, 2026 |
|---|---|---|---|---|
| Building and fixed equipment | $ 87,465 | $ - | $ - | $ 87,465 |
| Furniture and equipment | 568,701 | 17,482 | - | 586,183 |
| Total Capital Assets | 656,166 | 17,482 | - | 673,648 |
| Less Accumulated Depreciation | | | | |
| Building and fixed equipment | (32,380) | (2,243) | - | (34,623) |
| Furniture and equipment | (444,635) | (41,105) | - | (485,740) |
| Total Accumulated Depreciation | (477,015) | (43,348) | - | (520,363) |
| Capital Assets, net | 179,151 | (25,866) | - | 153,285 |
| Lease Assets | | | | |
| Right-of-use lease asset | 8,562,980 | 9,630,000 | (8,562,980) | 9,630,000 |
| Accumulated amortization | (739,250) | (271,552) | 770,052 | (240,750) |
| Total leased assets, net | 7,823,730 | 9,358,448 | (7,792,928) | 9,389,250 |
| Total capital and right-of-use assets, net | $ 8,002,881 | $ 9,332,582 | $ (7,792,928) | $ 9,542,535 |

Depreciation expense for the year ended June 30, 2026 amounted to $43,348, of which the entire amount was allocated to regular instruction. Amortization expense of $271,552 was allocated to operation of plant for the year ended June 30, 2026.

NOTE 4 – FINANCED EQUIPMENT/NOTE AND LOAN PAYABLE

At June 30, 2022, the School received a loan payable of $200,000 from Bridgeprep Academy, Inc. The balance of $140,746, was forgiven in July 2025 and was recorded in gifts, grants and bequests in the statement of activities for the year ended June 30, 2026. The following schedule provides a summary of changes for the year ended June 30, 2026:

| | Balance July 1, 2025 | Repayments | Forgiveness | Balance June 30, 2026 |
|---|---|---|---|---|
| Note payable | $ 142,877 | $ 2,131 | $ 140,746 | $ - |
| | $ 142,877 | $ 2,131 | $ 140,746 | $ - |

In addition, the School has entered into note payable agreements to finance certain equipment. The terms of the agreement consist of monthly payments of principal and interest of varying amounts through July 2029. The loans bear interest at fixed rates between 3% and 9%. The following schedule provides a summary of changes in financed notes payable for the year ended June 30, 2026:

| | Balance July 1, 2025 | Additions | Repayments | Balance June 30, 2026 |
|---|---|---|---|---|
| Note payable | $ 28,777 | $ - | $ 6,730 | $ 22,047 |
| | $ 28,777 | $ - | $ 6,730 | $ 22,047 |

Maturities of all note payables at June 30, 2026 are as follows:

| Year Ended June 30, | |
|---|---|
| 2027 | 7,315 |
| 2028 | 6,894 |
| 2029 | 7,206 |
| 2030 | 632 |
| Total | $ 22,047 |

NOTE 5 – EDUCATION SERVICE AND SUPPORT PROVIDER

The School entered into an agreement with S.M.A.R.T. Management LLC to provide professional management and consulting services to the School. In its capacity as the management company, S.M.A.R.T. Management LLC manages the finances and operations and makes recommendations to the School's independent board of directors, which makes the final determinations regarding policies and contracts.

In providing management services to the School, officers of S.M.A.R.T. Management LLC may not serve as members of the Board of Directors of the School. The agreement is effective until June 30, 2027. The contract allows for a variable fee on full-time equivalent (FTE) revenues based on the School's enrollment and at times a separate fee for grant management, debt service management, or for other services. During the year ended June 30, 2026, the School incurred management fees of $272,850.

During the year ended June 30, 2022, S.M.A.R.T. Management LLC advanced $75,000 to the School to assist with the expenditures in connection with certain cost-reimbursement grants. This amount will be repaid once the School has sufficient funds.

NOTE 5 – EDUCATION SERVICE AND SUPPORT PROVIDER (Continued)

Recoverable Grant

During the year June 30, 2020, the School was awarded a $72,176 recoverable grant from S.M.A.R.T. Management LLC. In addition, the School was awarded a $200,000 recoverable grant from S.M.A.R.T. Management LLC during the year ended June 30, 2022. The purpose of the grants is for the School to fund operating expenses. Under the terms of the grants, the School would repay the grants in the event the School experiences a surplus of its operating budget for any period ending on June 30 of the current fiscal year, following the execution of the agreement dated June 30, 2022. The maximum the School may be required to pay in the future should the School meet the requirements for repayment is $272,176. No amounts were paid during the year ended June 30, 2026.

NOTE 6 – DUE TO BRIDGEPREP, INC.

On November 30, 2024, the School, in conjunction with several schools under common control (collectively known as "Lenders") entered into a loan agreement ("BPA Inc. Loan Program") with another group of schools under common control (collectively known as "Borrowers") to support operational and capital funding needs among the Borrowers. Under the terms of the BPA Inc. Loan Program, the Lenders have advanced funds, recorded as loan receivables, to the Borrowers, recorded as loans payable. The BPA Inc. Loan Program amounts bear interest at a fixed annual rate of 5%, requires repayment of the entire outstanding principal and any accrued interest on or before February 28, 2028, with no prepayment penalty. Amounts owed to Lenders are reported as Loan Payable – Related Party in the accompanying statement of net position, while amounts owed from Borrowers are reported as Loan Receivable – Related Party. As the BPA Inc. Loan Program is a related party arrangement with schools governed by the same corporate entity, the portion of the receivable and payable balances, are reported in the stand-alone financial statements of the individual schools. Management believes the terms of the BPA Inc. Loan Program are consistent with arms-length borrowing arrangements.

The following schedule provides a summary of changes in loans payable for the year ended June 30, 2026:

| | Balance July 1, 2025 | Amount loaned | Reductions | Balance June 30, 2026 | Due within One year |
|---|---|---|---|---|---|
| Due to Bridgeprep, Inc. | $ 322,593 | $ - | $ 9,142 | $ 313,451 | $ - |
| | $ 322,593 | $ - | $ 9,142 | $ 313,451 | $ - |

Maturities of all long-term debt are as follows:

| Year Ended | Principal |
|---|---|
| 2027 | $ - |
| 2028 | 313,451 |
| | $ 313,451 |

NOTE 7 – COMMITMENTS AND CONTINGENCIES

On July 31, 2025, Bridgeprep Academy, Inc. (the "Organization") issued Tax-Exempt Revenue Bonds, Series 2025A, in the amount of $198,440,000 and Taxable Educational Facilities Revenue Bonds, Series 2025B, in the amount of $3,805,000 for a combined total of $202,245,000. The bonds were issued to finance the purchase of land and buildings and to fund improvements at the following school sites: Bridgeprep Academy of Collier, Bridgeprep Academy of Doral Elementary and Doral Middle-High, Bridgeprep Academy of Village Green and Village Green Middle–High, Bridgeprep Academy of Orange, Bridgeprep Academy of St. Cloud, Bridgeprep Academy of Polk, and Bridgeprep Academy of Osceola. The Organization has entered into a lease agreement with each of these schools for the total amount allocated to each school.

The School entered into a new lease agreement to lease its school facilities with the Organization for its allocated amount of $9,630,000. The first payment commenced on September 1, 2025, and the term of this agreement is for forty years and ends June 15, 2065. For the year ended June 30, 2026, the amount paid by the School for the use of the facilities was approximately $602,221. Right-of-use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease asset into service. The right-of-use assets are amortized on a straight-line basis over the life of the related lease. The School recognized a right-of-use asset and liability in the allocated amount of $9,630,000 and pays interest equal to the coupon rate (7.5% for the year ended June 30, 2026). The interest expense was $551,997 and the amortization of the right to use asset was $271,552 for the year ended June 30, 2026.

Annual requirements to amortize the lease liability and related interest are estimated as follows:

| Year Ended | Principal | Interest | Total |
|---|---|---|---|
| 2027 | $ 65,000 | $ 585,750 | $ 650,750 |
| 2028 | 70,000 | 580,875 | 650,875 |
| 2029 | 80,000 | 575,625 | 655,625 |
| 2030 | 85,000 | 569,626 | 654,626 |
| 2031 | 90,000 | 564,250 | 654,250 |
| Therafter | 9,240,000 | 12,927,784 | 22,167,784 |
| | $ 9,630,000 | $ 15,803,910 | $ 25,433,910 |

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

| | Balance July 1, 2025 | Increase | Decrease | Balance June 30, 2026 |
|---|---|---|---|---|
| Right-of-use liability | $ 8,478,561 | $ 9,630,000 | $ 8,478,561 | $ 9,630,000 |
| | $ 8,478,561 | $ 9,630,000 | $ 8,478,561 | $ 9,630,000 |

NOTE 8 – DEPOSITS POLICY AND CREDIT RISK

It is the School's policy to maintain its cash and cash equivalents in one financial institution. Deposits at FDIC-insured financial institutions are insured up to $250,000 per depositor, per financial institution. The School is a charter school under Bridgeprep Academy, Inc., which also operates various other charter schools. All bank accounts are opened under the account ownership of Bridgeprep Academy, Inc., therefore, bank balances at times may potentially be in excess of FDIC coverage. As of June 30, 2026, bank balances in potential excess of FDIC coverage was approximately $882,390.

NOTE 9 – INTERFUND BALANCES

Interfund balances in governmental funds as of June 30, 2026 consist of the following:

| | General Fund | Special Revenue Fund |
|---|---|---|
| Due from (to) General Fund from Special Revenues for Title I | $ 126,636 | $(126,636) |
| | $ 126,636 | $(126,636) |

NOTE 10 – COMPENSATED ABSENCES

Changes in compensated absences during the year are as follows:

| | Balance July 1, 2025 | Net Change | Balance June 30, 2026 | Due within One year |
|---|---|---|---|---|
| Compensated Absences | $ 8,233 | $ 25,668 | $ 33,901 | $ 33,901 |
| | $ 8,233 | $ 25,668 | $ 33,901 | $ 33,901 |

NOTE 11 – DEFINED CONTRIBUTION RETIREMENT PLAN

The School's personnel, which are leased through ADP TotalSource Group, Inc., are eligible to participate in a defined contribution 401(k) plan sponsored by their payroll company, ADP TotalSource Group, Inc., covering employees who meet certain age and tenure requirements. Under the ADP TotalSource Retirement Savings Plan (the "Plan"), the School provides a match of 25% of the employee's contribution up to 4% of the employee's compensation. The School made $601 in contributions to the Plan for the year ended June 30, 2026.

NOTE 12 – CERTAIN RISK DISCLOSURES

The School receives the majority of its operating revenue from per-pupil funding provided by the District based on the number of full-time equivalent (FTE) students enrolled. Changes in enrollment or modifications to the State of Florida's funding formula or allocation procedures could affect the School's ability to provide educational services or meet financial obligations. The School also receives grant funds from various federal, state, and local agencies that are subject to audit for compliance with grant requirements. Any liability for reimbursement resulting from such audits is not reflected in these financial statements.

The School has entered into a strategic relationship with ADP TotalSource Group, Inc., a human resource management firm, typically known as "Professional Employer Organization" (PEO). Under a co-employment agreement, the PEO is the employer of record and is responsible for administering payroll and payroll taxes, providing employee benefits and assisting with human resources and risk management. Accordingly, certain human-resource related risks are transferred to the PEO. Nevertheless, the School may be subject to risks, including loss, penalties and fines related to employment practices, administrative errors and omissions for which it carries insurance.

NOTE 12 – CERTAIN RISK DISCLOSURES (Continued)

The School is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters, for which it carries commercial insurance. There were no reductions in insurance coverage from the prior year, and settlements have not exceeded coverage. The School does not sponsor a public entity risk pool. The School leases its educational facility from a landlord as noted in Note 6 under a long-term lease agreement. Relocation to another suitable facility within the School's geographic service area could be difficult in the event of nonrenewal or termination of the lease.

REQUIRED SUPPLEMENTAL INFORMATION

**BRIDGEPREP ACADEMY OF ORANGE CHARTER SCHOOL**
**BUDGETARY SCHEDULE – GENERAL FUND**
**FOR THE YEAR ENDED JUNE 30, 2026**

| | General Fund | | | | |
|---|---|---|---|---|---|
| | Budgeted Amounts | | Variance with Original Budget - over (under) Final Budget | Actual Amounts Budgetary (and GAAP) Basis | Variance with Final Budget - over (under) Actual Amounts |
| | Original | Final Budget | | | |
| REVENUES | | | | | |
| State and local sources | $ 3,187,394 | $ 3,327,445 | $ 140,051 | $ 3,342,451 | $ 15,006 |
| Charges for services and other income | - | 19,057 | 19,057 | 8,773 | (10,284) |
| TOTAL REVENUES | 3,187,394 | 3,346,502 | 159,108 | 3,351,224 | 4,722 |
| EXPENDITURES | | | | | |
| Instruction | 1,433,040 | 1,308,220 | (124,820) | 1,159,328 | (148,892) |
| Instructional support services | 125,751 | 128,318 | 2,567 | 154,080 | 25,762 |
| Instructional staff training services | 1,221 | 2,125 | 904 | 16,462 | 14,337 |
| Instructional related technology services | - | 68,769 | 68,769 | 77,678 | 8,909 |
| School board | 11,250 | 78,196 | 66,946 | 73,664 | (4,532) |
| General administrative | 98,804 | 272,925 | 174,121 | 267,961 | (4,964) |
| School administration | 372,006 | 415,742 | 43,736 | 314,574 | (101,168) |
| Fiscal services | 216,021 | 316,248 | 100,227 | 323,979 | 7,731 |
| Central services | - | 6,259 | 6,259 | 8,714 | 2,455 |
| Operation of plant | 311,399 | 429,490 | 118,091 | 423,847 | (5,643) |
| Maintenance of plant | 36,912 | 51,895 | 14,983 | 78,624 | 26,729 |
| Community services | - | 1,560 | 1,560 | 3,772 | 2,212 |
| Extracurricular activities | - | - | - | 683 | 683 |
| Capital Outlay | - | - | - | 17,482 | 17,482 |
| Debt service | 196,985 | 169,548 | (27,437) | 215,219 | 45,671 |
| TOTAL EXPENDITURES | 2,803,389 | 3,249,295 | 445,906 | 3,136,067 | (113,228) |
| Change in fund balance before other financing sources | 384,005 | 97,207 | (286,798) | 215,157 | 117,950 |
| Other financing sources, net | - | - | - | - | - |
| Net change in fund balance | $ 384,005 | $ 97,207 | $ (286,798) | $ 215,157 | $ 117,950 |

**BRIDGEPREP ACADEMY OF ORANGE CHARTER SCHOOL**
**BUDGETARY SCHEDULE – GENERAL FUND**
**FOR THE YEAR ENDED JUNE 30, 2026**

NOTE A – BUDGETARY INFORMATION

Budgetary basis of accounting

The School's annual budget is adopted for all operations at the combined governmental level and may be amended by the Board. The budget presented for the year ended June 30, 2026, has been amended according to Board procedures. During the fiscal year, expenditures were controlled at the fund level.

Although budgets are adopted for the entire operation, budgetary comparisons have been presented for the general fund for which a legally adopted budget exists.

Budgets are presented on the modified accrual basis of accounting consistent with generally accepted accounting principles. During the fiscal year, expenditures were controlled at the object level (e.g., salaries, purchased services, and capital outlay).

NOTE B – ACTUAL BUDGET RESULTS – GENERAL FUND

| | General Fund over (under) |
|---|---|
| **BUDGETARY REVENUES - GENERAL FUND** | |
| **Differences - original budget to final budget** | |
| There were no significant differences between the original and final budget. | N/A |
| **Differences - final budget to actual** | |
| There were no significant differences between the final budget to actual results. | N/A |
| **BUDGETARY EXPENDITURES - GENERAL FUND** | |
| **Differences - original budget to final budget** | |
| Instructional services - The school's original projected enrollment was 342 students versus the amended final projected enrollment of 325 students. The school updated the budget to reflect the adjustment to expenses. | $ (124,820) |
| General administrative - The Distrcit did not have a final fourth quarter survey completed by the end of the 2024-2025 fiscal year. The School had estimated an underpayment in prior year of approximately $165,000 that was included in receivables. This amount had to be removed in the current year and the School modified the final budget for this amount. | $ 174,121 |
| Fiscal services - In the School's original budget, they had estimated a lower management fee due to anticipated enrollment. However, the School had a better enrollment than anticipated which raised the management fees. | $ 100,227 |

**BRIDGEPREP ACADEMY OF ORANGE CHARTER SCHOOL**
**BUDGETARY SCHEDULE – GENERAL FUND**
**FOR THE YEAR ENDED JUNE 30, 2026**

NOTE B – ACTUAL BUDGET RESULTS – GENERAL FUND

**Differences - final budget to actual**

| | | |
|---|---|---|
| Instructional services - The school's original projected enrollment was 342 students versus the amended final projected enrollment of 325 students. The school reduced its expenses to offset the decrease in enrollment. | $ | (148,892) |

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COLLABORATIVE FAMILY
LAW INSTITUTE

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

Board of Directors of
Bridgeprep Academy of Orange Charter School
Orlando, 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 Bridgeprep Academy of Orange Charter School (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 30, 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 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.

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

**Purpose of this Report**

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

García Santa María De Armas Trujillo, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 30, 2026

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# MANAGEMENT LETTER

Board of Directors of
Bridgeprep Academy of Orange Charter School
Orlando, Florida

**Report on the Financial Statements**
We have audited the financial statements of Bridgeprep Academy of Orange Charter School (the "School"), as of and for the fiscal year ended June 30, 2026, and have issued our report thereon dated September 30, 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; and Chapter 10.850, Rules of the Auditor General.

**Other Reporting Requirements**
We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in that report, which is dated September 30, 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. Corrections have been made to address the findings and recommendations in the preceding financial 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 and the school code assigned by the Florida Department of Education of the school is Bridgeprep Academy of Orange Charter School and #481009.

**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 the review of financial information provided by management. The financial condition assessment procedures applied in connection with our audit, have led us to believe that the School's overall financial condition as of June 30, 2026 is not deteriorating.

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

**Transparency**
Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the School maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

**Additional Matters**
Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, fraud, waste, or abuse, that have occurred, or are 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 note any such findings.

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

García Santa María De Armas Trujillo, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 30, 2026