BRIDGEPREP ACADEMY OF ST. CLOUD CHARTER SCHOOL

ST. CLOUD, FLORIDA

(A CHARTER SCHOOL UNDER BRIDGEPREP ACADEMY, INC.)

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

JUNE 30, 2026

BRIDGEPREP ACADEMY OF ST. CLOUD CHARTER SCHOOL
BASIC FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION
JUNE 30, 2026

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

3691 Canoe Creek Road
St. Cloud, FL 34772
(407) 250-8968

2025-2026

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Bridgeprep Academy of St. Cloud Charter School
St. Cloud, Florida

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Bridgeprep Academy of St. Cloud 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 21, 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 21, 2026

Management's Discussion and Analysis
Bridgeprep Academy of St. Cloud Charter School
June 30, 2026

The corporate officers of Bridgeprep Academy of St. Cloud 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 deficit in net position of ($540,251) at June 30, 2026.
2. The School had an increase of $1,797,315 in its net position for the year ended June 30, 2026.
3. The School had current assets of $889,646 at June 30, 2026.
4. The School's unassigned fund balance at June 30, 2026 was $260,963.

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 Fund and Capital Projects Fund. 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	$ 804,141	$ 783,300
Due from other agencies	85,505	533
Deposits receivable and other assets	125,255	152,603
Capital and right to use assets, net	25,907,794	15,568,862
Total Assets	$ 26,922,695	$ 16,505,298
Liabilities and Net Position		
Accounts and wages payable and accrued liabilities	$ 619,116	$ 1,348,141
Advances to Education Service Provider	20,500	20,500
Other liabilities	64,640	-
Right-of-use liability	26,370,000	16,371,316
Long-term debt	388,690	1,102,907
Total Liabilities	27,462,946	18,842,864
Invested in capital assets, net of related debt	(462,206)	(958,378)
Restricted	10,453	-
Unrestricted (deficit) net position	(88,498)	(1,379,188)
Total Net Position (Deficit)	(540,251)	(2,337,566)
Total Liabilities and Net Position	$ 26,922,695	$ 16,505,298

At June 30, 2026, the School's total assets were $26,922,695 and total liabilities were $27,462,946. At June 30, 2026, the School reported a total deficit in net position of $540,251. 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 $26,370,000. The School reported a deficit in unrestricted net position of ($88,498).

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	$ 401,590	$ 199,441
Capital grants and contributions	637,178	555,039
Charges for services	298,226	214,776
General Revenues		
State and local sources	5,527,861	5,790,052
Gifts, grants and bequests and other revenue	2,668,446	-
Total Revenues	$ 9,533,301	$ 6,759,308
EXPENSES		
Instructional services	$ 2,753,435	$ 2,619,201
Instructional support services	170,531	216,572
Instructional staff training services	20,560	18,411
Instructional related technology	106,973	123,256
Board	152,922	103,087
General administration	95,980	95,647
School administration	490,711	569,733
Fiscal services	420,803	716,182
Food services	355,578	200,616
Central services	21,553	34,020
Operation of plant	1,311,906	1,201,043
Maintenance of plant	125,703	141,957
Community services	16,024	6,105
Extracurricular activites	177,506	95,230
Interest expense	1,515,801	1,007,783
Total Expenses	$ 7,735,986	$ 7,148,843
Change in Net Position	1,797,315	(389,535)
Net Position (Deficit) at Beginning of Year	(2,337,566)	(1,948,031)
Net Position (Deficit) at End of Year	$ (540,251)	$ (2,337,566)

The School's total revenues for the year ended June 30, 2026, were $9,533,301, an increase of $2,773,993 from prior year. Due to the termination of the prior lease, the School recognized a gain on the termination of the lease of $1,132,701. In addition, the School had a gain on forgiveness of management fees and debt of $783,313 and $638,793, respectively during the year ended June 30, 2026.

The School's total expenses for the year ended June 30, 2026, were $7,735,986, an increase of $587,143. Due to the new lease, the School incurred an increase in interest expense of $508,018 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 $386,218. The fund balance unassigned and available for spending at the School's discretion is $260,963. 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	
	2026	2025
Total Revenues	$ 6,565,616	$ 5,816,681
Total Expenditures	5,779,516	6,027,213
Excess (deficit) of revenues over expenditures	786,100	(210,532)
Other Financing Sources (Uses)		
Proceeds from debt issuance	-	496,807
Increase in long-term receivable	-	-
Total Other Financing Sources (Uses)	-	496,807
Net change in fund balance	786,100	286,275
Fund balance at beginning of year	(399,882)	(686,157)
Fund balance at end of year	$ 386,218	$ (399,882)

The School increased its fund balance in the General Fund by $786,100 for the year ended June 30, 2026. The School's total revenues in the General Fund increased by $748,935, due to a forgiveness of management fees of $783,313.

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 $25,907,794 (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 $25,710,750, net of accumulated amortization.

RIGHT OF USE LIABILITY
The School has recorded a right-of-use liability of $26,370,000 as of June 30, 2026.

CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS
The School's enrollment for the school year was 675 students. Subsequent to year-end, the School was reorganized into two separate schools: a kindergarten through fifth grade school and a sixth through twelfth grade middle/high school. Combined enrollment for the 2026–2027 school year is approximately 754 students. The two schools will operate from the same facilities and will share the related facility costs and other operating costs.

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 3691 Canoe Creek Road in St. Cloud, FL 34772.

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 ST. CLOUD CHARTER SCHOOL
STATEMENT OF NET POSITION
JUNE 30, 2026

	Governmental Activities
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	$ 804,141
Due from other agencies	85,505
TOTAL CURRENT ASSETS	889,646
CAPITAL AND RIGHT-OF-USE ASSETS, NET	25,907,794
Deposit receivable and other assets	125,255
TOTAL ASSETS	$ 26,922,695
LIABILITIES AND NET POSITION	
LIABILITIES	
Accounts payable and accrued liabilities	$ 292,232
Accrued wages payable	261,358
Other liabilities	64,640
Compensated absences, current portion	65,526
Right-of-use liability, current portion	180,000
Loans payable - related party, current portion	62,187
TOTAL CURRENT LIABILITIES	925,943
Advances from Education Service Provider	20,500
Right-of-use liability, long-term portion	26,190,000
Loans payable - related party, long-term	326,503
TOTAL LIABILITIES	27,462,946
NET POSITION	
Net investment in capital and right-of-use assets	(462,206)
Restricted - other	10,453
Deficit in unrestricted	(88,498)
TOTAL NET POSITION (DEFICIT)	(540,251)
TOTAL LIABILITIES AND NET POSITION	$ 26,922,695

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

BRIDGEPREP ACADEMY OF ST. CLOUD CHARTER SCHOOL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026

		Program Revenues			
Functions	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental Activities:					
Instruction	$2,753,435	$ 73,502	$ 21,967	$ -	$ (2,657,966)
Instructional support services	170,531	-	-	-	(170,531)
Instructional staff training services	20,560	-	-	-	(20,560)
Instructional related technology	106,973	-	-	-	(106,973)
Board	152,922	-	-	-	(152,922)
General administration	95,980	-	-	-	(95,980)
School administration	490,711	-	-	-	(490,711)
Fiscal services	420,803	-	-	-	(420,803)
Food services	355,578	375	379,623	-	24,420
Central services	21,553	-	-	-	(21,553)
Operation of plant	1,311,906	-	-	637,178	(674,728)
Maintenance of plant	125,703	-	-	-	(125,703)
Community services	16,024	28,200	-	-	12,176
Extracurricular activities	177,506	196,149	-	-	18,643
Interest expense	1,515,801	-	-	-	(1,515,801)
Total Governmental Activities	$7,735,986	$ 298,226	$ 401,590	$ 637,178	$ (6,398,992)

GENERAL REVENUES:	
State and local sources	$ 5,527,861
Gifts, grants and bequests	1,535,745
Gain on termination of right-of-use	1,132,701
Total general revenues	8,196,307
Change in Net Position	1,797,315
NET POSITION (DEFICIT) - BEGINNING	(2,337,566)
NET POSITION (DEFICIT) - ENDING	$ (540,251)

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

BRIDGEPREP ACADEMY OF ST. CLOUD 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	$ 793,688	$ -	$ 10,453	$ 804,141
Due from other agencies	2,066	-	83,439	85,505
Deposit receivable and other assets	125,255	-	-	125,255
Due from (to) funds	83,439	-	(83,439)	-
TOTAL ASSETS	$ 1,004,448	$ -	$ 10,453	$ 1,014,901
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued liabilities	$ 292,232	$ -	$ -	$ 292,232
Accrued wages payable	261,358	-	-	261,358
Other liabilities	64,640	-	-	64,640
TOTAL LIABILITIES	618,230	-	-	618,230
FUND BALANCE				
Nonspendable				
Deposit receivable and other assets	125,255	-	-	125,255
Restricted	-	-	10,453	10,453
Unassigned	260,963	-	-	260,963
TOTAL FUND BALANCE	386,218	-	10,453	396,671
TOTAL LIABILITIES AND FUND BALANCE	$ 1,004,448	$ -	$ 10,453	$ 1,014,901

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

BRIDGEPREP ACADEMY OF ST. CLOUD CHARTER SCHOOL
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2026

Total Fund Balance - Governmental Funds		$ 396,671
Amounts reported for governmental activities in the statement of net position 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	590,102
	Accumulated depreciation	(393,058)
Right-of-use assets and liabilities used in governmental activities are not financial resources or obligations and therefore are not reported on the governmental funds.		
	Right-of-use asset, net	25,710,750
	Right-of-use liability	(26,370,000)
Financial obligations used in governmental funds are not financial resources and, therefore, are not reported in the fund liabilities. The total obligations, both current and long-term, are reported in the statement of net position.		
	Compensated absences	(65,526)
	Loans payable	(388,690)
	Advances from Education Service Provider	(20,500)
Total Net Position (deficit) - Governmental Activities		$ (540,251)

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

BRIDGEPREP ACADEMY OF ST. CLOUD 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 passed through local and other local	$ 5,527,861	$ -	$ -	$ 5,527,861
Federal sources	-	-	21,967	21,967
Federal lunch program	-	-	379,623	379,623
State capital outlay funding	-	637,178	-	637,178
Charges for services	140,803	-	157,423	298,226
Gifts, grants and bequests	896,952	-	-	896,952
TOTAL REVENUES	$ 6,565,616	$ 637,178	$ 559,013	$ 7,761,807
EXPENDITURES				
Current:				
Instruction	$ 2,575,194	$ -	$ 21,967	$ 2,597,161
Instructional support services	166,215	-	-	166,215
Instructional staff training services	20,560	-	-	20,560
Instructional related technology	106,973	-	-	106,973
Board	152,922	-	-	152,922
General administration	95,980	-	-	95,980
School administration	489,898	-	-	489,898
Fiscal services	420,803	-	-	420,803
Food services	-	-	355,578	355,578
Central services	21,553	-	-	21,553
Operation of plant	565,154	-	24,420	589,574
Maintenance of plant	125,703	-	-	125,703
Community services	16,024	-	-	16,024
Extracurricular activities	30,911	-	146,595	177,506
Capital outlay:				
Increase in right-of-use asset	-	26,370,000	-	26,370,000
Other capital outlay	10,135	-		10,135
Debt service:				
Redemption of principal	66,924	-	-	66,924
Reduction of right-to-use liability	-	35,944	-	35,944
Interest	914,567	601,234	-	1,515,801
TOTAL EXPENDITURES	$ 5,779,516	$ 27,007,178	$ 548,560	33,335,254
Excess of expenditures over revenues	786,100	(26,370,000)	10,453	(25,573,447)
Other Financing Sources				
Increase in right-of-use liability	-	26,370,000	-	26,370,000
Proceeds from Financing	-	-	-	-
Total Other Financing Sources	-	26,370,000	-	26,370,000
Net change in fund balance	786,100	-	10,453	796,553
Fund balance (deficit) at beginning of year	(399,882)	-	-	(399,882)
Fund balance at end of year	$ 386,218	$ -	$ 10,453	$ 396,671

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

BRIDGEPREP ACADEMY OF ST. CLOUD CHARTER SCHOOL
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026

Change in Fund Balance - Governmental Funds		$ 796,553
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	10,135
	Depreciation expense	(116,200)
In the statement of activities, amortization of the right-of-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	(722,332)
Additions in long-term liabilities provide current financial resources to governmental funds, but increase long-term liabilities in the statement of net position. Reductions in long-term liabilities are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Gain on termination of lease and forgiveness of debt are reported as revenues in the statement of activities; however, they are not included in the governmental funds revenues.		
	Reduction of right-of-use liability	35,944
	Repayments of principal	66,924
	Forgiveness of debt	638,793
	Gain on termination of lease	1,132,701
In the statement of activities, the change in compensated absences is reported as an expense; however, in the governmental funds report it is not reported as an expenditure in the governmental funds.		
	Change in liability for compensated absences	(45,203)
Change in Net Position of Governmental Activities		$ 1,797,315

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

NOTE 1 – ORGANIZATION AND OPERATIONS

Reporting Entity

Bridgeprep Academy of St. Cloud Charter School (the "School") is a charter school sponsored by the School Board of Osceola 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 St. Cloud 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 Osceola County, Florida (the "School Board"). The current charter is effective until June 30, 2031. 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 675 students were enrolled in grades Kindergarten through 8th grade. Subsequent to year-end, the School was reorganized into two separate schools: a kindergarten through fifth grade school and a sixth through twelfth grade middle/high school. Combined enrollment for the 2026–2027 school year is approximately 754 students. The two schools will operate from the same facilities and will share the related facility costs and other operating costs.

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 its 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 St. Cloud 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 as is, 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 to be collected. 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 Fund 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 Osceola 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 21, 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
Audiovisual materials and computer software	$ 454,842	$ 5,782	$ -	$ 460,624
Furniture and equipment	125,125	4,353	-	129,478
Total Capital Assets	579,967	10,135	-	590,102
Less Accumulated Depreciation				
Audiovisual materials and computer software	(220,808)	(91,909)	-	(312,717)
Furniture and equipment	(56,050)	(24,291)	-	(80,341)
Total Accumulated Depreciation	(276,858)	(116,200)	-	(393,058)
Capital Assets, net	303,109	(106,065)	-	197,044
Right to use assets				
Right-to-use lease asset	16,779,711	26,370,000	(16,779,711)	26,370,000
Accumulated amortization	(1,513,958)	(722,332)	1,577,040	(659,250)
Total leased assets, net	15,265,753	25,647,668	(15,202,671)	25,710,750
Total capital and right to use assets, net	$ 15,568,862	$ 25,541,603	$ (15,202,671)	$ 25,907,794

Depreciation expense for the year ended June 30, 2026 amounted to $116,200, of which the entire amount was allocated to regular instruction. Amortization expense of $722,332 was allocated to operation of plant for the year ended June 30, 2026.

NOTE 4 – FINANCED EQUIPMENT/NOTE AND LOAN PAYABLE

The School financed equipment under note payables expiring on various dates through July 2029. The note payables require monthly payments of principal and interest totaling $5,606 at interest rates between 3% and 9% per annum. The following is a summary of changes in note payables for the year ended June 30, 2026:

	Balance July 1, 2025	Amount Financed	Payments	Balance June 30, 2026
Financed notes payable	$ 155,924	$ -	$ 58,664	$ 97,260
	$ 155,924	$ -	$ 58,664	$ 97,260

Loans Payable – Related Party

The School received a loan payable of $775,000 from Bridgeprep Academy, Inc. on June 30, 2022. The School received an additional $50,000 in connection with this loan in 2023. The balance at June 30, 2025 was $647,053 and bears interest at prime plus .25% (8.50% at June 30, 2025). The loan is to be repaid in monthly payments of principal and interest and matures on July 12, 2030. During the year, this loan payable was forgiven by Bridgeprep Academy, Inc. and the School recognized a gain on forgiveness of $638,793 and it is included in gifts, grants and bequests on the statement of activities.

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%, and require 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 arm's-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	Forgiveness	Payments	Balance June 30, 2026
Loan payable BPA Inc. 2022-2023	$ 647,053	$ 638,793	$ 8,260	$ -
Loan payable BPA Inc. Loan Program	299,930	-	8,500	291,430
	$ 946,983	$ 638,793	$ 16,760	$ 291,430

NOTE 4 – FINANCED EQUIPMENT/NOTE AND LOAN PAYABLE (Continued)
Maturities of all long-term debt are as follows:

Year Ended June 30		
2027	$	62,187
2028		19,139
2029		305,898
2030		1,466
2031		-
Total	$	388,690

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 began on July 1, 2021 and has been renewed and 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 $336,028. In addition, the School has an advance due to S.M.A.R.T. Management LLC of $20,500 at June 30, 2026 and it is considered a long-term liability as there are no repayment terms.

Recoverable Grant
On April 10, 2026, the School was awarded a $783,313 recoverable grant from S.M.A.R.T. Management LLC. The purpose of the grant is for the School to fund operating expenses. Under the terms of the grant, the School would repay the grant in the event the School experiences a surplus of its operating budget for any period ending on June 30th, following the completion of the annual audit and approval from the Board of Directors. The maximum the School may be required to pay in the future should the School meet the requirements for repayment is $783,313. No amounts were due for the fiscal year ended June 30, 2026. The School recorded a gain of $783,313 on forgiveness of management fees and it is included in gifts, grants and bequests on the statement of activities.

NOTE 6 – 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.

NOTE 6 – COMMITMENTS AND CONTINGENCIES

The School entered into a new lease agreement to lease its school facilities with the Organization for its allocated amount of $26,370,000. 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 $1,620,198. 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 $26,370,000 and pays interest equal to the coupon rate (7.5% for the year ended June 30, 2026). The interest expense was $1,485,872 and the amortization of the right to use asset was $722,332 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	$ 180,000	$ 1,609,218	$ 1,789,218
2028	190,000	1,595,718	1,785,718
2029	205,000	1,581,468	1,786,468
2030	220,000	1,566,094	1,786,094
2031	240,000	1,549,594	1,789,594
Thereafter	25,335,000	36,857,006	62,192,006
	$ 26,370,000	$44,759,098	$71,129,098

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	$ 16,371,316	$ 26,370,000	$ 16,371,316	$26,370,000
	$ 16,371,316	$ 26,370,000	$ 16,371,316	$26,370,000

NOTE 7 – 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 $618,957.

NOTE 8 – INTERFUND BALANCES

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

	General Fund	Non-Major Funds
Due from (to) General Fund from Non-Major Funds for food service	$ 83,439	$ (83,439)
	$ 83,439	$ (83,439)

NOTE 9 – 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	$ 20,323	$ 45,203	$ 65,526	$ 65,526
	$ 20,323	$ 45,203	$ 65,526	$ 65,526

NOTE 10 – OTHER LIABILITIES

The School receives substantially all its funding from the state through the District under the Florida Education Finance Program (FEFP), which is based in part on a computation of the number of full-time equivalent (FTE) students attending different instructional programs. 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. During the year ended June 30, 2026, the FDOE had not revised the fourth quarter calculation for FEFP. The School has estimated a potential liability at June 30, 2026, as a contingency if they are required to return the funding back to the District. The liability at June 30, 2026 was estimated at $61,645.

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 $3,740 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.

NOTE 12 – CERTAIN RISK DISCLOSURES (Continued)

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.

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 ST. CLOUD 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	$ 6,600,409	$ 5,534,739	$ (1,065,670)	$ 5,527,861	$ (6,878)
Charges for services and other income	65,400	1,055,122	989,722	1,037,755	(17,367)
TOTAL REVENUES	6,665,809	6,589,861	(75,948)	6,565,616	(24,245)
EXPENDITURES					
Instruction	3,014,434	2,598,356	(416,078)	2,575,194	(23,162)
Instructional support services	122,832	149,193	26,361	166,215	17,022
Instructional staff training services	1,955	5,736	3,781	20,560	14,824
Instructional related technology services	128,953	93,684	(35,269)	106,973	13,289
Board	11,250	46,434	35,184	152,922	106,488
General administrative	96,501	96,045	(456)	95,980	(65)
School administration	695,702	882,017	186,315	489,898	(392,119)
Fiscal services	660,041	309,331	(350,710)	420,803	111,472
Food services	-	-	-	-	-
Central services	78,008	27,123	(50,885)	21,553	(5,570)
Operation of plant	471,775	715,588	243,813	565,154	(150,434)
Maintenance of plant	71,396	97,927	26,531	125,703	27,776
Community services	42,400	13,190	(29,210)	16,024	2,834
Extracurricular activities	-	-	-	30,911	30,911
Capital Outlay	-	-	-	10,135	10,135
Debt service	787,024	816,609	29,585	981,491	164,882
TOTAL EXPENDITURES	6,182,271	5,851,233	(331,038)	5,779,516	(71,717)
Change in fund balance before other financing sources	483,538	738,628	255,090	786,100	47,472
Other financing sources, net	-	-	-	-	-
Net change in fund balance	$ 483,538	$ 738,628	$ 255,090	$ 786,100	$ 47,472

BRIDGEPREP ACADEMY OF ST. CLOUD CHARTER SCHOOL
NOTES TO BUDGETARY COMPARISON 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	
Differences - original budget to final budget	
State and local sources - The School amended the budget due to decrease in projected enrollment from 814 to 676 students.	$ (1,065,670)
Charges for services and other income - The School received a recoverable grant in the amount of approximately $783,000 to offset general expenses.	$ 989,722
Differences - final budget to actual	
There were no significant differences between the final budget and actual results.	N/A
BUDGETARY EXPENDITURES - GENERAL	
Differences - original budget to final budget	
Instruction services - The School had a decrease in projected enrollment from 814 to 676. Instructional expenses were reduced in the final budget.	$ (416,078)
Fiscal services - The Education Service Provider reduced the management fees for the year from the original budget.	$ (350,710)
Operation of plant - The School incurred building repairs that were unexpected and were included in the amended budget. In addition, the School entered into a new lease in August with higher interest costs.	$ 243,813

NOTE B – ACTUAL BUDGET RESULTS – GENERAL FUND (Continued)

Differences - final budget to actual

Board - The School had an increase in consulting expenses.	$	106,488
School administration - The School reduced shared salaries due to the decrease in enrollment.	$	(392,119)
Operation of plant - Actual payments for the interest on the right-of-use lease were reclassified from operation of plant to debt service.	$	(150,434)
Debt service - Actual payments of the interest on the right-of-use lease were reclassified from operation of plant to debt service.	$	164,882

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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 St. Cloud Charter School
St. Cloud, 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 St. Cloud 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 21, 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 21, 2026

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MANAGEMENT LETTER

Board of Directors of
Bridgeprep Academy of St. Cloud Charter School
St. Cloud, Florida

Report on the Financial Statements
We have audited the financial statements of Bridgeprep Academy of St. Cloud Charter School (the "School"), as of and for the fiscal year ended June 30, 2026, and have issued our report thereon dated September 21, 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 21, 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 St. Cloud Charter School and #135028.

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, has 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 OsceolaGree 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 21, 2026