Expressions Learning
Arts Academy, Inc.

A component unit of the Alachua County District School Board

Financial Statements
And
Independent Auditors' Reports

June 30, 2026

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

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Gainesville, Florida 32601
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FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORTS

JUNE 30, 2026

EXPRESSIONS LEARNING ARTS ACADEMY, Inc.

A component unit of the Alachua County District School Board

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Expressions Learning Arts Academy, Inc.

October 12, 2026

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of Expressions Learning Arts Academy, Inc. (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 as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

Report on the Audit of the Financial Statements (concluded)

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2026 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Kattell and Company, P.L.

Gainesville, Florida
October 12, 2026

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

Management's Discussion and Analysis
June 30, 2026
Expressions Learning Arts Academy, Inc.
A component unit of the Alachua County District School Board

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

The following are various financial highlights for fiscal year 2026:

- The School's overall net position decreased by approximately $39,000, which is about 8%.
- Total ending unrestricted net position was approximately $409,000.
- The School had total expenses for the year of about $947,000 compared to revenues of approximately $908,000.
- The School educated 78 and 84 students in the years ending June 30, 2026, and June 30, 2025, respectively, serving grades K-5.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This annual report contains government-wide financial statements that report on the School's activities as a whole and fund financial statements that report on the School's individual funds.

Government-wide Financial Statements

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

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

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

Fund Financial Statements

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

The School maintains two individual governmental funds, the General Fund and Capital Projects Fund. Each fund is considered to be a major fund and, accordingly, they are separately displayed.

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

CONDENSED FINANCIAL INFORMATION

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

	2026 Governmental Activities	2025 Governmental Activities
Net Position		
Assets:		
Non-capital Assets	$ 467,390	$ 512,396
Capital Assets, Net	177,673	214,379
Total Assets	645,063	726,775
Liabilities:		
Current Liabilities	30,788	42,600
Lease Liability	157,352	187,690
Total Liabilities	188,140	230,290
Net Position:		
Net Investment in Capital Assets	20,321	26,689
Restricted	27,624	11,654
Unrestricted	408,978	458,142
Total Net Position	$ 456,923	$ 496,485
Changes in Net Position		
Program Revenues	$ 153,717	$ 137,998
General Revenues:		
Federal	--	340,218
Federal through State	4,482	65,112
State	647,151	681,273
Local	102,542	104,233
Total Revenues	907,892	1,328,834
Program Expenses:		
Instruction	523,248	556,971
Instructional Support Services	37,046	31,921
General Support	347,771	427,045
Community Service	29,331	32,934
Interest	10,058	1,662
Total Expenses	947,454	1,050,533
Change in Net Position	(39,562)	278,301
Beginning Net Position	496,485	218,184
Ending Net Position	$ 456,923	$ 496,485

Management's Discussion and Analysis
June 30, 2026
Expressions Learning Arts Academy, Inc.
A component unit of the Alachua County District School Board

OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS

Governmental Activities. The governmental activities generated $153,717 in program revenues and $754,175 of general revenues, and incurred $947,454 of program expenses. This resulted in a $39,562 decrease in net position. This compares with an increase in net position of $278,301 in fiscal year 2025. The School received Employee Retention Credit funds in fiscal year 2025 and used some of these funds in fiscal year 2026 for employee raises and training.

THE SCHOOL'S INDIVIDUAL FUNDS

General Fund. The fund balance of the General Fund decreased by $49,164 from $458,142 to $408,978. Again, the differences are mainly due to the Employee Retention Funds received in the prior year.

Capital Projects Fund. The fund balance of the Capital Projects Fund increased by $15,970 from $11,654 to $27,624. Revenues for the year exceeded the amount expended on eligible costs.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The School entered into a new six-year land lease. Please refer to a note to the accompanying financial statements entitled *Capital Assets and Depreciation* for more detailed information about the School's capital asset activity.

Debt Administration. The School made scheduled payments on its lease liability and entered into a new six-year land lease during the year. Please refer to the paragraph entitled *Long-Term Liabilities* in the notes to the accompanying financial statements for more detailed information about the School's long-term debt policy

ECONOMIC FACTORS

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

CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the School's finances and to show the School's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Juniper Di Giovanni, Principal; 5408 SW 13th Street; Gainesville, Florida 32608.

Statement of Net Position
June 30, 2026
Expressions Learning Arts Academy, Inc.
A component unit of the Alachua County District School Board

	Governmental Activities
Assets	
Cash	$ 453,706
Receivables	8,818
Prepaids	4,866
Capital Assets, Net	177,673
Total Assets	645,063
Liabilities	
Accounts Payable	30,788
Long-Term Debt:	
Due Within One Year	44,730
Due In More Than One Year	112,622
Total Liabilities	188,140
Net Position	
Net investment in Capital Assets	20,321
Restricted – Capital Outlay	27,624
Unrestricted	408,978
Total Net Position	$ 456,923

See accompanying notes.

Statement of Activities
For the Year Ended June 30, 2026
Expressions Learning Arts Academy, Inc.
A component unit of the Alachua County District School Board

Functions/Programs:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Change in Net Position
Governmental Activities:					
Instruction	$ (523,248)	$ 2,870	$ --	$ --	$ (520,378)
Instructional Support Services	(37,046)	--	--	--	(37,046)
General Support	(347,771)	--	--	87,967	(259,804)
Community Service	(29,331)	52,822	--	--	23,491
Interest	(10,058)	--	--	10,058	--
Total	$ (947,454)	$ 55,692	$ --	$ 98,025	(793,737)

General Revenues:	
Federal through State:	
Title II Revenue	2,898
Title IV Revenue	1,584
State Revenue:	
Florida Education Finance Program	640,141
Other State Revenues	7,010
Local Revenue:	
Local Tax Revenue	62,890
Grants and Contributions	39,649
Investment Earnings	3
Total General Revenues	**754,175**
Change in Net Position	**(39,562)**
Net Position – Beginning of Year	**496,485**
Net Position – End of Year	**$ 456,923**

See accompanying notes.

Balance Sheet – Governmental Funds

June 30, 2026

Expressions Learning Arts Academy, Inc.

A component unit of the Alachua County District School Board

	General Fund	Capital Projects Fund	Total Governmental Funds
Assets			
Cash	$ 426,082	$ 27,624	$ 453,706
Receivables	8,818	--	8,818
Prepaids	4,866	--	4,866
Total Assets	**$ 439,766**	**$ 27,624**	**$ 467,390**
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	$ 30,788	$ --	$ 30,788
Total Liabilities	30,788	--	30,788
Fund Balances:			
Non-spendable – Prepaids	4,866	--	4,866
Restricted	--	27,624	27,624
Unassigned	404,112	--	404,112
Total Fund Balances	408,978	27,624	436,602
Total Liabilities and Fund Balances	**$ 439,766**	**$ 27,624**	**$ 467,390**

See accompanying notes.

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

June 30, 2026

Expressions Learning Arts Academy, Inc.

A component unit of the Alachua County District School Board

Fund Balances – Total Governmental Funds	$	436,602
Amounts reported for Governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not reported in the governmental funds.		
Capital Assets – Net of Accumulated Depreciation/Amortization		177,673
Long-term liabilities are not reported in the governmental funds:		
Lease Liabilities		(157,352)
Net Position of Governmental Activities	$	456,923

See accompanying notes.

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

For the Year Ended June 30, 2026

Expressions Learning Arts Academy, Inc.

A component unit of the Alachua County District School Board

	General Fund	Capital Projects Fund	Total Governmental Funds
Revenues			
Federal through State:			
Title II Grant	$ 2,898	$ --	$ 2,898
Title IV Grant	1,584	--	1,584
State Revenue:			
Florida Education Finance Program	640,141	--	640,141
Public Education Capital Outlay	--	54,005	54,005
Other State Revenue	7,010	--	7,010
Local Revenue:			
Local Tax Revenue	62,890	--	62,890
Local Capital Improvement	--	44,020	44,020
After School Child Care Fees	52,822	--	52,822
Other Local Revenue	42,522	--	42,522
Total Revenues	**809,867**	**98,025**	**907,892**
Expenditures and Changes in Fund Balances			
Expenditures:			
Current:			
Instructional	521,855	--	521,855
Instructional Support Services	37,046	--	37,046
General Support	285,403	--	285,403
Community Services	29,331	--	29,331
Capital Outlay	--	27,055	27,055
Debt Service:			
Principal	--	44,942	47,942
Interest	--	10,058	7,058
Total Expenditures	**873,635**	**82,055**	**955,690**
Excess of Revenues Over/(Under) Expenditures	**(63,768)**	**15,970**	**(47,798)**
Other Financing Sources:			
Lease Asset Financing	14,604	--	14,604
Change in Fund Balances	**(49,164)**	**15,970**	**(33,194)**
Fund Balances, July 1, 2025	**458,142**	**11,654**	**469,796**
Fund Balances, June 30, 2026	**$ 408,978**	**$ 27,624**	**$ 436,602**

See accompanying notes.

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

For the Year Ended June 30, 2026

Expressions Learning Arts Academy, Inc.

A component unit of the Alachua County District School Board

Change in Fund Balance – Total Governmental Funds	$ (33,194)
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 depreciated over their estimated useful lives.	
Current Year Expenditures for Capital Assets	31,542
Current Year Depreciation/Amortization Expense	(68,248)
Issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position. Repayment of principal is an expenditure in governmental funds, but reduces long-term liabilities in the statement of net position.	
Lease Financing	(14,604)
Principal Portion of Lease Payments	44,942
Change in Net Position of Governmental Activities	$ (39,562)

See accompanying notes.

NOTE 1 – REPORTING ENTITY

Reporting Entity

Expressions Learning Arts Academy, Inc. is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not for Profit Corporation Act, and Section 1002.33, Florida Statutes. The not-for-profit corporation conducts business as Expressions Learning Arts Academy (the School). The governing body of the School is the not-for-profit corporation's Board of Directors.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, the Alachua County District School Board (the District). The current charter is effective until June 30, 2027, and may be renewed provided that a program review demonstrates that certain criteria addressed in Section 1002.33(7), Florida Statutes, have been successfully accomplished. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter, in which case the District is required to notify the School in writing at least 90 days prior to the charter's expiration. Pursuant to Section 1002.33(8)(e), Florida Statutes, the charter school contract provides that in the event the School is dissolved or terminated, any unencumbered funds and all School property purchased with public funds automatically revert to the District. During the term of the charter, the District may also terminate the charter if good cause is shown. The School is considered a component unit of the District.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-wide Financial Statements

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

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

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

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

Fund Financial Statements

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Financial Statements (concluded)

The following governmental funds are used by the School:

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

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

In the accompanying fund financial statements, the General Fund and Capital Projects Fund are both considered to be major funds and, therefore, are separately displayed. The School has no nonmajor funds.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when the related fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

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

Cash

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

Prepaids

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid assets in both government-wide and fund financial statements. Prepaids are reported as "non-spendable" in the funds financial statements to indicate that prepaids do not represent available expendable resources.

Capital Assets and Depreciation/Amortization

Capital assets are defined by the School as assets with an initial, individual cost of $2,500 or more and an estimated useful life of more than one year. These assets are recorded at historical cost if purchased, at the net present value of future cash flows for leased assets, and at estimated fair value if acquired through a donation. All assets are depreciated or amortized using a straight-line basis. Leased assets are amortized over the shorter of the expected useful life of the leased asset or the lease term. Depreciable capital assets are depreciated using their estimated useful lives: Land Lease – 6 years; Building Lease – 5 years; Buildings – 15 years; Leasehold Improvements – 15-30 years; Improvements – 15 years; and Furniture, Fixtures and Equipment – 5-10 years.

Compensated Absences

Employees earn leave time which must be used during the year, and they receive payment for unused time at year-end. The unused time does not accumulate. Therefore, no liability for compensated absences is recorded.

Long-term Liabilities

Long-term debt, lease liabilities, and other long-term obligations, if any, are reported in the government-wide financial statements. Long-term liabilities are not reported in the governmental funds because governmental funds use the current financial resources measurement focus.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Sources

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

Net Position

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

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

Fund Balance Classifications

Governmental funds report separate classifications of fund balance.

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

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

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

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

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

Use of Estimates

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

NOTE 3 – CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended June 30, 2026 was as follows:

	Balance July 1, 2025	Additions	Deletions	Balance June 30, 2026
Capital Assets:				
Land Lease	$ 36,454	$ 31,542	$ (36,454)	$ 31,542
Building Lease	222,752	--	--	222,752
Buildings	8,460	--	--	8,460
Leasehold Improvements	72,020	--	--	72,020
Improvements	28,141	--	--	28,141
Furniture, Fixtures & Equipment	5,248	--	--	5,248
Total Capital Assets	373,075	31,542	(36,454)	368,163
Accumulated Depreciation/Amortization:				
Land Lease	20,831	20,880	(36,454)	5,257
Building Lease	44,550	44,550	--	89,100
Buildings	4,935	564	--	5,499
Leasehold Improvements	60,694	1,693	--	62,387
Improvements	22,438	561	--	22,999
Furniture, Fixtures & Equipment	5,248	--	-	5,248
Total Accumulated Depreciation	158,696	68,248	(36,454)	190,490
Net Capital Assets	**$ 214,379**	**$ (36,706)**	**$ --**	**$ 177,673**

Depreciation/amortization was charged to functions/programs as follows:

Instruction	$ 1,393
General Support	66,855
Total Depreciation Expense	$ 68,248

NOTE 4 – LONG-TERM LIABILITIES

Long-term debt activity for the year ended June 30, 2026, was as follows:

	Balance July 1, 2025	Additions	Reductions	Balance June 30, 2026	Due Within One Year
Land Lease	$ 13,938	$ 14,604	$ (4,630)	$ 23,912	$ 2,402
Building Lease	173,752	--	(40,312)	133,440	42,328
Totals	$ 187,690	$ 14,604	$ (44,942)	$ 157,352	$ 44,730

NOTE 4 – LONG-TERM LIABILITIES (concluded)

The School obtained the right to use assets under the following lease agreements:

- A land lease effective July 1, 2025 for a lease term of six years in the amount of $6,000 per year payable in two installments of $3,000 on July 1st and January 1st each year.
- A building lease with a term from July 1, 2024 to June 30, 2029, in the amount of $49,000 per year payable on July 1 of each year. This lease was renewed for five years at the same rate on July 1, 2025.

The School records lease assets and liabilities for the present value of lease payments for the lease term using an estimated incremental borrowing rate of 5%. All lease assets will be amortized on a straight-line basis for the remainder of the lease terms.

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

Fiscal Years Ending June 30,	Principal	Interest	Total
2027	$ 44,730	$ 7,270	$ 52,000
2028	49,430	5,570	55,000
2029	51,905	3,095	55,000
2030	5,504	496	6,000
2031	5,783	217	6,000
Total	$ 157,352	$ 16,648	$ 174,000

NOTE 5 – EMPLOYEE RETIREMENT PLAN

The Board of Directors of the School has established a defined contribution SIMPLE IRA retirement plan covering all employees with at least $5,000 in annual compensation and $5,000 in compensation in any two preceding years. The plan is administered by a mutual fund company. Participants may elect to defer a portion of their salaries to be invested in the plan. The tax law specifies an annual dollar limit on employee contributions. The School must match these contributions up to a limit of three percent of the employee's compensation. Participants are fully vested in all contributions. The Board of Directors has the authority to amend or terminate the plan although it has expressed no intention to do so.

Year Ended June 30	Employee Contributions	Employer Contributions
2024	$ 12,700	$ 12,691
2025	$ 13,557	$ 13,557
2026	$ 12,572	$ 12,572

NOTE 6 – RISK MANAGEMENT

The School is exposed to various risks of loss, including general liability, personal injury, workers' compensation, and errors and omissions. To manage its risks, the School has purchased commercial insurance. Settled claims resulting from these risks have not exceeded commercial coverage in the current and previous two years.

NOTE 7 – CONTINGENCIES

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

NOTE 8 – RELATED PARTY TRANSACTIONS

During the year ended June 30, 2026, the School paid approximately $59,000 in compensation to an employee who is related to the School's Principal.

Budgetary Comparison Schedule – General Fund

For the Year Ended June 30, 2026

Expressions Learning Arts Academy, Inc.

A component unit of the Alachua County District School Board

	Budgeted Amounts		Variance with Original and Final	Actual Amounts	Variance with Final Budget and Actual
	Original	Final			
Revenues					
Revenues:					
Federal:					
Title II	$ 2,735	$ 2,898	$ 163	$ 2,898	$ --
Title IV	1,428	1,584	156	1,584	--
State Revenue:					
Florida Education Finance Program	734,779	640,141	(94,638)	640,141	--
Other State Revenue	17,590	7,010	(10,580)	7,010	--
Local Revenue:					
District School Taxes	77,004	62,890	(14,114)	62,890	--
School Age Child Care Fees	60,000	52,822	(7,178)	52,822	--
Other Local Revenue	50,060	42,522	(7,538)	42,522	--
Total Revenues	**943,596**	**809,867**	**(133,729)**	**809,867**	--
Expenditures and Changes in Fund Balances					
Expenditures:					
Current:					
Instruction	529,718	521,855	(7,863)	521,855	--
Instructional Support Services	31,900	37,046	5,146	37,046	--
General Support	347,650	285,403	(62,247)	285,403	--
Community Services	33,800	29,331	(4,469)	29,331	--
Total Expenditures	**943,068**	**873,635**	**(69,433)**	**873,635**	--
Excess of Revenues Over/(Under) Expenditures	**528**	**(63,768)**	**(62,296)**	**(63,768)**	--
Other Financing Sources:					
Lease Asset Financing	--	14,604	14,604	14,604	--
Change in Fund Balance	**528**	**(49,164)**	**(49,692)**	**(49,164)**	--
Fund Balances, July 1, 2025	**--**	**458,142**	--	**458,142**	--
Fund Balances, June 30, 2026	**$ 528**	**$ 408,978**	**$ --**	**$ 408,978**	**$ --**

Notes to Schedule:

Note 1 – An annual Budget is adopted on the modified accrual basis of accounting, consistent with generally accepted accounting principles. Amendments to the budget can only be made with the approval of the Board of Directors. The fund is the legal level of control.

Note 2 – Differences between original to final budget.

- The budget was amended to reflect lower student enrollment.

Note 3 – Differences between final budget to actual.

- A final budget amendment is made so that the final budgeted amounts agree to actual amounts.

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

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

October 12, 2026

To the Board of Directors
Expressions Learning Arts Academy, Inc.

We have audited the financial statements of Expressions Learning Arts Academy, Inc. (the School) for the year ended June 30, 2026, and have issued our report thereon dated October 12, 2026. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated September 3, 2026. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

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

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

Disclosures. There are no disclosures that are particularly sensitive.

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

Our Working Relationship with Management

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

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

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

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

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

* * * * * * * *

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

Very truly yours,

Kattell and Company, P.L.

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MANAGEMENT LETTER

To the Board of Directors,
Expressions Learning Arts Academy, Inc.

October 12, 2026

Report on the Financial Statements. We have audited the financial statements of Expressions Learning Arts Academy, Inc. (the School), as of and for the fiscal year ended June 30, 2026, and have issued our report thereon dated October 12, 2026.

Auditors' Responsibility. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and Chapter 10.850, Rules of the Auditor General.

Other Reporting Requirements. We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by *Government Auditing Standards* and Schedule of Findings. Disclosures in that report and schedule, which are dated October 12, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings. Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. In that regard, there are no uncorrected findings to report.

Official Title. Section 10.854(1)(e)5, Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title of the entity is Expressions Learning Arts Academy, Inc, and the school code assigned by the Florida Department of Education is 01-0956.

Financial Condition and Management.
Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require us to apply appropriate procedures and communicate whether or not the School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the School. It is management's responsibility to monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

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

Transparency. Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the School maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School is in compliance with the 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, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we identified an instance of immaterial noncompliance reported in the schedule of findings as Finding 2026-002.

Purpose of this Letter. Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the local district school board, the Board of Directors and management of the School, and is not intended to be and should not be used by anyone other than these specified parties.

* * * * * * *

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

Kattell and Company, P.L.

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Certified Public Accountants Serving the Nonprofit Community
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors,
Expressions Learning Arts Academy, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Expressions Learning Arts Academy, Inc. (the School) as of and for the year ended June 30, 2026, and the related notes to financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated October 12, 2026.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a deficiency in internal control, described in the accompanying schedule of findings as item 2026-001, that we consider to be a significant deficiency.

Compliance and Other Matters

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

School's Response to Finding

The School's responses to the findings identified in the Schedule of Findings are described in the accompanying letter from the School. The School's responses were not subjected to auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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

* * * * * * *

As required by the Rules of the Auditor General of the State of Florida, we noted certain matters that we reported to management of the School in the management letter dated October 12, 2026.

Kattell and Company, P.L.

October 12, 2026

Schedule of Findings
June 30, 2026
Expressions Learning Arts Academy, Inc.
A component unit of the Alachua County District School Board

2026-001 Significant Deficiency

Condition. As part of our audit, we identified more than a trivial number and amount of errors and adjustments.

Criteria. Management is responsible for maintaining an internal control process that provides reasonable assurance that transactions are accurately recorded, account balances are properly supported and reconciled, and financial information is complete and accurate.

Cause. The School's month-end close and account reconciliation procedures were not sufficiently formalized or consistently performed.

Effect. Errors remained in the general ledger until identified during the audit.

Recommendation. Monthly accounting processes should include timely reconciliation and review of general ledger accounts and balances.

2026-002 Immaterial Noncompliance

Condition.

For one pay period during the year:

- The School failed to withhold income taxes, Medicare and Social Security taxes from employees' paychecks.
- The School failed to remit the employer share of Medicare and Social Security taxes to the Internal Revenue Service (IRS).
- The School failed to include the wages paid in the applicable Form 941, *Employer's Quarterly Federal Tax Return.*

Criteria. Management is responsible for establishing and maintaining effective internal controls to provide reasonable assurance that payroll is processed accurately and that applicable payroll taxes are properly withheld, reported and remitted to the IRS in accordance with federal requirements.

Cause. We were unable to determine the cause of these errors.

Effect. Required payroll taxes were not properly withheld, reported and remitted to the IRS resulting in an underpayment of payroll taxes at the time of the audit. This condition may expose the School to additional tax liabilities, penalties and interest.

Recommendation. The School should establish and implement internal control procedures requiring an independent review of payroll reports before payroll is finalized. The School should also reconcile payroll records to quarterly federal tax returns and verify that all payroll tax payments are remitted to the IRS in a timely manner.

Expressions Learning Arts Academy

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Phone 352-373-5223 ♦ Fax 352-373-6327

elaa@expressionsacademy.org

Website: expressionsacademy.org

October 13, 2026

To Whom It May Concern,

Expressions Learning Art Academy understands the findings on the 2026 Financial Statements and Independent Auditor's Report. Expressions Learning Arts Academy is in the process of making these corrections.

Please contact me if you need further information or clarification.

Sincerely,

Juniper DiGiovanni



Principal

Expressions Learning Arts Academy