

PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL

A CHARTER SCHOOL AND COMPONENT UNIT OF
THE DISTRICT SCHOOL BOARD OF
MIAMI-DADE COUNTY, FLORIDA

FINANCIAL STATEMENTS WITH INDEPENDENT
AUDITORS' REPORTS THEREON

YEAR ENDED JUNE 30, 2026

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SCHOOL BOARD AND ADMINISTRATION

Board of Directors

Board Chair
Gerome Isaah Daniels

Secretary, Treasurer
Lalelei Kelly

Board Member
Carmen Williams

School Administration

Principal
Latoya Robinson

Registrar/Secretary
Ternice Leflore



S.L. Gardner & Company, P.A.

Certified Public Accountants

2413 Main Street #115, Miramar, FL 33025 • (305) 606-3102 • Fax (888) 510-9976

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Phoenix Academies of Excellence, Inc.
D/B/A Phoenix Academy of Excellence Central
Miami, Florida

Opinion

We have audited the accompanying financial statements of the governmental activities and each major fund of Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central (Academy), which is a component unit of the Miami-Dade County District School Board, Miami, Florida, as of, and for the Year Ended June 30, 2026, which comprises the Charter School's basic financial statements as listed in the table of contents for the year then ended, and the related notes to the financial statements.

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 Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central as of June 30, 2026, and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter — Change in Accounting Principle

As discussed in Note A to the financial statements, the Academy adopted the provisions of GASB Statement No. 103, Financial Reporting Model Improvements, for the year ended June 30, 2026. Adoption affected the organization and content of Management's Discussion and Analysis, the presentation of unusual or infrequent items, and the presentation of budgetary comparison information. Our opinion is not modified with respect to this matter.

Basis for Opinion

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, 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 Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central 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 opinion.



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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 Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central's ability to continue as a going concern within 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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 Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central'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 Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central's ability to continue as a going concern for a reasonable period of time.



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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 schedules on pages 5-11 and 30-32 be presented to supplement the basic financial statements. Such information, 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 GAAS and Government Auditing Standards, 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 will also issue our report on our consideration of the Charter School's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central's internal control over financial reporting and compliance.

S.L Gardner & Company, P.A.

Miramar, Florida

September 15, 2026

**PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2026**

Our discussion and analysis of Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central (the "Academy") financial performance provides an overview of the Academy's financial activities for the fiscal year ended June 30, 2026. It should be read in conjunction with the Academy's financial statements that immediately follow this discussion.

For financial reporting purposes, the Academy is considered a component unit of the District School Board of Miami-Dade County, Florida, which is a primary government entity for financial reporting. The Academy has included separate statements for the Statement of Net Position, the Statement of Activities, the Balance Sheet — Governmental Funds, and the Statement of Revenues, Expenditures and Changes in Fund Balances — Governmental Funds.

Beginning with this fiscal year, Management's Discussion and Analysis is organized into the five sections required by GASB Statement No. 103, Financial Reporting Model Improvements: I. Overview of the Financial Statements; II. Financial Summary; III. Detailed Analyses; IV. Significant Capital Asset and Long-Term Financing Activity; and V. Currently Known Facts, Decisions or Conditions. Consistent with GASB 103, the detailed analyses in Section III compare the current year to the prior year and explain why balances and results of operations changed, rather than presenting only the dollar amounts by which they changed. Comparative amounts in the tables below are presented on a dollar-variance basis only; no percentage-change column is presented, consistent with the format used in the Academy's prior-year MD&A.

I. OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of Management's Discussion and Analysis (this section), the basic financial statements, the notes to the financial statements, and required supplementary information. The basic financial statements present two different views of the Academy.

Government-wide financial statements. The Statement of Net Position and the Statement of Activities report information about the Academy as a whole using the economic resources measurement focus and the accrual basis of accounting, similar to methods used by private-sector businesses. The Statement of Net Position reports all of the Academy's assets, deferred outflows of resources, liabilities and deferred inflows of resources, including capital assets and long-term obligations. The Statement of Activities reports all revenues and expenses of the year regardless of when cash is received or paid. Net position — the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources — is one measure of the Academy's financial position, and changes in net position over time indicate whether that position is improving or deteriorating. All of the Academy's activities are governmental activities, financed principally by State funding through the Florida Education Finance Program.

Fund financial statements. The Balance Sheet – Governmental Funds and the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds report the Academy's individual funds using the current financial resources measurement focus and the modified accrual basis of accounting. These statements report only those assets expected to be converted to cash and those liabilities expected to be paid from current resources; capital assets and long-term obligations are not reported. Revenues are recognized when measurable and

**PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2026**

I. OVERVIEW OF THE FINANCIAL STATEMENTS-continued

available, and expenditures are recognized when the related liability is incurred and payable from current resources. The Academy reports three governmental funds: the General Fund, its primary operating fund, and the Special Revenue Fund and the Capital Projects Fund, which account for resources restricted to specified purposes.

The following table summarizes the significant differences between the two presentations:

	Government-Wide Statements	Fund Financial Statements – Governmental Funds
Types of assets and liabilities	All assets and liabilities, both financial and nonfinancial, short term and long term	Only current financial resources, such as cash, taxes receivable, and accounts payable
Types of revenue/additions	All types of revenues/additions that flow into the government during the year that relate to that year, regardless of when cash is received	Only revenues that are measurable and available to finance expenditures of that year
Types of expenses/deductions /expenditures	All types of expenses/deductions that flow out of the government during the year that relate to that year, regardless of when cash is paid	Only expenditures for which the related governmental fund liability is incurred in that year
Types of deferred outflows of resources and deferred inflows of resources	All types of resources that flow into and out of the government during the year that relate to a future year	Current financial resources that flow into and out of the governmental funds during the year that relate to a future year

Relationship between the statements. Because the two presentations use different measurement focuses and bases of accounting, fund balance and the net change in fund balances differ from net position and the change in net position. Reconciliations of these differences immediately follow each of the fund financial statements and identify the effect of capital assets and related depreciation, which are reported in the government-wide statements but not in the governmental funds.

The notes to the financial statements provide additional information essential to a full understanding of the data in the basic financial statements. Required supplementary information follows the notes and includes the budgetary comparison schedule.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2026**

II. FINANCIAL SUMMARY

Net Position

As noted earlier, net position may serve over time as a useful indicator of the Academy's financial position. The Academy's total net position was \$72,022 on June 30, 2026, compared with \$80,838 on June 30, 2025. The following table presents a condensed comparison of the government-wide statement of net position:

CONDENSED STATEMENT OF NET POSITION

	<u>Net Position June 30, 2026</u>	<u>Net Position June 30, 2025</u>	<u>Variance</u>
Current assets	\$ 66,391	\$ 100,575	\$ (34,184)
Noncurrent assets			
Capital assets, net of depreciation	<u>9,559</u>	<u>483</u>	<u>9,076</u>
 Total assets	 <u>\$ 75,950</u>	 <u>\$ 101,058</u>	 <u>\$ (25,108)</u>
Current liabilities	<u>\$ 3,928</u>	<u>\$ 20,220</u>	<u>\$ (16,292)</u>
 Net Position			
Invested in capital assets, Net of Related Debt	\$ 9,559	\$ 483	\$ 9,076
Unrestricted	<u>62,463</u>	<u>80,355</u>	<u>(17,892)</u>
 Total Net Position	 <u>\$ 72,022</u>	 <u>\$ 80,838</u>	 <u>\$ (8,816)</u>
 Total Liabilities and Net Position	 <u>\$ 75,950</u>	 <u>\$ 101,058</u>	 <u>\$ (25,108)</u>

**PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2026**

II. FINANCIAL SUMMARY-continued

Changes in Net Position

The following table compares the changes in the Academy's net position from its activities for the fiscal years ended June 30, 2026, and 2025:

CONDENSED STATEMENT OF CHANGES IN NET POSITION

	<u>2026</u>	<u>2025</u>	<u>Variance</u>
Revenues:			
School Board of Miami- Dade County - FTE	\$ 177,031	\$ 224,648	\$ (47,617)
Program revenues:			
Operating grants and contributions	127,331	85,453	41,878
Capital Grants and Contributions	25,458	30,035	(4,577)
Teachers referendum	37,163	43,650	(6,487)
Miscellaneous	1,272	1,804	(532)
Total revenues	<u>368,255</u>	<u>385,590</u>	<u>(17,335)</u>
Expenses:			
Instruction	102,542	99,641	2,901
Student personnel services	-	11,090	(11,090)
School board	8,526	9,500	(974)
General administration	8,300	10,902	(2,602)
School administration	157,533	140,479	17,054
Fiscal services	41,753	36,289	5,464
Food services	544	-	544
Student transportation services	7,851	18,428	(10,577)
Operation of plant	47,899	69,565	(21,666)
Unallocated depreciation expense	2,123	256	1,867
Total expenses	<u>377,071</u>	<u>396,150</u>	<u>(19,079)</u>
Change in Net Position	<u>\$ (8,816)</u>	<u>\$ (10,560)</u>	<u>\$ 1,744</u>

**PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2026**

III. DETAILED ANALYSES

A. Government-wide Financial Position and Results of Operations

Total net position decreased \$8,816 during the year, from \$80,838 at June 30, 2025 to \$72,022 on June 30, 2026, entirely as a result of fiscal year 2026 operations; the beginning net position agrees with the amount previously reported in the Academy's June 30, 2025 audited financial statements, and no restatement was required. Current assets decreased \$34,184, principally reflecting the collection and use of the Academy's July 1, 2025 cash and receivable balances during the year. Capital assets, net, increased \$9,076, reflecting an \$11,199 addition of audiovisual/instructional technology assets placed in service during the year, partly offset by current-year depreciation of \$2,123 (see Section IV). Current liabilities decreased \$16,292, from \$20,220 to \$3,928, principally reflecting lower accrued payables at year end and a smaller related-party balance (see Note E).

Total revenues decreased \$17,335, or approximately 4.5%, to \$368,255. State FEFP/FTE funding through the Academy Board of Miami-Dade County decreased \$47,617 to \$177,031. Teachers referendum revenue, presented as a separate general revenue at the government-wide level, decreased \$6,487 to \$37,163 (see Note A regarding its classification and Note G for a related open item concerning a separate referendum settlement receipt). Operating grants and contributions increased \$41,878 to \$127,331, principally federal Title I, UNISIG, and National School Lunch Program funding. Capital outlay and contributions decreased \$4,577 to \$25,458. Miscellaneous revenue decreased \$532, from \$1,804 to \$1,272.

Total expenses decreased \$19,079, or approximately 4.8%, to \$377,071. School administration increased \$17,054 to \$157,533, principally administrator salary, support-staff payroll, and related payroll-tax costs. Fiscal services increased \$5,464 to \$41,753. Instruction increased \$2,901 to \$102,542. Unallocated depreciation increased \$1,867 to \$2,123, reflecting a full year of depreciation on the Academy's existing furniture and equipment together with depreciation on the current-year audiovisual/instructional technology addition. These increases were partly offset by a \$21,666 decrease in operation of plant, to \$47,899, a \$10,577 decrease in student transportation services, an \$11,090 decrease in student personnel services (reduced to \$0), a \$974 decrease in school board expense, and a \$2,602 decrease in general administration.

B. Individual Major Funds

The Academy's trial balance for this FY2026 engagement is coded by fund, and the fund financial statements below present three major funds — the General Fund, the Special Revenue Fund, and the Capital Projects Fund — together with a Total Governmental Funds column, consistent with the presentation used in the Academy's FY2025 audited financial statements.

At June 30, 2026, the Academy's governmental funds reported combined fund balances of \$62,463, a decrease of \$17,892 from the beginning fund balance of \$80,355, which agrees with the amount previously reported at June 30, 2025 (no restatement was required). Combined revenues were \$368,255, compared with \$385,590 in fiscal 2025 on a government-wide basis (a fiscal 2025 fund-basis total was not separately available for this engagement). Combined expenditures, including \$11,199 of capital outlay, were \$386,147. Of the combined fund balance, the General Fund reported \$19,908 and the Special Revenue Fund reported \$42,555, both unassigned other than \$2,967 of nonspendable deposits within the General Fund; the Capital Projects Fund reported no fund balance.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2026**

III. DETAILED ANALYSES-continued

C. Significant Policy Changes and Economic Factors

As discussed in Note A, the Academy adopted GASB Statement No. 103, Financial Reporting Model Improvements, for the year ended June 30, 2026. Adoption changed the organization and content of this Management's Discussion and Analysis and the presentation of unusual or infrequent items and budgetary comparison information; it did not change the Academy's accounting policies for recognizing or measuring assets, liabilities, revenues, or expenses. There were no other significant changes in accounting policies during the year.

The Academy's revenues continue to be driven principally by State FEPF per-student funding administered through the Academy Board of Miami-Dade County, together with the Teachers Referendum millage revenue described above, and are therefore sensitive to student enrollment. During the fiscal year ended June 30, 2025, the Academy served grades 6 through 8. Current-year enrollment/FTE data for fiscal year 2026 was not provided with the materials for this engagement; management should confirm current grade levels served and enrollment so that this section can be finalized with a specific enrollment figure.

IV. SIGNIFICANT CAPITAL ASSET AND LONG-TERM FINANCING ACTIVITY

Capital Assets

The Academy's investment in capital assets at June 30, 2026, was \$9,559, net of accumulated depreciation of \$3,433, compared with \$483, net of accumulated depreciation of \$1,310, at June 30, 2025. The cost of capital assets increased from \$1,793 to \$12,992 during the year, reflecting an \$11,199 addition of audiovisual/instructional technology assets; there were no deletions. Depreciation expense for the year was \$2,123, compared with \$256 in fiscal 2025, consisting of \$256 on the Academy's existing furniture and equipment (7-year useful life, consistent with the amount charged in fiscal 2025) and \$1,867 on the current-year audiovisual/instructional technology addition (3-year useful life, half-year convention in the year of acquisition). Capital assets used in governmental activities are not financial resources and are therefore not reported in the fund financial statements; see the capital asset reconciliation that follows the fund statements and Note C.

Long-Term Financing

The Academy has no bonds, notes, or other long-term debt outstanding at June 30, 2026, or June 30, 2025. The Academy occupies administrative and classroom space under a sublease with Stellar Leadership Academy of Excellence that, per the Academy's FY2025 audited financial statements, had an initial term expiring June 30, 2026; management has confirmed that the sublease was renewed for an additional five-year term, extending occupancy of the leased space through June 30, 2031. Management has represented that this arrangement does not give rise to a recognizable right-to-use lease asset or lease liability under GASB Statement No. 87. See Note D and Section V below.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2026**

V. CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

The following facts, decisions, or conditions are known to management as of the date these financial statements were prepared and are expected to have a significant effect on financial position or to produce differences from FY2026 results.

Facility lease. The Academy occupies administrative and classroom space under a sublease with Stellar Leadership Academy of Excellence that, per the Academy's FY2025 audited financial statements, had an initial term expiring June 30, 2026 — the last day of the fiscal year covered by these statements. Management has confirmed that the sublease was renewed for an additional five-year term, commencing July 1, 2026 through June 30, 2031, at a fixed monthly rental of \$4,014 (\$48,168 annually, \$240,840 over the renewed term). Because the renewed term begins after the Academy's fiscal year end, it is not reflected in these financial statements, but under GASB Statement No. 87 it will require the Academy to recognize a right-to-use lease asset and lease liability beginning in fiscal year 2027, since a five-year term does not qualify for the short-term lease exception (see Note D).

Related-party balance. The Academy has a related-party relationship with Phoenix Academy of Excellence North ("Phoenix North"), an affiliated charter school under common management/board oversight. At June 30, 2026, the Academy's books reflect a \$2,548 payable due to Phoenix North. This balance agrees with the \$2,548 receivable due from the Academy reported in Phoenix North's own FY2026 financial statements, so the intercompany balance is corroborated between the two entities' books (see Note E).

Referendum settlement receipt. The Academy's FY2025 audited financial statements reported a \$28,700 receivable representing the second and final payment due under the 2018 Referendum Settlement Agreement; this amount was collected in full in July 2025 and required no additional FY2026 revenue recognition (see Note G).

Charter status. The Academy's charter with the District School Board of Miami-Dade County was, per the FY2025 audited financial statements, effective through June 30, 2027. No change in charter status has been reported to management as of the date of this .

The Academy's original adopted budget, final amended budget, and actual results for the General Fund and the Special Revenue Fund for fiscal year 2026 are presented as required supplementary information following the notes to the financial statements. GASB Statement No. 103 expanded the required content of the budgetary comparison schedules, including a variance column comparing the final budget to actual results and explanatory notes for significant variances (generally, variances that are both 10% or more and \$10,000 or more). See the Budgetary Comparison Schedules for the Academy's results.

No other currently known facts, decisions, or conditions are expected to have a significant effect on financial position or results of operations.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Academy's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central, Miami, Florida.

Basic Financial Statements

**PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
STATEMENT OF NET POSITION
JUNE 30, 2026**

	<u>Governmental Activities</u>
<u>Assets</u>	
<u>Current assets</u>	
Cash & cash equivalent	\$ 57,963
Accounts receivable, net	5,461
Deposits	<u>2,967</u>
Total Current Assets	\$ 66,391
 <u>Capital Assets</u>	
Furniture and equipment- net	<u>\$ 9,559</u>
Total Capital Assets	9,559
 Total Assets	 <u>\$ 75,950</u>
 <u>Liabilities and Net Position</u>	
<u>Current Liabilities</u>	
Salaries and wages payable	1,380
Due to related party	<u>2,548</u>
Total Current Liabilities	\$ 3,928
 Total Liabilities	 <u>\$ 3,928</u>
 <u>Net Position</u>	
Invested in capital assets, Net of related debt	\$ 9,559
Unrestricted	<u>62,463</u>
Total Net Position	<u>\$ 72,022</u>
 Total Liabilities and Net Position	 <u>\$ 75,950</u>

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

**PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
STATEMENT OF ACTIVITIES
JUNE 30, 2026**

	Program Revenues				Net Revenues (Expenses) and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
Instruction	\$ 102,542	\$ -	\$ 105,288	\$ -	\$ 2,746.00
Student personnel services	-	-	-	-	-
School board	8,526	-	-	-	(8,526.00)
General administration	8,300	-	-	-	(8,300.00)
School administration	157,533	-	-	-	(157,533.00)
Fiscal services	41,753	-	-	-	(41,753.00)
Food services	544	-	22,043	-	21,499.00
Student transportation services	7,851	-	-	-	(7,851.00)
Operation of plant	47,899	-	-	25,458	(22,441.00)
Unallocated depreciation expense	2,123	-	-	-	(2,123.00)
Total governmental activities	\$ 377,071	\$ -	\$ 127,331	\$ 25,458	\$ (224,282)
General revenues:					
School Board of Miami - Dade County - FTE					177,031
Miscellaneous revenues					1,272
Teachers referendum revenues					37,163
Total general revenues					215,466
Change in net position					(8,816)
Net position - July 1, 2025					80,838
Net position - June 30, 2026					\$ 72,022

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

PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2026

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Project Fund</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash & cash equivalents	\$ 57,963	\$ -	\$ -	\$ 57,963
Accounts receivable	-	4,813	648	5,461
Due from other funds	648	37,742.0	-	38,390
Deposits	2,967	-	-	2,967
Total Assets	<u>\$ 61,578</u>	<u>\$ 42,555</u>	<u>\$ 648</u>	<u>\$ 104,781</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Due to other funds	\$ 37,742	\$ -	\$ 648	\$ 38,390
Salaries and wages payable	1,380	-	-	1,380
Due to related party	2,548	-	-	2,548
Total liabilities	<u>41,670</u>	<u>-</u>	<u>648</u>	<u>42,318</u>
Fund Balances:				
Nonspendable:				
Deposit receivable	2,967	-	-	2,967
Unassigned	16,941	42,555	-	59,496
Total Fund Balances	<u>19,908</u>	<u>42,555</u>	<u>-</u>	<u>62,463</u>
Total Liabilities and Fund Balances	<u>\$ 61,578</u>	<u>\$ 42,555</u>	<u>\$ 648</u>	<u>\$ 104,781</u>

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

**PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF
NET POSITION
JUNE 30, 2026**

	<u>2026</u>
Total Fund Balances - Governmental Funds	\$ 62,463
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Cost of capital assets	12,992
Accumulated depreciation	<u>(3,433)</u>
Net capital assets	9,559
Total Net Position - Governmental Activities	<u>\$ 72,022</u>

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

PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
JUNE 30, 2026

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Project Fund</u>	<u>Total Governmental Funds</u>
Revenues				
Miami-Dade County Public Schools	\$ 177,031	\$ -	\$ -	\$ 177,031
Operating grants and contributions	-	127,331	-	127,331
Capital outlay and other contributions	-	-	25,458	25,458
Teachers referendum	37,163	-	-	37,163
Miscellaneous revenues	1,272	-	-	1,272
Total revenues	215,466	127,331	25,458	368,255
Expenditures				
Instruction	\$ 8,453	\$ 94,089	\$ -	\$ 102,542
Student personnel services	-	-	-	-
School board	8,526	-	-	8,526
General administration	8,300	-	-	8,300
School administration	157,533	-	-	157,533
Fiscal services	41,753	-	-	41,753
Food services	-	544	-	544
Student transportation services	7,851	-	-	7,851
Operation of plant	22,441	-	25,458	47,899
Capital outlay:				
Furniture & equipment	-	11,199	-	11,199
Total current expenditure	254,857	105,832	25,458	386,147
Net Changes in Fund Balances (Deficit)	(39,391)	21,499	-	(17,892)
Fund balance - July 1, 2025	59,299	21,056	-	80,355
Fund balance -June 30, 2026	\$ 19,908	\$ 42,555	\$ -	\$ 62,463

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

**PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
RECONCILIATION OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO
THE STATEMENT OF ACTIVITIES
JUNE 30, 2026**

	<u>2026</u>
Total Net Change in Fund Balances - Governmental Funds	\$ (17,892)
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 outlay expenditures	11,199
Depreciation expense	<u>(2,123)</u>
Net adjustment	9,076
Change in Net Position of Governmental Activities	<u>\$ (8,816)</u>

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

Notes to the Financial Statements

**PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central (the "Academy") operates as a Charter School pursuant to a Charter School Contract ("the Contract") with the District School Board of Miami-Dade County, Florida ("the District"). Under the Contract, the Academy provides education to children in grades 6 through 8 who reside in Miami-Dade County. The governing body of the Academy is the Board of Directors, which is composed of three (3) members.

The Academy is a non-profit organization and is tax exempt under Section 501(c)(3) of the Internal Revenue Code.

The general operating authority of the Academy is contained in Section 1002.33, Florida Statutes. Per the Academy's FY2025 audited financial statements, the current charter was effective until June 30, 2027; management has not reported any change in charter status for the current year (see Section V of Management's Discussion and Analysis). The charter may be renewed as provided in Section 1002.33, Florida Statutes, upon mutual consent of the parties and execution of a written renewal. 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 Academy in writing at least 90 days prior to the charter's expiration. During the term of the charter, the District may also terminate the charter if good cause is shown.

Criteria for determining if other entities are potential component units which should be reported within the Academy's basic financial statements are identified and described in GASB Codification Sections 2100 and 2600. Based on these criteria, no component units are included within the reporting entity of the Academy. The Academy is a component unit of the District. The Academy is also a related party to Phoenix Academy of Excellence North, an affiliated charter school under common management/board oversight; see Note E.

Basis of Presentation

Based on the guidance provided in the American Institute of Certified Public Accountants Audit and Accounting Guide — Audits of State and Local Governments and provisions of Florida Statutes, the Academy is presented as a governmental organization for financial statement reporting purposes under standards set by the Governmental Accounting Standards Board ("GASB").

Government-wide and Fund Financial Statements

The government-wide financial statements consist of a statement of net position and a statement of activities. These statements report information on all of the non-fiduciary activities of the Academy. The effects of interfund activities have been removed from the government-wide financial statements. Both statements report only governmental activities, as the Academy does not engage in any business-type activities.

Net position, the difference between assets and liabilities as presented in the statement of net position, is subdivided into two categories applicable to the Academy: net investment in capital assets, and unrestricted net position. The Academy had no restricted net position at June 30, 2026 or 2025.

The statement of activities presents a comparison between the direct expenses of a given function and its program revenues and displays the extent to which each function contributes to the change in net position for the fiscal year. Direct expenses are those that are clearly identifiable to a specific function.

PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued

Program revenues consist of charges for services, operating grants and contributions, and capital grants and contributions. Revenues not classified as program revenues are reported as general revenues.

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, establishes the following classifications depicting the relative strength of the constraints that control how specific amounts can be spent:

- Nonspendable fund balance - includes amounts that are not in a spendable form or are required to be maintained intact. At June 30, 2026, the Academy's nonspendable fund balance is \$2,967, consisting of a deposit held by the General Fund.
- Restricted fund balance - includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation. The restricted fund balance on June 30, 2026 is \$0.
- Committed fund balance - includes amounts that can be used only for the specific purposes determined by a formal action of the Academy's highest level of decision-making authority. There is no committed fund balance at June 30, 2026.
- Assigned fund balance - comprises amounts intended to be used by the Academy for specific purposes. There is no assigned fund balance at June 30, 2026.
- Unassigned fund balance - the residual classification for the general fund and includes all amounts not contained in the other classifications. At June 30, 2026, the Academy's unassigned fund balance is \$59,496, consisting of \$16,941 in the General Fund and \$42,555 in the Special Revenue Fund.

A reconciliation is provided that converts the results of governmental fund accounting to the government-wide presentation. The Academy's General Fund, Special Revenue Fund, and Capital Projects Fund are each presented separately, together with a Total Governmental Funds column (see Section III.B of Management's Discussion and Analysis).

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized when a liability is incurred.

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues, except for certain grant revenues, are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period, considered to be sixty days. Expenditures are generally recorded when the related fund liability is incurred.

PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued

Budgetary Basis of 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 are controlled at the object level within each activity. Revisions to the annual budget are approved by the Board. The Academy's original and final budget data for fiscal year 2026 are presented as required supplementary information in the Budgetary Comparison Schedules following the notes to the financial statements.

Cash

Cash is made up of cash on hand at the Academy and/or checking and money market accounts held at financial institutions. The Academy has no cash equivalents.

Capital Assets

Capital assets, which include furniture, fixtures, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the Academy as assets with an initial individual cost of more than \$1,000 and an estimated useful life of more than two years. Such assets are recorded at historical cost. Property, plant, and equipment is depreciated using the straight-line method over an estimated useful life of 7 years for furniture and fixtures and 3 years for computers and audiovisual/instructional technology equipment. See Note C for the full FY2026 roll forward.

Revenue Sources

Revenues for current operations are received primarily from the State of Florida passed through the District to the Academy pursuant to the funding provisions included in the Academy's charter. In accordance with Section 1002.33(18), Florida Statutes, the Academy reports the number of full-time equivalent (FTE) students and related data to the District for funding through the Florida Education Finance Program (FEFP). The Academy also receives federal awards for the enhancement of various educational programs, recognized to the extent eligible expenditures have been incurred.

Use of Estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain assets, liabilities, revenues, and expenditures/expenses. Accordingly, upon settlement, actual results may differ from estimated amounts. As discussed in Note C, useful lives for capital assets are based on Academy policy; actual results may differ from these estimates.

Income Taxes

The Academy is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes is recorded in the accompanying financial statements.

Fund Balance Spending Policy

The Academy's adopted spending policy is to spend from restricted fund balance first, followed by committed, assigned, and then unassigned fund balance. Funds can only be committed by formal action of the Academy's board of directors. There are no minimum fund balance requirements for any of the Academy's funds.

PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued

Deferred Outflows/Inflows of Resources

The Academy had no deferred outflows of resources or deferred inflows of resources on June 30, 2026 or 2025.

Interfund and Related-Party Activity

From time to time, the Academy may have interfund activity in the normal course of operations; the effects of such activity are eliminated in the government-wide financial statements when consolidated. Related party (intercompany) activity with Phoenix Academy of Excellence North is described in Note E.

Management's Discussion and Analysis

The basic financial statements are preceded by Management's Discussion and Analysis ("MD&A"), which is presented as required supplementary information. Beginning with the year ended June 30, 2026, information presented in MD&A is organized into the five sections required by GASB Statement No. 103: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. The detailed analyses compare the current year to the prior year and explain why balances and results of operations changed, rather than presenting only the amounts or percentages by which they changed.

Unusual or Infrequent Items

Unusual or infrequent items are transactions and other events that are unusual in nature or infrequent in occurrence, as those terms are defined in GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements. When such items occur, the Academy discloses the program, function, or identifiable activity to which the item relates, if applicable, and whether the item is within the control of management. The Academy had no unusual or infrequent items for the year ended June 30, 2026.

New Accounting Pronouncements Adopted

GASB Statement No. 103: During the year ended June 30, 2026, the Academy adopted GASB Statement No. 103, Financial Reporting Model Improvements, issued in April 2024 and effective for fiscal years beginning after June 15, 2025. The objective of GASB 103 is to improve key components of the financial reporting model, establishing new or modified requirements related to (a) MD&A, (b) unusual or infrequent items, (c) presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position, (d) information about major component units in the basic financial statements, (e) budgetary comparison information, and (f) financial trends information in the statistical section.

The Academy engages only in governmental activities, has no proprietary funds, has no component units of its own, and does not present a statistical section. Accordingly, the requirements of GASB 103 relating to the proprietary fund statement of revenues, expenses, and changes in fund net position, to major component unit information, and to the statistical section had no effect on the accompanying financial statements. Adoption of GASB 103 affected the content and organization of MD&A, the presentation of unusual or infrequent items (of which there were none), and the presentation of

PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-continued

budgetary comparison information, as described in the subsections above and in the Required Supplementary Information section of this report.

In accordance with paragraph 19 of GASB 103, changes adopted at transition are reported as a change in accounting principle in accordance with GASB Statement No. 100, Accounting Changes and Error Corrections. Because the changes affect presentation and disclosure only, adoption of GASB 103 did not itself result in a change to the Academy's net position as of July 1, 2025, or to its previously reported fund balances. No restatement of beginning net position or fund balance was required for the year ended June 30, 2026; see below.

GASB Statement No. 104: Disclosure of Certain Capital Assets is effective for the same reporting period. The Statement requires certain capital assets — including lease assets, subscription-based information technology arrangement (SBITA) assets, and intangible assets — to be disclosed separately from other capital assets. The Academy has no lease assets, subscription-based information technology arrangement assets, or other intangible assets requiring separate disclosure under GASB 104. Adoption of GASB 104 therefore had no effect on the accompanying financial statements.

The Academy's fiscal year 2026 records reflect a beginning fund balance of \$80,355 and beginning net position of \$80,838, both of which agree with the amounts previously reported in the Academy's June 30, 2025, audited financial statements. Accordingly, no restatement of beginning net position or fund balance was required for the year ended June 30, 2026.

NOTE B - CONCENTRATIONS

Cash

Under Chapter 280, Florida Statutes, the Academy's deposits must be placed in banks and savings and loan associations which are qualified as public depositories. The Academy maintains cash deposits at a bank in Florida. Deposits at the bank are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. As of June 30, 2026, cash held was \$57,963, which was not over the insured bank deposit balance.

Accounts Receivable

Accounts receivable represents outstanding reimbursements from the programs below. As of June 30, 2026, the receivable balance is \$5,461 (the Academy has no related-party receivable; see Note E for the Academy's related-party payable):

Description	Amount
Capital Outlay (Capital Projects Fund)	\$ 648
NSLP	4,813
Total	<u>\$ 5,461</u>

**PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026**

NOTE B – CONCENTRATIONS-continued

Revenue Concentration

The Academy receives a substantial portion of its revenue from the State of Florida through the Academy Board of Miami-Dade County under the Florida Education Finance Program. For the year ended June 30, 2026, State FEFP/FTE funding of \$177,031 represented approximately 48% of total revenues of \$368,255, making the Academy's revenue base sensitive to changes in state education funding and student enrollment.

NOTE C - CAPITAL ASSETS

Capital asset activity for the Year Ended June 30, 2026, was as follows:

	Balance July 1, 2025	Additions	Deletions	Balance June 30, 2026
Furniture, fixtures, and equipment	\$ 1,793	-	-	\$ 1,793
Audiovisual/instructional technology equipment	-	\$ 11,199	-	\$ 11,199
Total capital assets	\$ 1,793	\$ 11,199	-	\$ 12,992
Accumulated depreciation	(1,310)	(2,123)	-	(3,433)
Total capital assets, net	\$ 483	\$ 9,076	-	\$ 9,559

Depreciation expense of \$2,123 was charged to unallocated depreciation expense for the Year Ended June 30, 2026, consisting of \$256 on the Academy's existing furniture and fixtures (7-year useful life, a full year's depreciation consistent with the amount charged in fiscal 2025) and \$1,867 on the current-year audiovisual/instructional technology equipment addition (3-year useful life, half-year convention in the year of acquisition), computed on a straight-line basis.

NOTE D - COMMITMENTS AND CONTINGENCIES

On August 1, 2024, the Academy entered into a sublease with Stellar Leadership Academy of Excellence for its administrative and classroom space under a non-cancelable operating lease. Per the Academy's FY2025 audited financial statements, the initial term of the sublease expired June 30, 2026 — the last day of the fiscal year covered by these statements. Management has confirmed that the sublease was renewed for an additional five-year term, commencing July 1, 2026 and extending through June 30, 2031, at a fixed monthly rental of \$ 4,014 (\$ 48,168 annually), with no escalation clause identified as of the date of this .

Rental expense under the original arrangement for the year ended June 30, 2025 was approximately \$48,120. The Academy's operation of plant expense of \$47,899 for the year ended June 30, 2026 is consistent with continued occupancy of the leased space throughout the fiscal year. Because the renewed five-year term commences July 1, 2026 — the day after the Academy's fiscal year end — no rental expense, right-to-use lease asset, or lease liability associated with the renewed term is reported in these June 30, 2026 financial statements. The table below presents the future minimum lease payment commitment under the renewed sublease, based on the confirmed monthly rental of \$ 4,014:

**PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026**

NOTE D - COMMITMENTS AND CONTINGENCIES-continued

Fiscal Year Ending June 30,	Amount
2027	\$ 48,168
2028	\$ 48,168
2029	\$ 48,168
2030	\$ 48,168
2031	\$ 48,168
Total minimum lease payments	\$ 240,840

Under GASB Statement No. 87, Leases, a lessee is exempt from recognizing a right-to-use lease asset and lease liability only for short-term leases — those with a maximum possible term, including any renewal options the lessee is reasonably certain to exercise, of 12 months or less at commencement. The original sublease, running from August 1, 2024 through June 30, 2026, qualified for this short-term exception, consistent with management's representation that it did not give rise to a recognizable lease asset or liability. The renewed five-year term commencing July 1, 2026, however, does not qualify for the short-term exception. Accordingly, the Academy will be required to recognize a right-to-use lease asset and a corresponding lease liability for this arrangement, initially measured at the present value of the payments in the commitment schedule above, discounted using the rate the lessor charges the Academy (or, if that rate is not readily determinable, the Academy's incremental borrowing rate). Because the renewed term commences after the Academy's June 30, 2026 fiscal year end, this recognition first applies to the Academy's fiscal year 2027 financial statements and does not affect the amounts presented in these financial statements. Management should identify the appropriate discount rate so that the initial lease asset and liability can be measured for fiscal year 2027 reporting.

NOTE E - RELATED PARTY

The Academy is affiliated, through common board membership and management oversight, with Phoenix Academy of Excellence North ("Phoenix North"), another charter school. Administrative, fiscal, and educational support functions are shared or coordinated between the two entities in the normal course of operations, giving rise to intercompany balances that are expected to be equal and offsetting between the two entities' books (a payable on one entity's books should equal the corresponding receivable on the other's).

On June 30, 2026, the Academy's records reflect a "Due to Phoenix North" payable of \$2,548 (reported as "Due to related party" on the Statement of Net Position and the Balance Sheet — Governmental Funds, within the General Fund). This balance agrees with the \$2,548 "Due from Phoenix Central" receivable reported in Phoenix North's own FY2026 financial statements, so the intercompany balance is corroborated between the two entities' books as of the date of this .

Because the balance has been corroborated against Phoenix North's own records, no further reconciliation of the intercompany balance itself is required for purposes of this engagement. The related management-fee or cost-sharing arrangement between the two entities, discussed below, remains an open item; see also Section V of Management's Discussion and Analysis.

PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026

NOTE E - RELATED PARTY- continued

s of the date of this , the Academy does not have a separate written management company agreement; the relationship with Phoenix North is administered through common board oversight rather than a formal management contract. Management should confirm whether any management fee or cost-allocation agreement exists between the two entities and, if so, provide its terms for disclosure.

NOTE F - RISK MANAGEMENT

The Academy is exposed to various risks of loss related to theft, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Academy purchases commercial insurance for all material risks of loss to which it is exposed, including general liability, property, and workers' compensation coverage. There were no significant reductions in insurance coverage during the year, and settled claims have not exceeded insurance coverage in any of the past three fiscal years.

NOTE G - REFERENDUM SETTLEMENT AGREEMENT

In 2018, the voters of Miami-Dade County approved a referendum allowing the School Board of Miami-Dade County to levy an ad valorem tax of 0.75 mills annually for fiscal years July 1, 2019 through June 30, 2023, to (1) improve compensation for high quality teachers and instructional personnel, and (2) increase school safety and security personnel, with oversight by a Citizen Advisory Committee (the "2018 Referendum"). The District previously levied and distributed all revenue generated pursuant to the 2018 Referendum to non-charter public schools for the 2019-2020, 2020-2021, and 2021-2022 school years.

On February 21, 2024, the Academy sent a demand letter for payment of its proportional share of 2018 Referendum revenues due to public charter school students to the School Board of Miami-Dade County. The School Board acknowledged the existence of the potential claim and agreed to make payment directly to the Academy based upon unweighted student funding. As per the terms of the agreement, the School Board made two payments: the first was completed on July 10, 2024, representing one-half of the total principal and interest due as of that date, and the second was completed on or before July 10, 2025, representing the remaining principal and interest. The \$28,700 second payment was reported as a receivable on the Academy's June 30, 2025 audited financial statements and was collected in full in July 2025; accordingly, no additional revenue was recognized in fiscal year 2026 in connection with this settlement. During fiscal year 2024, the Academy recognized \$54,667 of revenue from the School Board of Miami-Dade County in relation to this referendum settlement.

This settlement is separate and distinct from the \$37,163 of Teachers Referendum revenue recognized in the FY2026 accounts, which represents the Academy's recurring annual share of the 2018 Referendum millage.

NOTE H - COMPENSATED ABSENCES

The Academy does not maintain a formal compensated absences policy. As of the reporting date, June 30, 2026, there are no outstanding liabilities related to accrued vacation, sick leave, or other paid time off benefits.

**PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2026**

NOTE I - SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date September 15, 2026 these financial statements were prepared. Other than the confirmed renewal of the Academy's sublease with Stellar Leadership Academy of Excellence for an additional five-year term commencing July 1, 2026 (see Note D), which is disclosed as a subsequent event and is not reflected in the recognized amounts in these statements, management has not identified additional subsequent events requiring recognition or disclosure.

Required Supplementary Information

PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
JUNE 30, 2026

GASB Statement No. 103 expanded the required content of the budgetary comparison schedules presented as required supplementary information, including a variance column comparing the final budget to actual amounts and explanatory notes for significant variances (in addition to the previously required original-budget and final-budget columns). The Academy's original adopted budget, final amended budget, and actual results (budgetary basis) for the General Fund for the year ended June 30, 2026 are presented below.

Explanations of variances between the final budget and actual amounts that are both 10% or more and \$10,000 or more follow the General Fund and Special Revenue Fund schedules below.

Note regarding presentation: for budgetary purposes, the Academy's adopted budget and the accompanying schedules classify capital-outlay-related revenue and expenditure activity for fiscal year 2026 within the General Fund column, consistent with the Academy's budget document. This differs from the presentation used in the basic fund financial statements, which reports that same activity within the Capital Projects Fund in accordance with the Academy's fund structure. Both presentations are drawn directly from the Academy's own records provided for this engagement; management should confirm which classification is intended to be used on a go-forward basis so that budgetary and GAAP-basis fund reporting can be aligned in future periods.

General Fund

	Original Budget	Final Budget	Actual Amounts GAAP Basis	Variances Positive (Negative)
Revenues:				
School Board	\$ 273,712	\$ 273,712	\$ 177,031	\$ (96,681)
Teachers referendum	-	-	37,163	37,163
Capital outlay	12,000	12,000	25,458	13,458
Miscellaneous revenues	212,010	212,010	1,272	(210,738)
Total revenues	497,722	497,722	240,924	(256,798)
Instruction	132,674	132,674	8,453	124,221
Pupil Personnel Services	8,000	8,000	-	8,000
School Board	4,000	4,000	8,526	(4,526)
General Administration	10,606	10,606	8,300	2,306
School Administration	83,802	83,802	157,533	(73,731)
Fiscal Services	28,000	28,000	41,753	(13,753)
Pupil Transportation Services	15,500	15,500	7,851	7,649
Operation of Plant	70,543	70,543	47,899	22,644
Maintenance of plant	3,300	3,300	-	3,300
Total expenditure	356,425	356,425	280,315	76,110
Excess (deficit) of revenues over expenditures	\$ 141,297	\$ 141,297	\$ (39,391)	\$ (180,688)

PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
JUNE 30, 2026

Significant Variances — General Fund

- School Board revenue was \$96,681 (35.3%) below the final budget of \$273,712 (actual \$177,031). This unfavorable variance reflects, in part, a difference in revenue classification between the budget and GAAP-basis actual reporting: per-pupil and referendum-related state funding that was originally budgeted under School Board revenue was instead recorded, on a GAAP basis, within the Teachers Referendum and Capital Outlay revenue lines below; the remainder reflects lower actual FEPF/FTE funding than budgeted.
- Teachers' referendum revenue of \$37,163 was not separately budgeted (original and final budget of \$0). This is the Academy's recurring annual share of the 2018 Referendum millage (see Note G); it was not identified as a distinct budget line item when the original budget was adopted.
- Capital outlay revenue exceeded the final budget of \$12,000 by \$13,458 (112.2%), actual \$25,458, primarily reflecting capital-related revenue associated with the Academy's audiovisual/instructional technology equipment addition during the year (see Note C).
- Miscellaneous revenues were \$210,738 (99.4%) below the final budget of \$212,010, actual \$1,272. As with School Board revenue above, this variance appears to result principally from budget classification: state and local per-pupil funding anticipated under Miscellaneous revenues in the budget was instead recorded under School Board, Teachers Referendum, and Capital Outlay revenue on a GAAP basis. Management should confirm the budget's revenue classification methodology so that future budgets align more closely with GAAP-basis reporting categories.
- Total revenues were \$256,798 (51.6%) below the final budget, actual \$240,924, reflecting the net effect of the individual revenue variances described above.
- Instruction expenditures were \$124,221 (93.6%) below the final budget of \$132,674, actual \$8,453. This reflects that the substantial majority of instructional costs for the year were funded through, and recorded within, the Special Revenue Fund (grant-funded programs, including Title I and other federal and state grants) rather than the General Fund as originally budgeted.
- School Administration expenditures exceeded the final budget of \$83,802 by \$73,731 (88.0%), actual \$157,533. This is consistent with the \$17,054 year-over-year increase in school administration expenses discussed in Management's Discussion and Analysis, driven principally by administrator salary, support-staff payroll, and related payroll-tax costs that were not fully anticipated when the budget was adopted.
- Fiscal Services expenditures exceeded the final budget of \$28,000 by \$13,753 (49.1%), actual \$41,753, consistent with the \$5,464 year-over-year increase in fiscal services expense discussed in Management's Discussion and Analysis.
- Operation of Plant expenditures were \$22,644 (32.1%) below the final budget of \$70,543, actual \$47,899, consistent with the \$21,666 year-over-year decrease in operation of plant expense discussed in Management's Discussion and Analysis and with the terms of the Academy's sublease (see Note D).
- Total expenditures were \$76,110 (21.4%) below the final budget, actual \$280,315, reflecting the net effect of the individual expenditure variances described above.
- The General Fund's actual results produced a deficit of \$39,391, a variance of \$180,688 from the final budgeted surplus of \$141,297, reflecting the combined effect of the revenue and expenditure variances described above.

PHOENIX ACADEMIES OF EXCELLENCE, INC.
D/B/A PHOENIX ACADEMY OF EXCELLENCE CENTRAL
BUDGETARY COMPARISON SCHEDULE - SPECIAL REVENUE FUND
JUNE 30, 2026

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts GAAP Basis</u>	<u>Variances Positive (Negative)</u>
Revenues:				
Operating grants and contributions	\$ 45,100	\$ 45,100	\$ 127,331	\$ 82,231
Total revenues	<u>45,100</u>	<u>45,100</u>	<u>127,331</u>	<u>82,231</u>
Instruction	105,288	105,288	105,288	-
Food services	<u>45,320</u>	<u>45,320</u>	<u>544</u>	<u>44,776</u>
Total expenditure	150,608	150,608	105,832	44,776
Excess (deficit) of revenues over expenditures	<u>\$ (105,508)</u>	<u>\$ (105,508)</u>	<u>\$ 21,499</u>	<u>\$ 127,007</u>

Significant Variances — Special Revenue Fund

- Operating grants and contributions (and Total revenues) exceeded the final budget of \$45,100 by \$82,231 (182.3%), actual \$127,331. Grant revenue, including federal Title I, UNISIG, and National School Lunch Program funding (see Management's Discussion and Analysis), is generally budgeted conservatively before award notifications are finalized for the year; actual awards and recognized revenue substantially exceeded the amount originally budgeted.
- Food Services expenditures were \$44,776 (98.8%) below the final budget of \$45,320, actual \$544. Management should confirm the extent to which the National School Lunch Program was operational during fiscal year 2026 and explain why actual food service costs were so far below the budgeted amount. (Instruction expenditures were on budget, with no variance.)
- Total expenditures were \$44,776 (29.7%) below the final budget, actual \$105,832, reflecting the Food Services variance described above.
- The Special Revenue Fund's actual results produced a surplus of \$21,499, a variance of \$127,007 from the final budgeted deficit of \$(105,508), reflecting the combined effect of the revenue and expenditure variances described above.

Other Required Reports



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

To the Board of Directors
Phoenix Academies of Excellence, Inc.
D/B/A Phoenix Academy of Excellence Central
Miami, Florida

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 Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central (the "Academy"), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements, and have issued our report thereon dated September 15, 2026

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Academy'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control. Accordingly, we do not express an opinion on the effectiveness of the Academy's internal control.

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

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



S.L Gardner & Company, P.A.

Certified Public Accountants

2413 Main Street #115, Miramar, FL 33025 • (305) 606-3102 • Fax (888) 510-9976

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Academy's financial statements are free of material misstatement, we are required to perform tests of the Academy's 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 is 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 Academy'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 Academy's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Board of Directors, management, the District School Board of Miami-Dade County, and the Auditor General of the State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

S.L Gardner & Company, P.A.
Miramar, Florida
September 15, 2026



**MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE AUDITOR
GENERAL OF THE STATE OF FLORIDA**

To the Board of Directors
Phoenix Academies of Excellence, Inc.
D/B/A Phoenix Academy of Excellence Central
Miami, Florida

Report on the Financial Statements

We have audited the financial statements of Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central (the "Academy"), as of and for the fiscal year ended June 30, 2026, and have issued our report thereon dated September 15, 2026.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; 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 Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated September 15, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the Academy's June 30, 2025, annual financial audit report.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are Phoenix Academies of Excellence, Inc. D/B/A Phoenix Academy of Excellence Central, 6099.



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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 the Academy 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 Academy did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Section 10.854(1)(e)6. a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the Academy. It is management's responsibility to monitor the Academy'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 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 Academy maintains on its website information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the Academy 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, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Academy's Board of Directors, the Academy's management, and the District School Board of Miami-Dade County, and is not intended to be and should not be used by anyone other than these specified parties.

S.L Gardner & Company, P.A.

Miramar, Florida

September 15, 2026