SEACOAST CHARTER ACADEMY, INC.
(A CHARTER SCHOOL AND COMPONENT UNIT OF THE DISTRICT SCHOOL BOARD OF DUVAL COUNTY, FLORIDA)

BASIC FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
YEAR ENDED JUNE 30, 2026

SEACOAST CHARTER ACADEMY, INC.
(A CHARTER SCHOOL AND COMPONENT UNIT OF THE DISTRICT SCHOOL BOARD OF DUVAL COUNTY, FLORIDA)
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SEACOAST CHARTER ACADEMY, INC.
(A CHARTER SCHOOL AND COMPONENT UNIT OF THE DISTRICT SCHOOL BOARD OF DUVAL COUNTY, FLORIDA)
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SEACOAST CHARTER ACADEMY, INC.
(A CHARTER SCHOOL AND COMPONENT UNIT OF THE DISTRICT SCHOOL BOARD OF DUVAL COUNTY, FLORIDA)
SCHOOL BOARD AND ADMINISTRATION
JUNE 30, 2026

SCHOOL BOARD

Name	Position
Charlie Schmitt, Esq.	President
Angel Gastfield	Member
Nicole Smashion	Member
Elton O. Brooke	Member

ADMINISTRATION

Marla Stremmel	:	Administrator
Heather O'Reilly	:	Principal

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Seacoast Charter Academy, Inc.
Jacksonville, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Seacoast Charter Academy, Inc. as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise Seacoast Charter Academy, Inc.'s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Seacoast Charter Academy, Inc., as of June 30, 2026, and the respective changes in financial position for the fiscal 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 1.N to the financial statements, the school adopted the provisions of GASB Statement No. 103, Financial Reporting Model Improvements, for the year ended June 30, 2026. Adoption affected the organization of management's discussion and analysis, the presentation of unusual or infrequent items, and the variance columns and explanations in the budgetary comparison schedules. It did not change beginning net position or beginning fund balances. Our opinions are not modified with respect to this matter.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Seacoast Charter Academy, Inc. 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.

Responsibilities of Management for the Financial Statements (Continued)
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 Seacoast Charter Academy, Inc.'s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Seacoast Charter Academy, Inc.'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 Seacoast Charter Academy, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 9–16 and 39–41 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2026, on our consideration of Seacoast Charter Academy, Inc.'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 Seacoast Charter Academy, Inc.'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 Seacoast Charter Academy, Inc.'s internal control over financial reporting and compliance.



Thomas & Company, CPA, PA
Cooper City, Florida
September 17, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Required Supplementary Information)

SEACOAST CHARTER ACADEMY, INC.
(A CHARTER SCHOOL AND COMPONENT UNIT OF THE DISTRICT SCHOOL BOARD OF DUVAL COUNTY, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2026

Our discussion and analysis of the Seacoast Charter Academy, Inc.'s, (the School) financial performance provides an overview of the School's financial activities for the fiscal year ended June 30, 2026. It should be read in conjunction with the School's financial statements which immediately follow this discussion.

For financial reporting purposes, the School is considered a component unit of the District School Board of Duval County, Florida, which is a primary government entity for financial reporting.

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 School.

Government-wide financial statements: The Statement of Net Position and the Statement of Activities report information about the School 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 School'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 School's financial position, and changes in net position over time indicate whether that position is improving or deteriorating. All of the School'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 School'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 available, and expenditures are recognized when the related liability is incurred and payable from current resources. The School reports three governmental funds: the General Fund, its primary operating fund, and the Special Revenue Fund and Capital Outlay Fund, which account for resources restricted to specified purposes.

I. OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

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, receivables, 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 will 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 effects of capital assets and related depreciation and amortization, right-of-use assets and lease obligations, and other long-term items that are reported in government-wide statements but not in 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.

II. FINANCIAL SUMMARY

Net Position

The School's net position was $3,790,805 on June 30, 2026.

	Governmental Activities as of June 30,		
	2026	2025	Variance
Assets			
Current and Other Assets	$ 3,927,680	$ 3,429,727	$ 497,953
Capital Assets, Net	3,281,895	4,458,086	(1,176,191)
Total Assets	**7,209,575**	**7,887,813**	**(678,238)**
Deferred Outflows of Resources	-	-	-
Liabilities and Net Position			
Liabilities			
Other Liabilities	295,697	347,416	(51,719)
Long-term Liabilities (leases, including current portion)	3,123,073	4,170,600	(1,047,527)
Total Liabilities	**3,418,770**	**4,518,016**	**(1,099,246)**
Deferred Inflows of Resources	-	-	-
Net Position			
Net Investment in Capital Assets	158,822	287,486	(128,664)
Restricted	7,933	55,805	(47,872)
Unrestricted	3,624,050	3,026,506	597,544
Total Net Position	**3,790,805**	**3,369,797**	**421,008**
Total Liabilities and Net Position	**$ 7,209,575**	**$ 7,887,813**	**$ (678,238)**

II. FINANCIAL SUMMARY (CONTINUED)

Changes in Net Position

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

	Governmental Activities for the fiscal years ended June 30,		
	2026	2025	Variance
Revenue:			
General Revenues			
Florida Education Finance Program	$ 3,260,774	$ 3,315,860	$ (55,086)
Other State Revenue	660,615	414,166	246,449
Investment Earnings	37,744	36,963	781
Miscellaneous Revenues	327,400	398,007	(70,607)
Program Revenues:			
Charges for Services	-	298,745	(298,745)
Operating Grants and Contributions	740,965	1,233,351	(492,386)
Capital Grants and Contributions	911,325	911,373	(48)
Total Revenue	**5,938,823**	**6,608,465**	**(669,642)**
Expenses:			
Instruction	2,680,329	2,802,095	(121,766)
Instructional Support Services	413,305	609,921	(196,616)
Instructional Staff Development Services	5,023	2,740	2,283
Instruction Related Technology	82,513	-	82,513
Board Expenses	35,382	42,705	(7,323)
General Administration	114,614	106,817	7,797
School Administration	515,032	464,546	50,486
Facilities Acquisition & Construction	10,167	7,316	2,851
Fiscal Services	334,004	341,620	(7,616)
Food Services	222,791	252,582	(29,791)
Operation of Plant	162,034	833,502	(671,468)
Maintenance of Plant	59,378	115,344	(55,966)
Community Services	334	-	334
Interest on Lease Obligations	121,560	-	121,560
Unallocated Amortization Expense	761,349	-	761,349
Total Expenses	**5,517,815**	**5,579,188**	**(61,373)**
Excess (deficiency) before unusual/infrequent items and transfers	421,008	1,029,277	(608,269)
Unusual or Infrequent Item	-	-	-
Change in Net Position	**421,008**	**1,029,277**	**(608,269)**
Net Position – Beginning	3,369,797	2,340,520	1,029,277
Ending Net Position	**$ 3,790,805**	**$ 3,369,797**	**$ 421,008**

III. DETAILED ANALYSIS

A. GOVERNMENT-WIDE FINANCIAL POSITION AND RESULTS OF OPERATIONS

Net position increased $421,008, or 12.5%, to $3,790,805 at June 30, 2026. Unrestricted net position increased $597,544 to $3,624,050, reflecting the General Fund surplus discussed in Section III.B. Current and other assets increased $497,953, principally cash. The decreases in capital assets ($1,176,191), lease obligations ($1,047,527) and net investment in capital assets ($128,664) result from the School's lease activity and are explained in Section IV. Restricted net position decreased $47,872 to $7,933. The School had no deferred outflows or deferred inflows of resources at June 30, 2026 or 2025.

Total revenues decreased $669,642, or 10.1%, to $5,938,823. Operating grants and contributions decreased $492,386, or 39.9%, to $740,965, principally because the School's ESSER III award ended; it provided $579,512 in fiscal 2025 and no revenue in fiscal 2026. Fiscal 2026 operating grants consisted of Title I $475,280, Title II $12,695, Title IV $20,170 and child nutrition $232,820. State revenue received through the School District increased $191,363 to $3,921,389. FEFP funding decreased $55,086 to $3,260,774. Other State revenue increased $246,449 to $660,615, primarily due to the classification of Voluntary Prekindergarten Program (VPK) revenue as State revenue in fiscal 2026 rather than Charges for Services, as presented in fiscal 2025. Accordingly, Charges for Services decreased by $298,745 in the current year. Miscellaneous revenues decreased $70,607 to $327,400. FEFP funding represented approximately 55% of total revenues, compared with approximately 50% in fiscal 2025; the higher share reflects the decline in federal and program revenues. Capital outlay funding was essentially unchanged at $911,325.

Total expenses decreased $61,373, or 1.1%, to $5,517,815. Instruction remained the school's largest function at 48.6% of total expenses and decreased $121,766; instructional support services decreased $196,616. Both decreases reflect fewer federally funded instructional and support positions following the end of the ESSER III award. Instruction-related technology of $82,513 and instructional staff development of $5,023 appears as separate functions in fiscal 2026. Those amounts were included in instructional support services in the governmental funds and in the fiscal 2025 government-wide statements; they are a more detailed functional split, not new spending. Combined, instructional support, staff development and instruction-related technology were $500,841, compared with instructional support of $609,921 in fiscal 2025. School administration increased $50,486, to $515,032. The increase is administrative salaries and related benefits on a smaller student body; it is not the HCMC management fee, which is reported as fiscal services and declined $7,616, to $334,004. Operation of plant decreased $671,468 to $162,034, while amortization of right-to-use assets of $761,349 and interest on lease obligations of $121,560 were reported for the first time. In fiscal 2025, facility rent was reported in operation of plant. Facilities acquisition and construction of $10,167 consists entirely of depreciation charged to that function, and community services of $334 was reported for the first time.

III. DETAILED ANALYSIS (CONTINUED)

B. INDIVIDUAL MAJOR FUNDS

At June 30, 2026, the School's governmental funds reported combined fund balances of $3,631,983, an increase of $549,672 from the prior year. Combined revenues were $5,939,069 compared with $6,608,465 in fiscal 2025, a decrease of $669,396, and combined expenditures were $5,392,196

General Fund: The General Fund is the School's primary operating fund. Fund balance increased $597,544 to $3,624,050 at June 30, 2026. Revenues of $4,286,778 exceeded expenditures of $3,692,033. Of the ending fund balance, $82,949 is non-spendable for prepaid expenses and $3,541,101 is unassigned, representing approximately 11.5 months of General Fund operating expenditures.

Special Revenue Fund: The Special Revenue Fund accounts for federal awards restricted by grant agreement to specified purposes, principally Title I, Title II, Title IV and the child nutrition programs. Revenues of $740,965 and expenditures of $788,837 produced a decrease in fund balance of $47,872, leaving a balance of $7,933 at June 30, 2026. This remaining balance is constrained by the originating federal awards and is not available for general operations.

Capital Outlay Fund. Revenues of $911,326 were fully expended. The principal uses were facility lease principal and interest of $788,736 paid to HCMC Properties, Inc. (see Notes 4 and 6), operation of plant of $63,212, and plant maintenance of $59,378. Copier lease principal and interest of $7,265 were paid from the General Fund. The Capital Outlay Fund reported no balance at either year-end, so no capital-outlay resources carried forward.

C. SIGNIFICANT POLICY CHANGES AND ECONOMIC FACTORS

Two factors dominate fiscal 2026 results. Membership of 416 students against a budget built on 514 unweighted FTE is the economic factor: it is why FEFP declined $55,086, to $3,260,774, and why FEFP became a larger share of a smaller revenue base. The end of the ESSER III award is the funding-cycle factor: it removed $579,512 of operating grants and the federally funded instructional and support positions those dollars had paid.

No millage or tax-rate change applies to the School. Compensation and staffing were resized to the smaller membership and to the loss of the federal award. There was no change in the capitalization policy. The only new financing was a copier lease of $2,799. Related-party administrative and facility arrangements with HCMC, Inc. and HCMC Properties, Inc. were already in force and are addressed as a known condition in Section V and in Notes 4 and 7.

IV. SIGNIFICANT CAPITAL ASSET AND LONG-TERM FINANCING ACTIVITY

Capital assets and Right-to-Use Assets

At June 30, 2026, the School had $245,975 invested in owned capital assets, net of accumulated depreciation of $266,468. These assets, with a total cost of $512,443, consist of improvements other than buildings, buildings and fixed equipment, furniture, fixtures and equipment, audio-visual materials and computer software. There were no additions to or disposals of owned capital assets during the year, and depreciation expense was $41,511. The School also reports right-to-use assets with a cost of $3,810,076, net of accumulated amortization of $774,156; amortization of $761,349 was recorded during the year. Right-to-use assets were also reduced by $376,130 as a result of remeasurement.

Long-term Financing

The school's long-term obligations consist entirely of lease obligations recognized under GASB Statement No. 87. At June 30, 2026, those obligations totaled $3,123,073, of which $708,182 is due within one year and $2,414,891 thereafter. The obligations arise from the lease of the school's facility, which expires June 30, 2030, and from four copier leases expiring between February 2027 and April 2031. Lease obligations decreased $1,047,527 during the year, consisting of principal payments of $674,441 and a $375,885 reduction resulting from remeasurement, partially offset by $2,799 of new lease financing. The remeasurement resulted in a $245 loss. Future minimum lease payments total $3,377,688, including $254,615 of imputed interest, of which $815,676 is payable in fiscal 2027.

Net investment in capital assets of $158,822 equals owned capital assets of $245,975 plus right-to-use assets of $3,035,920, less lease obligations of $3,123,073. The $128,664 decrease consists of depreciation and amortization of $802,860, less principal payments of $674,441, plus the $245 by which the reduction in right-to-use assets exceeded the reduction in lease obligations. Other than that remeasurement, there was one new copier lease of $2,799, no debt issuance, no credit-rating events and no change in financing policy. Lease terms that extend beyond the current charter term are addressed in Section V.

V. CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

The following facts, decisions, or conditions are known to management as of the date the financial statements were issued and are expected to have a significant effect on financial position or to produce significant differences from FY 2026 results. Prospective information that is not currently known is omitted.

Student membership - The operating budget approved by the governing board for fiscal 2027 is based on 514 unweighted full-time equivalent (UFTE) students, with FEFP revenue of $3,822,559, total revenues of $6,176,056 and total expenditures of $5,991,118. Fiscal 2026 membership was 416. Because substantially all of the School's operating revenue is earned through the FEFP on a per-student basis, if fiscal 2027 membership remains at the fiscal 2026 level, FEFP revenue would be approximately $562,000 below the amount budgeted.

V. CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS (CONTINUED)

Lease obligations – The School leases its facility under an agreement expiring June 30, 2030, and four copiers under leases expiring between February 2027 and April 2031. Lease payments of $815,676 are required in fiscal 2027, approximately 14% of total budgeted expenditures for that year. The facility lease, which is with a related party (see the following paragraph), and at least one copier lease extends beyond the School's current charter term, which expires June 30, 2029.

Federal awards - The fiscal 2027 budget assumes federal awards at approximately the fiscal 2026 level. No new award is known at the date the financial statements were issued.

Related party arrangements - Administrative support is purchased from HCMC, Inc., and the educational facility is leased from HCMC Properties, Inc. Both entities are owned and controlled by the parents of the School's Administrator. The administrative agreement runs through June 30, 2029, and is then month-to-month; the fee is 9 percent of FEFP collected through the district ($334,004 in fiscal 2026). The facility lease runs through June 30, 2030 — one year past the current charter — with fiscal 2027 payments of $815,676. Continuation of either arrangement, or a change in the fee or the rent, would move fiscal services, operation of plant, and the lease liability. The Board approved both agreements and the Administrator recused herself. Details are in Notes 4, 6 and 7.

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 Seacoast Charter Academy, Inc.'s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Seacoast Charter Academy, Inc., 9570 Regency Square Blvd, Jacksonville, FL 32225.

BASIC FINANCIAL STATEMENTS

SEACOAST CHARTER ACADEMY, INC.
(A CHARTER SCHOOL AND COMPONENT UNIT OF THE DISTRICT SCHOOL BOARD OF DUVAL COUNTY, FLORIDA)
STATEMENT OF NET POSITION
JUNE 30, 2026

	Governmental Activities
ASSETS	
Current Assets	
Cash	$ 3,641,086
Accounts Receivable	148,138
Deposits Receivable	55,507
Prepaid Expenses	82,949
Total Current Assets	**3,927,680**
Non-Current Assets	
Capital Assets, Net	245,975
Right-to-use Assets, Net	3,035,920
Total Non-Current Assets	**3,281,895**
TOTAL ASSETS	**7,209,575**
LIABILITIES AND NET POSITION	
LIABILITIES	
Current Liabilities	
Salaries and Benefits Payable	213,103
Accounts Payable	82,594
Lease Payable - Due Within One Year	708,182
Total Current Liabilities	**1,003,879**
Non-Current Liabilities	
Lease Payable - Due in More Than One Year	2,414,891
Total Non-Current Liabilities	**2,414,891**
TOTAL LIABILITIES	**3,418,770**
NET POSITION	
Net Investment in Capital Assets	158,822
Restricted	7,933
Unrestricted	3,624,050
TOTAL NET POSITION	**3,790,805**
TOTAL LIABILITIES AND NET POSITION	**$ 7,209,575**

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

SEACOAST CHARTER ACADEMY, INC.
(A CHARTER SCHOOL AND COMPONENT UNIT OF THE DISTRICT SCHOOL BOARD OF DUVAL COUNTY, FLORIDA)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenues (Expenses) and Changes in Net Position: Total Governmental Activities
Governmental Activities					
Instruction	$ 2,680,329	$ -	$ 192,801	$ -	$ (2,487,528)
Instructional Support Services	413,305	-	307,181	-	(106,124)
Instructional Staff Development Services	5,023	-	5,023		-
Instruction Related Technology	82,513	-	-	-	(82,513)
Board Expenses	35,382	-	-	-	(35,382)
General Administration	114,614	-	3,140	-	(111,474)
School Administration	515,032	-	-	-	(515,032)
Facilities Acquisition and Construction	10,167	-	-	-	(10,167)
Fiscal Services	334,004	-	-	-	(334,004)
Food Services	222,791	-	232,820	-	10,029
Operation of Plant	162,034	-	-	748,535	586,501
Maintenance of Plant	59,378	-	-	162,790	103,412
Community Services	334	-	-	-	(334)
Interest on Lease Obligations	121,560	-	-	-	(121,560)
Unallocated Amortization Expense	761,349	-	-	-	(761,349)
Total Governmental Activities	**$ 5,517,815**	**$ -**	**$ 740,965**	**$ 911,325**	**(3,865,525)**
		General Revenue:			
		State through Local School District			3,921,389
		Investment Earnings			37,744
		Miscellaneous Revenues			327,400
		Total General Revenue			**4,286,533**
		Change in Net Position			**421,008**
		Net Position – Beginning			3,369,797
		Net Position - End of the year			**$ 3,790,805**

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

SEACOAST CHARTER ACADEMY, INC.
(A CHARTER SCHOOL AND COMPONENT UNIT OF THE DISTRICT SCHOOL BOARD OF DUVAL COUNTY, FLORIDA)
BALANCE SHEET – GOVERNMENTAL FUNDS
AS OF JUNE 30, 2026

	General Fund	Special Revenue Fund	Capital Outlay Fund	Total Governmental Funds
ASSETS				
Cash	$ 3,620,409	$ 20,677	$ -	$ 3,641,086
Accounts Receivable	8,536	38,733	100,869	148,138
Deposits Receivable	55,507	-	-	55,507
Prepaid Expenses	82,949	-	-	82,949
Due from Other Fund	152,346	-	-	152,346
TOTAL ASSETS	**3,919,747**	**59,410**	**100,869**	**4,080,026**
LIABILITES AND FUND BALANCES				
LIABILITIES				
Salaries and Benefits Payable	213,103	-	-	213,103
Accounts Payable	82,594	-	-	82,594
Due to Other Fund	-	51,477	100,869	152,346
TOTAL LIABILITIES	**295,697**	**51,477**	**100,869**	**448,043**
FUND BALANCES				
Nonspendable	82,949	-	-	82,949
Restricted	-	7,933	-	7,933
Unassigned	3,541,101	-	-	3,541,101
TOTAL FUND BALANCES	**3,624,050**	**7,933**	**-**	**3,631,983**
TOTAL LIABILITIES AND FUND BALANCES	**$ 3,919,747**	**$ 59,410**	**$ 100,869**	**$ 4,080,026**

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

SEACOAST CHARTER ACADEMY, INC.
(A CHARTER SCHOOL AND COMPONENT UNIT OF THE DISTRICT SCHOOL BOARD OF DUVAL COUNTY, FLORIDA)
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
AS OF JUNE 30, 2026

Total Fund Balances - Governmental Funds		**$ 3,631,983**
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 as assets in the governmental funds.		
Capital Assets, Net	$ 245,975	
Right-to-use Assets, Net	$ 3,035,920	3,281,895
Long-term liabilities that pertain to governmental funds are not due and payable in the current period and, therefore, are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Balances at year-end are:		
Leases Liability		(3,123,073)
Total Net Position - Governmental Activities		**$ 3,790,805**

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

SEACOAST CHARTER ACADEMY, INC.
(A CHARTER SCHOOL AND COMPONENT UNIT OF THE DISTRICT SCHOOL BOARD OF DUVAL COUNTY, FLORIDA)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2026

	General Fund	Special Revenue Fund	Capital Outlay Fund	Total Governmental Funds
Revenue				
Federal passed through Local School District	$ -	$ 740,965	$ -	$ 740,965
State passed through Local School District	3,921,389	-	451,249	4,372,638
Interest Income	37,744	-	-	37,744
Other Revenue	327,645	-	460,077	787,722
Total Revenue	**4,286,778**	**740,965**	**911,326**	**5,939,069**
Expenditure				
Current:				
Instruction	2,468,215	186,693	-	2,654,908
Instructional Support Services	193,785	307,056	-	500,841
Board Expenses	35,382	-	-	35,382
General Administration	108,153	6,461	-	114,614
School Administration	509,110	-	-	509,110
Fiscal Services	334,004	-	-	334,004
Food Services	-	222,791	-	222,791
Operation of Plant	32,986	65,836	63,212	162,034
Maintenance of Plant	-	-	59,378	59,378
Community Services	334	-	-	334
Capital Outlay:				
Right-to-use assets acquired under lease	2,799	-	-	2,799
Debt Service:				
Principal	6,622	-	667,819	674,441
Interest	643	-	120,917	121,560
Total Expenditure	**3,692,033**	**788,837**	**911,326**	**5,392,196**
Excess (Deficiency) of Revenue Over Expenditure	**594,745**	**(47,872)**	**-**	**546,873**
Other Financing Sources				
Lease Financing	2,799	-	-	2,799
Net Changes in Fund Balances (Deficit)	**597,544**	**(47,872)**	**-**	**549,672**
Fund Balance at Beginning of year	3,026,506	55,805	-	**3,082,311**
Fund Balance at End of year	**$ 3,624,050**	**$ 7,933**	**$ -**	**$ 3,631,983**

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

SEACOAST CHARTER ACADEMY, INC.
(A CHARTER SCHOOL AND COMPONENT UNIT OF THE DISTRICT SCHOOL BOARD OF DUVAL COUNTY, FLORIDA)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026

Net Changes in Fund Balance - Total Governmental Funds	**$**	**549,672**
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. In the statement of activities the cost of capital acquisitions are allocated over their estimated useful lives and reported as depreciation expense.		
Capital Outlays		2,799
Depreciation Expense and Amortization Expense		(802,860)
The issuance of long-term debt (including leases) provides current financial resources to governmental funds, while repayment of principal consumes those resources. Neither transaction has any effect on net position.		
Lease financing recognized as an other financing source		(2,799)
Principal Payments on Leases		674,441
Other differences between the modified accrual basis used in the governmental funds and the full accrual basis used in the statement of activities related to leases:		
Loss on lease remeasurement		(245)
Change in Net Position of Governmental Activities	**$**	**421,008**

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Seacoast Charter Academy, Inc., (the "School") is a nonprofit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act and Section 1002.33, Florida Statutes. The governing board of the School is the not-for-profit corporation Board of Directors, which is comprised of four members.

The general operating authority of the School is in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring School district, the Duval County District School Board (the district). The current charter for the Primary School is effective until June 30, 2029, and may be renewed as provided for in Section 1002.33, or 1002.331, Florida Statutes. At the end of the term in the charter, the district may choose not to renew the charter under grounds specified in the charter. In this case, the district is required to notify the School 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. The School is considered a component unit of the district.

Criteria for determining if other entities are potential component units which should be reported within 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 entity 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. Effective for the year ended June 30, 2026, GASB Statement No. 103, *Financial Reporting Model Improvements*, requires each major component unit, if any, to be presented separately in the reporting entity’s statement of net position and statement of activities or, if that presentation would reduce the readability of those statements, in combining statements of major component units presented after the fund financial statements. Because the School has no component units, this requirement had no effect on the accompanying basic financial statements.

B. Government-Wide 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 nonfiduciary activities of the School. As part of the consolidation process, all interfund activities are eliminated from these statements. Both statements report on only governmental activities as the School does not engage in any business-type activities.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide Financial Statements (Continued)

In the government-wide statement of net position, the governmental activities column is reported on a full accrual, economic resource basis, which recognizes all current and noncurrent assets and all current and noncurrent liabilities. The School's net position is reported in three (3) categories: net investment in capital assets, restricted net position, and unrestricted net position.

The government-wide statement of activities reports both the gross and net cost of each of the School's functions. The net costs, by function, are supported by general revenues. The statement of activities reduces gross expenses by related program revenues. Program revenues must be directly associated with the function. Operating grants include operating- specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

Inflows and outflows of resources related to unusual or infrequent items, if any, are presented individually as the last presented flow(s) of resources prior to the net change in net position in the government-wide statement of activities. Inflows and outflows related to each unusual or infrequent item are presented separately and are not netted. See Note 1.L.

C. Fund Financial Statements

The School's accounts are organized on the basis of funds. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets and deferred outflows of resources, liabilities and deferred inflows of resources, fund balance, revenues and expenditures.

The School reports on the following major governmental funds:

General Fund – the general operating fund of the School. It is used to account for all financial resources not required to be accounted for in another fund.

Special Revenue Fund – to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes such as Title I, IDEA funds and the National School Lunch Program.

Capital Outlay Fund – to account for financial resources used for the acquisition or construction of major capital facilities and for the proceeds and related expenditures of School capital outlay funding.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Fund Financial Statements (Continued)

Separate fund financial statements report detailed information about the School's governmental funds. The focus of the governmental fund financial statements is on major funds. Therefore, major funds are reported in separate columns on the fund financial statements. All the School's funds were deemed major funds even if the respective fund did not meet the percentage criteria. A reconciliation is provided that converts the results of governmental fund accounting to the government - wide presentation.

Consistent with the government-wide statement of activities, inflows and outflows of resources related to unusual or infrequent items, if any, are presented individually as the last presented flow(s) of resources prior to the net change in fund balances in the governmental fund statement of revenues, expenditures, and changes in fund balances.

D. 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 when earned and expenses are recognized when 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. 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. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty (60) days. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for federal, state, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recorded when the related fund liability is incurred. However, principal and interest on general long-term debt is recorded as expenditure only when payment is due.

The School's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. Accordingly, the financial statements are organized on the basis of funds. A fund is an accounting entity having a self-balancing set of accounts for recording assets, liabilities, fund balance, revenues, expenditures, and other financing sources and uses.

Resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement focus, basis of accounting, and financial statement presentation (Continued)

The School has a revenue spending policy that provides policy for programs with multiple revenue sources. The board of directors will use resources in the following hierarchy: debt proceeds, federal funds, state funds, local non-city funds, city funds and funds passed through the District. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The board of directors has the authority to deviate from this policy if it is in the best interest of the School.

E. Budgetary Basis of Accounting

The School's annual budgets are adopted for the entire operations of the School and may be amended by the Board of Directors (the "Board"). Budgetary comparison information is presented on the modified accrual basis of accounting, which is consistent with the basis of accounting used in the governmental fund financial statements.

Budgetary comparison information for the General Fund and for each major special revenue fund that has a legally adopted annual budget is presented as required supplementary information ("RSI") and is not presented as a basic financial statement. The budgetary comparison schedules present the original budget, the final budget, and actual amounts on the budgetary basis, together with separate columns for (1) the variance between the original and final budget amounts and (2) the variance between the final budget amounts and actual results. An explanation of significant variations between the original and final budget amounts, and between the final budget amounts and actual results, is presented in the notes to RSI.

F. Deposits and Investments

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

G. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental columns on the government-wide financial statements. Capital assets are defined by the School as assets with an initial individual cost of more than $ 2,500 and an estimated useful life of more than two years. Such assets are recorded at historical cost. Property, plant and equipment of the School are depreciated using the straight-line method over the estimated useful lives of the respective assets. Donated capital assets are recorded at their estimated acquisition values at the date of donation. As of June 30, 2026, the School carried net capital assets of $245,975.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Equity Classifications

Government-wide financial statements
Equity is classified as net position and displayed in three (3) components:

- Net investment in capital assets - consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- Restricted net position – consists of components of net position with constraints placed on its use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – all other components of net position that do not meet the definition of "restricted" or "net investment in capital assets."

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

- Non-spendable fund balance - includes amounts that are not in a spendable form or are required to be maintained intact and that are not expected to be converted to cash.
- Restricted fund balance - includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation. Effectively, restrictions may be changed or lifted only with the consent of resource providers.
- Committed fund balance - includes amounts that can be used only for specific purposes determined by a formal action of the School's highest level of decision-making authority. Commitments may be changed or lifted only by the School taking the same formal action that imposed the constraint originally.
- Assigned fund balance - comprises amounts intended to be used by the School for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, to a minimum, intended to be used for the purpose of that fund.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Equity Classifications (Continued)

- Unassigned fund balance - the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund.

The following is a summary schedule of the School's Governmental Funds for the fiscal year ended June 30, 2026:

Fund Balances	General Fund	Special Revenue Fund	Total Governmental Funds
Nonspendable	$ 82,949	$ -	$ 82,949
Restricted	-	7,933	7,933
Unassigned	3,541,101	-	3,541,101
Total Fund Balances	**$ 3,624,050**	**$ 7,933**	**$ 3,631,983**

I. Revenue Sources

Revenues for current operations are received primarily from the Duval County District School Board pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33 (17), Florida Statutes, the School reports the number of full-time equivalent students and related data to the district. Under the provisions of Section 1011.62, Florida Statutes, the District reports the number of full-time equivalent students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the Florida Education Finance Program and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods.

The School received federal awards for the enhancement of various education programs. This assistance is generally received based on applications submitted to and approved by various granting agencies. For federal awards, in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred. The School received revenue from Federal, State and Local sources for the following purposes: Capital outlay, student lunches, safe School’s, School improvements, instructional materials, class size reduction, technology improvement, teacher recognition and training.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. 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 types of assets, deferred inflows of resources, liabilities, deferred outflows of resources, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

K. Income Taxes

The School is a non-profit organization and is tax exempt under Section 501(c)(3) of the Internal Revenue Code. The School is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

L. 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 School 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 School had no unusual or infrequent items for the year ending June 30, 2026.

M. 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. Information presented in MD&A is limited to 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.

N. New Accounting Pronouncement Adopted

GASB Statement No. 103: During the year ended June 30, 2026, the School 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, and it establishes 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. New Accounting Pronouncement Adopted (Continued)

The School engages only in governmental activities, has no proprietary funds, has no component units, 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) in the statements of resource flows, and the presentation of budgetary comparison information and the related variance columns and explanations within required supplementary information, as described in Notes 1.A, 1.B, 1.C, 1.E, 1.L and 1.M.

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 result in a change to the School's net position as of July 1, 2025, or to its previously reported fund balances.

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 assets, and intangible assets other than those — to be disclosed separately. The school's lease assets are already presented separately from owned capital assets in the statement of net position and in Note 5. The school has no subscription-based information technology arrangement assets and no other intangible assets. Adoption of GASB 104 therefore had no additional effect on the accompanying financial statements.

O. Compensated Absences

In accordance with GASB Statement No. 101, Compensated Absences, a liability is recognized for leave that has not been used if the leave is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means, and for leave that has been used but not yet paid. For the year ended June 30, 2026, the School had no liability as no unused leave remained at year-end.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Fund Accounting Requirements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School, like any other state and local government, uses fund accounting to ensure and demonstrate compliance with finance related requirement, bond covenants, and segregation for management purposes. The School has various restrictions placed over certain revenue sources from federal, state, or local requirements.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

Excesses of expenditures over appropriations

The school's legal level of budgetary control is the object level within each fund. For the year ended June 30, 2026, expenditures exceeded appropriations at that level only for General Fund capital outlay ($2,799 actual; $0 appropriated in the final budget). That amount is the right-to-use copier asset recognized under GASB Statement No. 87 and is offset in the General Fund by a lease-financing other financing source of $2,799. No other object in the General Fund or the Special Revenue Fund exceeded the final budget.

NOTE 3 – CASH

Under Chapter 280, Florida Statutes, the School's deposits must be placed in banks and savings and loans which are qualified as public depositories. All of the School's deposits are held in a qualified public depository as defined in Chapter 280, Florida Statutes. Under that chapter, deposits in excess of federal depository insurance are collateralized through a multiple financial institution collateral pool administered by the Florida Chief Financial Officer. Accordingly, the School's deposits are not exposed to custodial credit risk as defined in GASB Statement No. 40. As of June 30, 2026, the School's bank balances totaled $3,641,086 of which $250,000 was covered by federal depository insurance and the remainder was collateralized under Chapter 280.

NOTE 4 – RELATED PARTY

HCMC, Inc. and HCMC Properties, Inc. are both owned and controlled by the Administrator's parents. Members of the Board of Directors have no ownership interest in either entity. The Board approved the agreements described below, and the Administrator recused herself from those votes.

Administrative services

HCMC, Inc. provides administrative support and maintenance oversight under an agreement that was renewed effective July 1, 2024 and is scheduled to expire June 30, 2029, continuing thereafter on a month-to-month basis until either party gives thirty days' written notice. The agreement provides for a fee equal to 9% of FEFP revenue collected through the District. Fees paid to HCMC, Inc. for the year ended June 30, 2026 totaled $334,004 and are reported as fiscal services. No amounts were payable to or receivable from HCMC, Inc. at June 30, 2026.

Facility lease

The school leases its educational facility from HCMC Properties, Inc. under the agreement described in Note 6. Lease payments to HCMC Properties, Inc. for the year ended June 30, 2026 totaled $788,736. At June 30, 2026, the related right-to-use asset was $3,018,234 and the related lease liability was $3,104,974. The facility lease expires June 30, 2030, which is one year after the current charter term (June 30, 2029). The school's deposits receivable of $55,507 is the security deposit held by HCMC Properties, Inc. under that lease.

NOTE 5 – CAPITAL ASSETS

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

	Balance July 1, 2025	Remeasurements	Additions	Deletions	Balance June 30, 2026
Governmental Activities:					
Capital Assets being Depreciated:					
Building	$ 8,777	$ -	$ -	$ -	$ 8,777
Improvements & Equipment	388,572	-	-	-	388,572
Furniture, Fixtures & Equipment	80,674	-	-	-	80,674
Computer Software	34,420	-	-	-	34,420
Total Capital Assets being Depreciated	**512,443**	**-**	**-**	**-**	**512,443**
Less Accumulated Depreciation for:					
Building	(4,096)	-	(1,755)	-	(5,851)
Improvements & Equipment	(134,080)	-	(30,542)	-	(164,622)
Furniture, Fixtures & Equipment	(60,312)	-	(5,922)	-	(66,234)
Computer Software	(26,469)	-	(3,292)	-	(29,761)
Total Accumulated Depreciation	**(224,957)**	**-**	**(41,511)**	**-**	**(266,468)**
Capital Assets, Net	**287,486**	**-**	**(41,511)**	**-**	**245,975**
Right-to-use Assets:					
Buildings	4,909,762	(1,124,587)	-	-	3,785,175
Equipment	29,976	(7,874)	2,799	-	24,901
Total Right-to-use Assets	**4,939,738**	**(1,132,461)**	**2,799**	**-**	**3,810,076**
Less Accumulated Amortization for:					
Buildings	(762,633)	750,251	(754,559)	-	(766,941)
Equipment	(6,505)	6,080	(6,790)	-	(7,215)
Total Accumulated Amortization	**(769,138)**	**756,331**	**(761,349)**	**-**	**(774,156)**
Right-to-use Lease Assets, Net	**$ 4,170,600**	**$ (376,130)**	**$ (758,550)**	**$ -**	**$ 3,035,920**

Provision for Depreciation and Amortization was charged to functions/programs of the school as follows:

Instruction	$ 25,422
School Administration	5,922
Facilities Acquisition and Construction	10,167
Total Depreciation Expense - Governmental Activities	**41,511**
Unallocated Amortization of Right-to-use Assets	761,349
Total Depreciation and Amortization Expense - Governmental Activities	**$ 802,860**

NOTE 6 – LEASES

The School leases its educational facility and certain office equipment under non-cancelable lease agreements. Right-to-use assets represent the School's right to use the underlying assets over the lease term, and lease liabilities represent the School's obligation to make lease payments arising from those leases. Because the interest rate the lessor charges the School is not readily determined, the School uses its estimated incremental borrowing rate, determined by using a period comparable to the remaining lease term, in measuring its lease liabilities.

The following is a summary of the School's leases that are outstanding for minimum payments as of June 30, 2026:

1. School facilities lease, with original term of 60 months, with monthly payments of $65,728 per month with graduated rent increasing 3% each year, maturing June 30, 2030. This agreement is with a related organization. The facility lease is with HCMC Properties, Inc., a related party, and is further described in Note 4.
2. School lease of a Kyocera copier, with original term of 63 months, with monthly payments of $274 per month, maturing January 31, 2030.
3. School lease of a Kyocera copier, with original term of 63 months, with monthly payments of $252 per month, maturing February 28, 2027.
4. School lease of a Kyocera copier, with original term of 63 months, with monthly payments of $59 per month, maturing March 31, 2030.
5. School lease of a Kyocera copier, with original term of 63 months, with monthly payments of $49 per month, entered into during the year and maturing April 1, 2031.

The components of lease cost for the year ended June 30, 2026, are as follows:

Amortization of right-to-use assets	$	761,349
Interest on lease liabilities		121,560
Total lease cost	**$**	**882,909**

Other information related to the School's leases for the year ended June 30, 2026, is as follows:

Cash paid for amounts included in the measurement of lease liabilities	$	796,001
Right-to-use assets obtained in exchange for new lease liabilities	$	2,799
Weighted-average remaining lease term		4.08 years
Weighted-average discount rate		3.84%

NOTE 6 – LEASES (CONTINUED)

Future principal and interest requirements to maturity on the School's lease liabilities as of June 30, 2026, are as follows:

Year Ending June 30,	Principal	Interest	Total
2027	$ 708,182	$ 107,494	$ 815,676
2028	754,482	79,530	834,012
2029	804,664	49,688	854,352
2030	855,265	17,893	873,158
2031	480	10	490
Total	**$ 3,123,073**	**$ 254,615**	**$ 3,377,688**

NOTE 7 – COMMITMENTS AND CONTINGENCIES

Funding

The School receives funding from the district which is received from the State of Florida that is based, in part, on a computation of the number of full-time (FTE) students enrolled in the School. The accuracy of the data provided by the School supporting the FTE count is subject to state audit and, if found to be in error, could result in refunds or decreases in future funding allocations.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the School.

It is the opinion of management that the amount of revenue which may be remitted back to the State due to errors in the FTE count or amount of grant expenditures which may be disallowed by granting agencies, if any, will not be material to the financial position of the School.

Concentrations

A significant portion of the School's operating revenue is derived from Florida Education Finance Program funding received through the District School Board of Duval County under a charter that expires June 30, 2029. A significant reduction in full-time equivalent student enrolment, a change in state funding levels, or non-renewal or termination of the charter would have a substantial effect on the School's operations. In addition, the School's administrative services and its educational facility are provided under agreements with entities owned and controlled by the Parents of the School's Administrator, as described in Note 4.

NOTE 8 – RISK MANAGEMENT

The School 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 School purchases commercial insurance for all material risks of loss to which the School is exposed, including general liability, property and workers' compensation.

NOTE 9 – INTERFUND RECEIVABLES AND PAYABLES

At June 30, 2026, the General Fund reported amounts due from the Special Revenue Fund of $51,477 and from the Capital Outlay Fund of $100,869, totaling $152,346. These balances arose because the General Fund paid expenditures of those funds before the related federal grant reimbursements and capital outlay funding were received from the District. All balances are expected to be repaid within one year.

NOTE 10 – SUBSEQUENT EVENTS

For the year ended June 30, 2026, the School has evaluated all subsequent events through September 17, 2026, which is the date the financial statements were issued, and concluded no additional subsequent events have occurred that would require recognition or disclosure in these financial statements that have not already been accounted for.

REQUIRED SUPPLEMENTARY INFORMATION

SEACOAST CHARTER ACADEMY, INC.
(A CHARTER SCHOOL AND COMPONENT UNIT OF THE DISTRICT SCHOOL BOARD OF DUVAL COUNTY, FLORIDA)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2026

	Original Budget	Final Budget	Variance - Original to Final Budget	Actual Amounts	Variance - Final to Actual Budget
Revenue					
State passed through Local School District	$ 3,823,673	$3,921,389	$ 97,716	$ 3,921,389	$ -
Interest Income	35,000	37,744	2,744	37,744	-
Other Revenue	643,000	319,109	(323,891)	327,645	8,536
Total Revenue	**4,501,673**	**4,278,242**	**(223,431)**	**4,286,778**	**8,536**
Expenditure					
Current:					
Instruction	2,952,478	2,468,215	484,263	2,468,215	-
Instructional Support Services	399,634	193,785	205,849	193,785	-
Board Expenses	32,000	35,382	(3,382)	35,382	-
General Administration	106,749	108,153	(1,404)	108,153	-
School Administration	479,972	509,110	(29,138)	509,110	-
Fiscal Services	344,131	334,004	10,127	334,004	-
Operation of Plant	926,005	110,782	815,223	32,986	77,796
Maintenance of Plant	171,500	-	171,500	-	-
Community Services	-	334	(334)	334	-
Capital Outlay	-	-	-	2,799	(2,799)
Debt Service	-	7,265	(7,265)	7,265	-
Total Expenditure	**5,412,469**	**3,767,030**	**1,645,439**	**3,692,033**	**74,997**
Excess (Deficiency) of Revenue Over Expenditure	**(910,796)**	**511,212**	**1,422,008**	**594,745**	**83,533**
Other Financing Sources					
Lease Financing	**-**	**-**	-	**2,799**	**2,799**
Net Changes in Fund Balances	**$ (910,796)**	**$ 511,212**	**$ 1,422,008**	**$ 597,544**	**$ 86,332**

"See notes to required supplementary information"

SEACOAST CHARTER ACADEMY, INC.
(A CHARTER SCHOOL AND COMPONENT UNIT OF THE DISTRICT SCHOOL BOARD OF DUVAL COUNTY, FLORIDA)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2026

	Original Budget	Final Budget	Variance - Original to Final Budget	Actual Amounts	Variance - Final to Actual Budget
Revenue					
Federal passed through Local School District	$ 594,492	$ 698,910	$ 104,418	$ 740,965	$ 42,055
Total Revenue	**594,492**	**698,910**	**104,418**	**740,965**	**42,055**
Expenditure					
Current:					
Instruction	-	186,693	(186,693)	186,693	-
Instructional Support Services	-	307,056	(307,056)	307,056	-
General Administration	-	6,461	(6,461)	6,461	-
Food Services	238,694	222,791	15,903	222,791	-
Operation of Plant	71,000	65,836	5,164	65,836	-
Total Expenditure	**309,694**	**788,837**	**(479,143)**	**788,837**	**-**
Net Changes in Fund Balances	**$ 284,798**	**$ (89,927)**	**$ (374,725)**	**$ (47,872)**	**$ 42,055**

"See notes to required supplementary information"

SEACOAST CHARTER ACADEMY, INC.
(A CHARTER SCHOOL AND COMPONENT UNIT OF THE DISTRICT SCHOOL BOARD OF DUVAL COUNTY, FLORIDA)
NOTES TO BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2026

NOTE 1 - BUDGETARY BASIS ACCOUNTING

The school formally adopted a budget for the fiscal year ended June 30, 2026. Budgeted amounts may be amended by resolution of the School Board. Budgets are presented on the modified accrual basis of accounting. The school's legal level of budgetary control is the object level within each fund.

The budgetary comparison schedules present the original budget, the final budget, actual amounts on the budgetary basis, and separate columns for the variance between the original and final budget amounts and the variance between the final budget amounts and actual results.

NOTE 2 – EXPLANATION OF SIGNIFICANT VARIATIONS

Original budget to final budget – General Fund.

Total budgeted expenditures decreased $1,645,439, from $5,412,469 to $3,767,030. The decrease resulted principally from reclassification of the facility lease payments from the General Fund to the Capital Outlay Fund, where they are funded by charter capital outlay, which accounts for the $815,223 reduction in Operation of Plant and the $171,500 reduction in Maintenance of Plant, and from $484,263 reduction in Instruction and the $205,849 reduction in Instructional Support Services. Budgeted revenue decreased $223,431, principally because Other Revenue was originally budgeted at $643,000 and reduced to $319,109.

Final budget to actual – General Fund.

Actual expenditure was $74,997 below the final budget, principally because operation-of-plant costs came in at $32,986 against a final budget of $110,782, partially offset by $2,799 of unbudgeted capital outlay for the copier lease. After facility lease payments and plant maintenance were moved to the Capital Outlay Fund, the remaining general-fund plant appropriation was not fully used (utilities, insurance, and routine occupancy). Actual revenue exceeded the final budget by $8,536, principally because miscellaneous local revenue ("Other Revenue") was $327,645 against a final budget of $319,109. State-through-district revenue and interest each matched the final budget.

Original budget to final budget – Special Revenue Fund.

Budgeted revenue increased $104,418 and budgeted expenditure increased $479,143. The increases resulted principally from federal awards that were not in the original budget: Title I, Title II, Title IV, and the remaining child-nutrition allocation. Those awards were recorded in the Special Revenue Fund when the notices of award were received, and the final budget was amended. Instruction, instructional support, and a small amount of general administration were added to the final budget for that reason; food service and operation of plant were only modestly revised.

Final budget to actual – Special Revenue Fund.

Actual revenue exceeded the final budget by $42,055, principally because federal draws (Title I and child nutrition) for the year were $740,965 against a final budget of $698,910. Actual expenditures equaled the final budget.

OTHER REQUIRED REPORTS

Thomas & Company, CPA, PA
Certified Public Accountants and Business Consultants

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

To the Board of Directors
Seacoast Charter Academy, Inc.
Jacksonville, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Seacoast Charter Academy, Inc. (the School), as of and for the fiscal year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated September 17, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is 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.



Thomas & Company, CPA, PA
Cooper City, Florida
September 17, 2026

Thomas & Company, CPA, PA
Certified Public Accountants and Business Consultants

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

To the Board of Directors
Seacoast Charter Academy, Inc.
Jacksonville, Florida

Report on Financial Statements

We have audited the financial statements of Seacoast Charter Academy, Inc. (the School), as of and for the fiscal year ended June 30, 2026, and have issued our report thereon dated September 17, 2026.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and 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 17, 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 in the preceding annual financial audit report.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires 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 Seacoast Charter Academy, Inc. The school code assigned to the school is 1371.

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Financial Condition and Management

Section 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 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 assessment was based in part on representations made by management and the review of financial information provided by same. Our assessment was performed as of the fiscal year end.

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

Transparency

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

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, 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 which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

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



Thomas & Company, CPA, PA,
Cooper City, Florida
September 17, 2026