The One Room School House Project

A Component Unit of the Alachua County District School Board

Financial Statements
And
Independent Auditors' Reports

June 30, 2026

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

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
The One Room School House Project, Inc.

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of The One Room School House Project (the School), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Emphasis of Matter – Special Purpose Financial Statements

We draw attention to Note 1 to the financial statements which explains that these financial statements are for the One Room School House Project only and are not intended to present the financial position, changes in net position of One Room School House Project, Inc. As a result, these financial statements may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

Report on the Audit of the Financial Statements (concluded)

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

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

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

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

Required Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

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

Kattell and Company, P.L.

Gainesville, Florida
October 12, 2026

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

Management's Discussion and Analysis
June 30, 2026
The One Room School House Project
A Component Unit of the Alachua County District School Board

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

The following are various financial highlights for fiscal year 2026:

- The School's overall net position increased by approximately $313,000, which is about 14%.
- Total ending unrestricted net position was approximately $1,705,000.
- The School had total expenses for the year of about $2,393,000 compared to revenues of approximately $2,706,000.
- The School educated 172 students in 2026 and 176 students in 2025 serving grades K through 5. The School also provided Voluntary Pre-Kindergarten Services to 32 and 30 students in 2026 and 2025, respectively. In addition, the School provided Pre-Kindergarten Services to 11 three-year-olds in 2026 and 2025.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

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

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

Fund Financial Statements

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

The School maintains three individual governmental funds, the General Fund, Special Revenue Fund and Capital Projects Fund. These funds are considered to be major funds and, accordingly, they are separately displayed.

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

CONDENSED FINANCIAL INFORMATION

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

	2026 Governmental Activities	2025 Governmental Activities
Net Position		
Assets:		
Non-capital Assets	$ 1,804,269	$ 1,539,680
Capital Assets, Net	1,643,266	1,643,695
Total Assets	3,447,535	3,183,375
Liabilities:		
Current Liabilities	99,203	90,792
Long Term Liabilities	765,239	822,076
Total Liabilities	864,442	912,868
Net Position:		
Net Invested in Capital Assets	878,027	821,619
Unrestricted	1,705,066	1,448,888
Total Net Position	$ 2,583,093	$ 2,270,507
Change in Net Position		
Program Revenues:		
Charges for Services	$ 382,088	$ 265,588
Operating Grants	90,409	81,151
Capital Grants & Contributions	208,120	158,071
General Revenues:		
Federal	264,340	627,567
Federal through State	162,002	155,255
State	1,355,443	1,381,354
District School Taxes	164,928	188,328
Investment Earnings	62,310	29,667
Unrestricted Grants & Contributions	16,256	15,367
Total Revenues	2,705,896	2,902,348
Program Expenses:		
Instruction	1,151,916	1,001,118
Instructional Support Services	79,933	64,349
General Support	689,220	705,974
Operation of Plant	234,462	285,351
Community Service	205,482	205,502
Interest on Long Term Debt	32,297	34,552
Total Expenses	2,393,310	2,296,846
Change in Net Position	312,586	605,502
Beginning Net Position	2,270,507	1,665,005
Ending Net Position	$ 2,583,093	$ 2,270,507

Management's Discussion and Analysis
June 30, 2026
The One Room School House Project
A Component Unit of the Alachua County District School Board

OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS

Governmental Activities. The governmental activities generated $680,617 in program revenues and $2,025,279 of general revenues, and incurred $2,393,310 of program expenses. This resulted in a $312,586 increase in net position. This compares with an increase in net position of $605,502 in fiscal year 2025. The school received Employee Retention Credit funds in both years, although significantly less in the year ending June 30, 2026.

THE SCHOOL'S INDIVIDUAL FUNDS

General Fund. The fund balance of the General Fund increased by $256,178 from $1,448,888 to $1,705,066. This compares with an increase of fund balance of $615,046 in the fiscal year 2025. Again, the differences are mainly due to the receipt of Employee Retention Credit funds.

Special Revenue Fund. The fund balance of the Special Revenue Fund remained at $0 which means that all grant funds were spent during the year. This is expected due to the nature of the Title I, II and IV grant funds.

Capital Projects Fund. The fund balance of the Capital Projects Fund remained at $0. All revenues for the year were expended on eligible costs.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The School replaced the roof of one building. Otherwise, the School had no significant capital asset activity. Please refer to a note to the accompanying financial statements entitled *Capital Assets and Depreciation* for more detailed information about the School's capital asset activity.

Debt Administration. The School issued no new debt and made the scheduled payments on the existing debt. Please refer to a note to the accompanying financial statements entitled *Long-Term Liabilities* for more detailed information about the School's long-term debt activity.

ECONOMIC FACTORS

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

CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the School's finances and to show the School's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Robin Casey, Chief Executive Officer, 4180 NE 15th Street, Gainesville, Florida 32609.

Statement of Net Position
June 30, 2026
The One Room School House Project
A Component Unit of the Alachua County District School Board

	Governmental Activities
Assets	
Cash	$ 170,365
Investments	1,526,600
Receivables	67,861
Prepaid Expenses	39,443
Capital Assets:	
Land	184,000
Depreciable Capital Assets, Net	1,459,266
Total Assets	3,447,535
Liabilities	
Accounts Payable	65,460
Salaries Payable	33,743
Long Term Debt:	
Due Within One Year	60,236
Due in More Than One Year	705,003
Total Liabilities	864,442
Net Position	
Net Investment in Capital Assets	878,027
Unrestricted	1,705,066
Total Net Position	$ 2,583,093

See accompanying notes.

Statement of Activities
For the Year Ended June 30, 2026
The One Room School House Project
A Component Unit of the Alachua County District School Board

Functions/Programs:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Change in Net Position
Governmental Activities:					
Instruction	$ (1,151,916)	$ 73,757	$ 90,409	$ --	$ (987,750)
Instructional Support Services	(79,933)	--	--	--	(79,933)
General Support	(689,220)	--	--	--	(689,220)
Operation of Plant	(234,462)	--	--	175,823	(58,639)
Community Services	(205,482)	308,331	--	--	102,849
Interest on Long Term Debt	(32,297)	--	--	32,297	--
Total	$ (2,393,310)	$ 382,088	$ 90,409	$ 208,120	(1,712,693)

General Revenues:	
Federal:	
USAC E-Rate Grant	12,852
Employee Retention Credit	251,488
Federal through State:	
Title I Grant	149,691
Other Grants	12,311
State Revenue:	
Florida Education Finance Program	1,355,443
Other State Revenue	--
District School Taxes	164,928
Investment Earnings	62,310
Unrestricted Grants and Contributions	16,256
Total General Revenues	**2,025,279**
Change in Net Position	**312,586**
Net Position – Beginning of Year	**2,270,507**
Net Position – End of Year	**$ 2,583,093**

See accompanying notes.

Balance Sheet – Governmental Funds
June 30, 2026
The One Room School House Project
A Component Unit of the Alachua County District School Board

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
Assets				
Cash	$ 170,365	$ --	$ --	$ 170,365
Investments	1,526,600	--	--	1,526,600
Receivables	67,861	--	--	67,861
Prepaids	39,443	--	--	39,443
Total Assets	**$ 1,804,269**	**$ --**	**$ --**	**$ 1,804,269**
Liabilities and Fund Balances				
Liabilities:				
Accounts Payable	$ 65,460	$ --	$ --	$ 65,460
Salaries Payable	33,743	--	--	33,743
Total Liabilities	99,203	--	--	99,203
Fund Balances:				
Non-spendable - Prepaids	39,443	--	--	39,443
Unassigned	1,665,623	--	--	1,665,623
Total Fund Balances	1,705,066	--	--	1,705,066
Total Liabilities and Fund Balances	**$ 1,804,249**	**$ --**	**$ --**	**$ 1,804,249**

See accompanying notes.

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

June 30, 2026

The One Room School House Project

A Component Unit of the Alachua County District School Board

Fund Balances – Total Governmental Funds	$ 1,705,066
Amounts reported for Governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not reported in the governmental funds:	
Capital Assets – Net of Accumulated Depreciation	1,643,266
Long-term liabilities are not reported in the governmental funds:	
Long Term Debt	(765,239)
Net Position of Governmental Activities	$ 2,583,093

See accompanying notes.

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

For the Year Ended June 30, 2026

The One Room School House Project

A Component Unit of the Alachua County District School Board

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
Revenues				
Federal:				
USAC E-Rate Grant	$ 12,852	$ --	$ --	$ 12,852
Employee Retention Credit	251,488	--	--	251,488
Federal through State:				
Title I Grant	--	149,691	--	149,691
Other Federal through State Grants	--	12,311	--	12,311
State Revenue:				
Florida Education Finance Program	1,355,443	--	--	1,355,443
Public Education Capital Outlay	--	--	114,660	114,660
Voluntary Pre-Kindergarten	90,409	--	--	90,409
Other State Revenue	--	--	--	--
Local Revenue:				
District School Taxes	164,928	--	--	164,928
District Capital Improvement	--	--	93,460	93,460
School Age Child Care Fees	308,331	--	--	308,331
Other Local Revenues	152,323	--	--	152,323
Total Revenues	**2,335,774**	**162,002**	**208,120**	**2,705,896**
Expenditures and Changes in Fund Balances				
Expenditures:				
Current:				
Instruction	1,001,506	150,410	--	1,151,916
Instructional Support Services	68,341	11,592	--	79,933
General Support	609,034	--	--	609,034
Operation of Plant	195,233	--	--	195,233
Community Services	205,482	--	--	205,482
Capital Outlay	--	--	118,986	118,986
Debt Service:				
Principal	--	--	56,837	56,837
Interest	--	--	32,297	32,297
Total Expenditures	**2,079,596**	**162,002**	**208,120**	**2,449,718**
Change in Fund Balance	**256,178**	--	--	**256,178**
Fund Balances, July 1, 2025	**1,448,888**	**--**	**--**	**1,448,888**
Fund Balances, June 30, 2026	**$ 1,705,066**	**$ --**	**$ --**	**$ 1,705,066**

See accompanying notes.

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

For the Year Ended June 30, 2026

The One Room School House Project

A Component Unit of the Alachua County District School Board

Net Change in Fund Balance – Total Governmental Funds	$	256,178
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.		
Current Year Expenditures for Capital Assets		79,757
Current Year Depreciation Expense		(80,186)
Issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position. Repayment of principal is an expenditure in governmental funds, but reduces long-term liabilities in the statement of net position.		
Current Year Principal Payments and Other Reductions		56,837
Change in Net Position of Governmental Activities	$	312,586

See accompanying notes.

NOTE 1 – REPORTING ENTITY

The One Room School House Project, Inc. (the Corporation) is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes and the Florida Not For Profit Corporation Act. The governing body of the Corporation is the Board of Directors.

Since its inception, the Corporation has operated the One Room School House Project (the "School"), an elementary charter school in Gainesville, Florida. During the year ended June 30, 2025, the Corporation began operating the One Room Academy (the Academy), a private school. These special purpose financial statements are those of the School only, and are not intended to present the financial position of the governmental activities and each major fund and the respective changes in financial position of the Corporation.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, the Alachua County District School Board (the District). The current charter is effective until June 30, 2029, and may be renewed provided that a program review demonstrates that certain criteria addressed in Section 1002.33(7), Florida Statutes, have been successfully accomplished. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter, in which case the District is required to notify the School in writing at least 90 days prior to the charter's expiration. Pursuant to Section 1002.33(8)(e), Florida Statutes, the charter school contract provides that in the event the School is dissolved or terminated, any unencumbered funds and all School property purchased with public funds automatically revert to the District. During the term of the charter, the District may also terminate the charter if good cause is shown.

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-wide Financial Statements

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

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

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government-wide Financial Statements (concluded)

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

Fund Financial Statements

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

The following governmental funds are used by the School:

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

Special Revenue Fund – The Special Revenue Fund is used to account for financial resources associated with grants that are restricted to operational uses.

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

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

Measurement Focus and Basis of Accounting

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

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

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

Cash

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

Investments are recorded at fair value.

Prepaid Items

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

Capital Assets and Depreciation

Capital assets are defined by the School as assets with an initial, individual cost of $2,500 or more and an estimated useful life of more than one year. These assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value on the date of donation. Depreciable capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	15 - 30
Furniture, Fixtures and Equipment	3

Revenue Sources

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

Compensated Absences

Any unused leave does not carry over from one year to the next. Therefore, no liability for compensated absences in recorded.

Long-term Liabilities

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

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

Net Position

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

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

Fund Balance Classifications

Governmental funds report separate classifications of fund balance.

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

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

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

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

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

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

Use of Estimates

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

NOTE 3 – INVESTMENTS

The School's investments consist of the following:

	FDIC Insured	Uninsured	Total
Cash	$ 346	$ --	$ 346
Certificate of Deposit	150,000	--	150,000
Mutual Funds – Level I	--	205,970	205,970
Annuity Contract – Level II	--	1,170,283	1,170,283
Total	**$ 150,346**	**$ 1,376,253**	**$ 1,526,600**

Certificate of Deposit: In January 2026, the School purchased a six-month, $150,000 certificate of deposit, with an interest rate of $3.75%, which is insured by Federal Deposit Insurance Corporation.

Mutual Funds: In January 2026, the School purchased shares in a mutual fund that invests in a diversified portfolio composed of short duration, investment-grade money market and other fixed income securities.

Annuity Contracts: In January 2025, the School invested $600,000 in two five-year, fixed index annuity agreements. In July 2025, the School invested an additional $500,000 into two additional five-year, fixed index annuity agreements. The annuities include a guaranteed principal provision and a guaranteed annual interest rate. Up to 10% can be withdrawn each year without a penalty. Surrender value at year end is $1,081,175. Annuities are valued at contract value which approximates fair value. Fair value is measured using Level 2 inputs.

NOTE 4 – CAPITAL ASSETS AND DEPRECIATION

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

	Balance July 1, 2025	Additions	Deletions	Balance June 30, 2026
Capital Assets not Being Depreciated:				
Land	$ 184,000	$ --	$ --	$ 184,000
Capital Assets Being Depreciated:				
Buildings	1,979,059	72,807	--	2,051,866
Furniture, Fixtures & Equipment	88,064	6,950	--	95,014
Total Capital Assets Being Depreciated	2,067,123	79,757	--	2,146,880
Accumulated Depreciation				
Buildings	557,520	67,789	--	625,309
Furniture, Fixtures & Equipment	49,908	12,397	--	62,305
Total Accumulated Depreciation	607,428	80,186	--	687,614
Net Capital Assets	$ 1,643,695	$ (429)	$ --	$ 1,643,266

Depreciation was charged to functions/programs as follows:

Instruction	$ --
General Support	80,186
Total Depreciation Expense	$ 80,186

NOTE 5 – RISK MANAGEMENT

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

NOTE 6 – LONG-TERM LIABILITIES

A summary of changes in long-term liabilities follows:

	Balance July 1, 2025	Additions	Deductions	Balance June 30, 2026	Amount Due In 1 Year
Mortgage Note Payable	$ 822,076	$ --	$ (56,837)	$ 765,239	$ 60,236

In January 2017, the School borrowed $1,730,000 to purchase its facilities. In March 2022, the agreement with Capital City Bank was modified. The modified mortgage is amortized over 15 years, and carries a fixed rate of 4% for the first five years, with a monthly payment of $7,428. The monthly payment increases to $7,606 in year six with a variable rate based on changes in an independent index which is the weekly average yield on United States Treasury Securities adjusted to a constant maturity of one year. The following is a schedule of future minimum debt services requirements:

Year Ending June 30,	Principal	Interest	Payment
2027	$ 60,236	$ 29,431	$ 89,667
2028	64,332	26,939	91,271
2029	66,953	24,318	91,271
2030	69,681	21,590	91,271
2031	72,519	18,752	91,271
2032	75,474	15,797	91,271
2033-2037	356,044	31,283	386,800
Total	$ 765,239	$ 168,110	$ 933,349

NOTE 7 – COMMITMENTS

The School has a contract with Charter Schools of Florida for professional consulting services. The contract states the services will be provided for the next two years in the amount of $60,000 per year.

NOTE 8 – CONTINGENCIES

The School is subject to occasional lawsuits and claims arising in the normal conduct of business. In the opinion of management, the ultimate disposition of these matters, if any, will not have a significant impact on the financial position of the School. The School received $251,488 from the U.S. Treasury under the Employee Retention Credit program. Management does not expect any material repayment following potential IRS review.

NOTE 9 – RELATED PARTY TRANSACTIONS

During the year ended June 30, 2026, the School paid approximately $17,000 in compensation to an employee who is related to the School's Principal. In addition, the School paid approximately $70,000 to a business whose owner is related to the School's Chief Executive Officer. Finally, the School was reimbursed for shared staff and facilities with the One Room Academy.

Budgetary Comparison Schedule – General Fund

For the Year Ended June 30, 2026

The One Room School House Project

A Component Unit of the Alachua County District School Board

	Budgeted Amounts		Variance with Original and Final	Actual Amounts	Variance with Final Budget and Actual
	Original	Final			
Revenues					
Revenues:					
Federal:					
USAC-Erate Grant	$ 13,688	$ 13,688	$ --	$ 12,852	$ (836)
Employee Retention Credit	--	251,488	251,488	251,488	--
State Revenue:					
Florida Education Finance Program	1,465,000	1,465,000	--	1,355,443	(109,557)
Voluntary Pre-Kindergarten Program	100,000	100,000	--	90,409	(9,591)
Other State Revenue	--	--	--	--	--
Local Revenue:					
District School Taxes	145,000	145,000	--	164,928	19,928
School Age Child Care Fees	231,000	231,400	400	308,331	76,931
Other Local Revenue	44,000	36,034	(7,966)	152,323	116,289
Total Revenues	**1,998,688**	**2,242,610**	**243,922**	**2,335,774**	**93,164**
Expenditures and Changes in Fund Balances					
Expenditures:					
Current:					
Instruction	1,029,369	997,716	(31,653)	1,001,506	3,790
Instructional Support Services	77,051	63,596	(13,455)	68,341	4,745
General Support	493,533	512,728	19,195	609,034	96,306
Operation of Plant	186,272	206,272	20,000	195,233	(11,039)
Community Services	193,746	189,926	(3,820)	205,482	15,556
Total Expenditures	**1,979,971**	**1,970,238**	**(9,733)**	**2,079,596**	**109,358**
Change in Fund Balance	**18,717**	**272,372**	**253,655**	**256,178**	**(16,194)**
Fund Balances, July 1, 2025	**--**	**--**	--	**1,448,888**	**1,488,888**
Fund Balances, June 30, 2026	**$ 18,717**	**$ 272 372**	**$ 253,655**	**$ 1,705,066**	**$1,472,694**

Notes to Schedule:

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

Note 2 – Differences between original to final budget.

- The budget was amended to reflect receipt of the Employee Retention Credit funds.

Note 3 – Differences between final budget to actual.

- The School adopted a budget based on a higher enrollment than actual.
- The School's investments earnings were in excess of the original budget.
- The School used the excess earnings for teacher pay and facility improvements.

Budgetary Comparison Schedule – Special Revenue Fund

For the Year Ended June 30, 2026

The One Room School House Project

A Component Unit of the Alachua County District School Board

	Budgeted Amounts		Variance with		Variance with
	Original	Final Budget Over Actual	Original and Final	Actual Amounts	Final Budget and Actual
Revenues					
Revenues:					
Federal through State:					
Title I Grant	$ 126,000	$ 126,000	$ --	$ 149,691	$ 23,691
Other	--	11,455	11,455	12,311	856
Total Revenues	**126,000**	**137,455**	**11,455**	**162,002**	**24,547**
Expenditures and Changes in Fund Balances					
Expenditures:					
Current:					
Instruction	126,000	126,000	--	150,410	24,410
Instructional Support Services	--	11,455	11,455	11,592	137
General Support	--	--	--	--	--
Operation of Plant	--	--	--	--	--
Community Services	--	--	--	--	--
Total Expenditures	**126,000**	**137,455**	**11,455**	**162,002**	**24,547**
Change in Fund Balance	--	--	--	--	--
Fund Balances, July 1, 2025	--	--	--	--	--
Fund Balances, June 30, 2026	**$ --**	**$ --**	**$ --**	**$ --**	**$ --**

Notes to Schedule:

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

Note 2 – Differences between final budget to actual. The School adopted conservative budgets, but used all available funding during the year.

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COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

October 12, 2026

To the Board of Directors
The One Room School House Project, Inc.

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

Qualitative Aspects of Accounting Practices

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

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

Disclosures. There are no disclosures that are particularly sensitive.

Corrected and Uncorrected Misstatements. Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The audit identified no material adjustments or uncorrected misstatements.

Our Working Relationship with Management

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

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

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

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

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

* * * * * * * *

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

Kattell and Company, P.L.

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MANAGEMENT LETTER

To the Board of Directors,
The One Room School House Project, Inc.

October 12, 2026

Report on the Financial Statements. We have audited the financial statements of The One Room School House Project, (the School), as of and for the fiscal year ended June 30, 2026, and have issued our report thereon dated October 12, 2026.

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

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

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

Official Title. Section 10.854(1)(e)5, Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title of the entity is The One Room School House Project, and the school code assigned by the Florida Department of Education is 01-0950.

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

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

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

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

Additional Matters. Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not identify any such noncompliance.

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

* * * * * * *

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

Kattell and Company, P.L.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors, October 12, 2026
The One Room School House Project, Inc.

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

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

School's Response to Finding

The School's response to the finding identified in the Schedule of Findings is described in the accompanying letter from the School. The School's response was not subjected to auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

* * * * * * *

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

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Kattell and Company, P.L.

Schedule of Findings
June 30, 2026
The One Room School House Project

A Component Unit of the Alachua County District School Board

2026-001 Significant Deficiency

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

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

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

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

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

Board Members
Michele Borst
Sevan Terzian
Jeanne Minsavage
Steven Borst
Lee Ann Laffey
Cheryl Valantis

Board Representative
Neil Drake

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Gainesville's first public charter school since 1997

Principal
Sarah Mosley

10/12/2026

We appreciate the identification of this finding and take the matter seriously. Our organization had been successfully utilizing an outside accounting service in good faith for many years, relying on their professional expertise and the accuracy of the accounting services provided.

However, considering the adjustments and corrections identified during the audit, we have determined that a change in our accounting procedures is necessary. We will no longer be utilizing this accounting service moving forward.

To strengthen our internal financial oversight and ensure greater accuracy and accountability, we will be handling our monthly accounting adjustments in-house. Additionally, we will retain the services of other qualified accounting professionals on an as-needed basis to provide support, guidance, and review when necessary.

We are committed to addressing the concerns identified, improving our accounting processes, and implementing procedures that promote accuracy, transparency, and accountability in our financial reporting moving forward.

Sincerely,

RCasey

Robin Casey