Tradition Preparatory High School

A Department of Renaissance Charter School, Inc.
(A Component Unit of the School
District of St. Lucie County, Florida)

Basic Financial Statements
For the Year Ended June 30, 2026

Tradition Preparatory High School

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Tradition Preparatory High School
Port St. Lucie, 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 the Tradition Preparatory High School (the "School"), a Department of Renaissance Charter School, Inc. and a component unit of the School District of St. Lucie County, Florida, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the School, as of June 30, 2026, and the respective changes in its 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*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements of the School are intended to present the financial position and changes in financial position of only that portion of the governmental activities and each major fund of Renaissance Charter School, Inc. that is attributable to the transactions of the School. They do not purport to, and do not, present fairly the financial position of Renaissance Charter School, Inc. as of June 30, 2026, or its changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

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.

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 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.

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.

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.

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Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 and the budgetary comparison information on pages 27 through 29 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 GAAS, 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 25, 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.

Citrin Cooperman & Company, LLP

Fort Lauderdale, Florida
September 25, 2026

"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNL). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Tradition Preparatory High School (the "School"), a Department of Renaissance Charter School, Inc. and a component unit of the School District of St. Lucie County, Florida, we offer readers of the School's financial statements this narrative overview and analysis of the financial activities of the School for the years ended June 30, 2026 and 2025.

Management's discussion and analysis is included at the beginning of the School's financial statements to provide, in layman's terms, the past and current position of the School's financial condition. This summary should not be taken as a replacement for the audit which consists of the financial statements.

Financial Highlights

Our financial statements provide these insights into the results of this year's operations.

- As of June 30, 2026, the School's governmental fund balances were $ 2,339,553, as compared to $ 2,310,868 as of June 30, 2025.

- As of June 30, 2026, the School had a net position (deficit) of $ (7,289,102), as compared to a net position of $ (6,535,749) as of June 30, 2025.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School's financial statements. The School's financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-Wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the School's finances, in a manner similar to a private sector business.

The statement of net position (deficit) presents information on all of the School's assets, liabilities, and deferred inflows/outflows of resources, with the difference between the components reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.

The statement of activities presents information showing how the School's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected revenues and services rendered but unpaid).

The government-wide financial statements include all governmental activities that are principally supported by grants and entitlements from the state for full-time equivalent funding. The School does not have any business-type activities. The governmental activities of the School primarily include instruction and instructional support services.

The government-wide financial statements can be found on pages 9 and 10 of this report.

Overview of the Financial Statements (continued)

Fund Financial Statements: 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 other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the School's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School maintains several individual governmental funds. Information is presented in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The General Fund, Grants Fund, Capital Projects Fund and Club and Activities Fund are considered to be the School's major funds.

The School adopts an annual budget for its governmental funds except for the Capital Projects Fund and the Club and Activities Fund. A budgetary comparison schedule has been provided for the General Fund and Grants Fund to demonstrate compliance with the budget.

The governmental funds financial statements can be found on pages 11 through 14 of this report.

Notes to Financial Statements: The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 15 through 26 of this report.

Financial Summary and Detailed Analysis

Government-Wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of financial position. In the case of the School, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $ 7,289,102 at the close of the most recent fiscal year.

Government-Wide Financial Analysis (continued)

Our analysis in the table below focuses on the net position (deficit) of the School's governmental activities:

Tradition Preparatory High School
Net Position (Deficit)

	June 30, 2026	June 30, 2025	Variance
Assets:			
Current and other assets	$ 2,976,828	$ 3,210,780	$ (233,952)
Capital assets, net	23,258,415	23,983,487	(725,072)
Total assets	26,235,243	27,194,267	(959,024)
Liabilities:			
Other liabilities	878,316	1,116,570	(238,254)
Long-term liabilities	32,646,029	32,613,446	32,583
Total liabilities	33,524,345	33,730,016	(205,671)
Net Position (Deficit):			
Net investment in capital assets	(7,348,038)	(6,596,273)	(751,765)
Restricted	119,848	100,969	18,879
Unrestricted	(60,912)	(40,445)	(20,467)
Total net position (deficit)	$ (7,289,102)	$ (6,535,749)	$ (753,353)

Current and other assets decreased mainly due to a decrease in the School's cash position attributable to a decrease in Florida Educational Finance Program ("FEFP") revenues. Capital assets, net of depreciation decreased due to the current depreciation expense of $ 1,023,429 offset by purchase of new assets of $ 298,357. Other liabilities decreased mainly due to a decrease in amounts due to the management company due to a current year contribution. Long-term liabilities had a slight increase due to the issuance of a new note payable, net of principal payments made on the note.

Governmental Activities: The School's overall net position (deficit) decreased $ 753,353 from the prior fiscal year. The reasons for this overall decrease are discussed in the following section for governmental activities.

Tradition Preparatory High School
Change in Net Position (Deficit)

	June 30, 2026	June 30, 2025	Variance
Revenues:			
Program revenues:			
Charges for services	$ -	$ 2,950	$ (2,950)
Operating grants and contributions	961,077	578,005	383,072
Capital grants and contributions	750,801	771,929	(21,128)
General revenues:			
FEFP and other nonspecific revenues	6,150,346	8,284,436	(2,134,090)
Interest income	144,290	167,962	(23,672)
Contributions	1,597,394	-	1,597,394
Miscellaneous income	1,600	15,000	(13,400)
Total revenues	$ 9,605,508	$ 9,820,282	$ (214,774)

Governmental Activities: (continued)

Tradition Preparatory High School
Change in Net Position (Deficit) (continued)

	June 30, 2026	June 30, 2025	Variance
Functions/Program Expenses:			
Instruction	$ 4,196,997	$ 4,808,753	$ (611,756)
Student support services	453,287	506,117	(52,830)
Instructional staff training services	78,624	34,552	44,072
Instruction-related technology	303,978	208,991	94,987
Board services	86,772	76,907	9,865
General administration	28,631	-	28,631
School administration	1,249,200	875,672	373,528
Fiscal services	5,136	230,487	(225,351)
Transportation services	12,939	16,963	(4,024)
Central services	21,963	107,466	(85,503)
Operation of plant	1,474,257	1,489,557	(15,300)
Maintenance of plant	291,340	286,184	5,156
Administrative technology services	68,587	-	68,587
Community services	18,657	10,351	8,306
Extracurricular activities	269,697	324,795	(55,098)
Interest on long-term debt	1,798,796	1,797,400	1,396
Total expenses	10,358,861	10,774,195	(415,334)
Change in net position (deficit)	(753,353)	(953,913)	200,560
Net position (deficit)-beginning	(6,535,749)	(5,581,836)	(953,913)
Net position (deficit)-ending	$ (7,289,102)	$ (6,535,749)	$ (753,353)

Program revenues increased mainly due to an increase in Advanced International Certification of Education (AICE) Advanced Placement funding in the current year offset by a slight decrease in capital outlay revenues. General revenues decreased due to a decrease in student funding caused by a decline in enrollment, a decrease that was partially offset by a management contribution in the current year. Total expenses decreased primarily due to fewer instructional expenses necessary to service the smaller student population and the management fee for the current year declining to zero, offset by an increase in school administration costs.

Financial Analysis of Governmental Funds

The General Fund is the chief operating fund of the School. At the end of the current fiscal year, unassigned fund balance of the General Fund was $ 9,384, while total fund balance increased to $ 2,219,705. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents 0.11% of total General Fund expenditures, while total fund balance represents 25.95% of that same amount.

Financial Analysis of Governmental Funds (continued)

The fund balance of the School's General Fund increased by $ 9,806 during the current fiscal year. The increase was due to a substantial contribution in the current year.

The Grants Fund does not have an increase or decrease in fund balance during the fiscal year, as this fund reports federal and certain state expenditures reimbursement grants.

The Capital Projects Fund does not have an increase or decrease in fund balance during the fiscal year as this fund reports state and local capital outlay funding that is used to cover a portion of interest expenditures.

The Club and Activities Fund experienced an increase in fund balance during the current fiscal year due to increased extracurricular activity revenues.

Significant Capital Assets and Long-term Financing Activity

Capital assets: At June 30, 2026, the School had capital assets of $ 23,258,415 net of accumulated depreciation and amortization, as compared to $ 23,983,487 at June 30, 2025, invested in lease assets, buildings, improvements other than building, computer equipment and furniture, fixtures and equipment. Major capital assets additions for the year included $ 298,357 for a turf installation, a security system, classroom furniture and student laptops. Additional information on the School's capital assets can be found in Note 7 of this report.

Debt: At June 30, 2026, the School had outstanding debt of $ 32,605,754 as compared with $ 32,579,061 at June 30, 2025. The increase is a result of new note payable borrowing for the purchases of classroom computers. Additional information on the School's debt can be found in Notes 8 through 10 of this report.

Currently Known Facts, Decisions, or Conditions

In fiscal year 2026, the state of Florida continued to include a teacher salary increase allocation of $ 1.36 billion. The capital outlay funding pool was $ 231 million.

For fiscal year 2027, the funding for teacher salaries and other instructional personnel will be $ 1.56 billion. Additionally, the state of Florida approved an increase to the base funding allocation and capital outlay. A 2% merit increase for all staff was included in the budget. All other expenditures are budgeted in alignment with the enrollment changes and with the School's strategic objectives.

Requests for Information

If you have questions about this report or need additional information, please contact Kera Robinson, Controller - School Accounting; Charter Schools USA, 800 Corporate Drive, Suite 700, Fort Lauderdale, Florida 33334.

BASIC
FINANCIAL STATEMENTS

Tradition Preparatory High School
Statement of Net Position (Deficit)
June 30, 2026

	Governmental Activities
Current Assets:	
Cash and cash equivalents	$ 563,925
Due from other governments	49,871
Due from related parties	39,792
Due from management company	56,603
Other receivables	56,316
Prepaid items	192,051
Deposits	18,969
Total current assets	977,527
Noncurrent Assets:	
Restricted investments	1,999,301
Capital assets (depreciable and amortizable), net of accumulated depreciation and amortization	23,258,415
Total noncurrent assets	25,257,716
Total assets	26,235,243
Current Liabilities:	
Accounts payable and accrued expenses	116,793
Salaries and wages payable	344,167
Due to related parties	176,315
Accrued interest payable	241,041
Compensated absences	30,206
Note payable	13,221
Total current liabilities	921,743
Noncurrent Liabilities:	
Compensated absences	10,069
Bonds payable, net	29,896,526
Note payable	13,472
Lease payable	2,682,535
Total noncurrent liabilities	32,602,602
Total liabilities	33,524,345
Net Position (Deficit):	
Net investment in capital assets	(7,348,038)
Restricted for extracurricular activities	119,848
Unrestricted	(60,912)
Total net position (deficit)	$ (7,289,102)

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

Tradition Preparatory High School
Statement of Activities
For the Year Ended June 30, 2026

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Governmental Activities: Net Revenue (Expense) and Change in Net Position (Deficit)
Functions/Programs:					
Instruction	$ 4,196,997	$ -	$ 642,460	$ -	$ (3,554,537)
Student support services	453,287	-	-	-	(453,287)
Instructional staff training services	78,624	-	19,534	-	(59,090)
Instruction-related technology	303,978	-	-	-	(303,978)
Board services	86,772	-	-	-	(86,772)
General administration	28,631	-	-	-	(28,631)
School administration	1,249,200	-	-	-	(1,249,200)
Fiscal services	5,136	-	-	-	(5,136)
Transportation services	12,939	-	14,430	-	1,491
Central services	21,963	-	-	-	(21,963)
Operation of plant	1,474,257	-	-	-	(1,474,257)
Maintenance of plant	291,340	-	-	-	(291,340)
Administrative technology services	68,587	-	-	-	(68,587)
Community services	18,657	-	-	-	(18,657)
Extracurricular activities	269,697	-	284,653	-	14,956
Interest on long-term debt	1,798,796	-	-	750,801	(1,047,995)
Total governmental activities	$ 10,358,861	$ -	$ 961,077	$ 750,801	(8,646,983)
General revenues:					
FEFP and other nonspecific revenues					6,150,346
Interest income					144,290
Corporate contributions					1,597,394
Miscellaneous income					1,600
Total general revenues					7,893,630
Change in net position (deficit)					(753,353)
Net position (deficit), July 1, 2025					(6,535,749)
Net position (deficit), June 30, 2026					$ (7,289,102)

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

Tradition Preparatory High School
Balance Sheet - Governmental Funds
June 30, 2026

	General Fund	Grants Fund	Capital Projects Fund	Club and Activities Fund	Total
Assets:					
Cash and cash equivalents	$ 404,614	$ -	$ -	$ 159,311	$ 563,925
Other receivables	56,316	-	-	-	56,316
Due from other governments	19,002	-	30,869	-	49,871
Due from related parties	39,792	-	-	-	39,792
Due from other funds	70,332	-	-	-	70,332
Due from management company	56,603	-	-	-	56,603
Prepaid items	192,051	-	-	-	192,051
Deposits	18,969	-	-	-	18,969
Restricted investments	1,999,301	-	-	-	1,999,301
Total assets	$ 2,856,980	$ -	$ 30,869	$ 159,311	$ 3,047,160
Liabilities:					
Accounts payable and accrued expenses	$ 116,793	$ -	$ -	$ -	$ 116,793
Salaries and wages payable	344,167	-	-	-	344,167
Due to related parties	176,315	-	-	-	176,315
Due to other funds	-	-	30,869	39,463	70,332
Total liabilities	637,275	-	30,869	39,463	707,607
Fund Balances:					
Nonspendable:					
Prepaid items	192,051	-	-	-	192,051
Deposits	18,969	-	-	-	18,969
Restricted for debt service	1,999,301	-	-	-	1,999,301
Restricted for extracurricular activities	-	-	-	119,848	119,848
Unassigned	9,384	-	-	-	9,384
Total fund balances	2,219,705	-	-	119,848	2,339,553
Total liabilities and fund balances	$ 2,856,980	$ -	$ 30,869	$ 159,311	$ 3,047,160

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

Tradition Preparatory High School
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position (Deficit)
June 30, 2026

Total Fund Balances - Governmental Funds		$ 2,339,553
Amounts reported for governmental activities in the statement of net position (deficit) are different because:		
The cost of capital assets acquired is reported as an expenditure in the governmental funds statements. The statement of net position (deficit) includes those capital assets, net of accumulated depreciation and amortization, among the assets of the School as a whole.		
Cost of capital assets	$ 28,414,817	
Accumulated depreciation and amortization	(5,156,402)	23,258,415
Liabilities not payable with current available resources are not reported as fund liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide statements.		
Accrued interest payable	$ (241,041)	
Compensated absences	(40,275)	
Bonds payable, net	(29,896,526)	
Lease payable	(2,682,535)	
Note payable	(26,693)	(32,887,070)
Net Position (Deficit) of Governmental Activities		$ (7,289,102)

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

Tradition Preparatory High School
Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2026

	General Fund	Grants Fund	Capital Projects Fund	Club and Activities Fund	Total
Revenues:					
Federal sources	$ -	$ 48,021	$ -	$ -	$ 48,021
State sources	6,104,884	-	502,508	-	6,607,392
Local sources	2,272,859	-	248,293	284,653	2,805,805
Interest income	140,367	-	-	3,923	144,290
Total revenues	8,518,110	48,021	750,801	288,576	9,605,508
Expenditures:					
Current:					
Instruction	3,970,792	11,979	-	-	3,982,771
Student support services	453,287	-	-	-	453,287
Instructional staff training services	59,090	19,534	-	-	78,624
Instruction-related technology	155,743	-	-	-	155,743
Board services	86,772	-	-	-	86,772
General administration	28,631	-	-	-	28,631
School administration	1,249,200	-	-	-	1,249,200
Fiscal services	5,136	-	-	-	5,136
Transportation services	12,939	-	-	-	12,939
Central services	21,963	-	-	-	21,963
Operation of plant	814,194	-	-	-	814,194
Maintenance of plant	291,340	-	-	-	291,340
Administrative technology services	61,792	-	-	-	61,792
Community services	18,657	-	-	-	18,657
Extracurricular activities	-	-	-	269,697	269,697
Capital outlay	286,318	12,039	-	-	298,357
Debt service:					
Principal	13,727	-	-	-	13,727
Interest	1,023,612	-	750,801	-	1,774,413
Total expenditures	8,553,193	43,552	750,801	269,697	9,617,243
Excess (deficiency) of revenues over (under) expenditures	(35,083)	4,469	-	18,879	(11,735)
Other Financing Sources (Uses):					
Issuance of note payable	40,420	-	-	-	40,420
Transfer in	4,469	-	-	-	4,469
Transfer out	-	(4,469)	-	-	(4,469)
Total other financing sources (uses)	44,889	(4,469)	-	-	40,420
Net change in fund balances	9,806	-	-	18,879	28,685
Fund Balances, July 1, 2025	2,209,899	-	-	100,969	2,310,868
Fund Balances, June 30, 2026	$ 2,219,705	$ -	$ -	$ 119,848	$ 2,339,553

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

Tradition Preparatory High School
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2026

Net Change in Fund Balances - Governmental Funds		$ 28,685
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 costs of those assets are depreciated and amortized over their estimated useful lives as depreciation and amortization.		
Capital outlays	$ 298,357	
Depreciation and amortization	(1,023,429)	(725,072)
Principal payments on long-term debt are reported as an expenditure in the governmental funds, but as a reduction of long-term liabilities in the statement of net position (deficit).		13,727
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position		(40,420)
Certain items reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental funds.		
Change in compensated absences	$ (5,890)	
Change in accrued interest payable	(24,383)	(30,273)
Change in Net Position (Deficit) of Governmental Activities		$ (753,353)

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

Note 1 - Organization and Operations

The Renaissance Charter School, Inc. ("RCS") was organized in August 1998 as a Florida nonprofit corporation. Tradition Preparatory High School (the "School") is a Department of RCS and is established as a charter school to serve students from ninth to twelfth grade in St. Lucie County. There were 749 students enrolled for the 2025/2026 school year.

The financial statements of the School present only the balances, activity and disclosures related to the School. They do not purport to, and do not, present fairly the financial position of RCS as of June 30, 2026, and its changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Note 2 - Summary of Significant Accounting Policies

Reporting entity: The School operates under a charter granted by the sponsoring School District of St. Lucie County (the "District"). The current charter is effective until June, 2041 and may be renewed in increments of five years by mutual written agreement between the School and the District. 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 ninety 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.

The School may also be financially accountable if an organization is fiscally dependent on the School regardless of whether the organization has a separately elected governing board, a governing board appointed by another government, or a jointly approved board. In addition, component units can be other organizations for which the nature and significance of their relationship with the School are such that exclusion would cause the financial statements to be misleading or incomplete.

As a result of evaluating the above criteria, management has determined that no component units exist for which the School is financially accountable, which would require inclusion in the School's financial statements.

Basis of presentation: The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Government-wide financial statements: Government-wide financial statements, including the statement of net position (deficit) and the statement of activities, present information about the School as a whole.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the School's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function.

Note 2 - Summary of Significant Accounting Policies (continued)

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School.

Fund financial statements: Fund financial statements report detailed information about the School in the governmental funds. The focus of governmental funds financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Because the focus of governmental funds financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental funds financial statements.

The School's major governmental funds are as follows:

General Fund - This fund is used to account for all operating activities of the School except for those required to be accounted for in another fund.

Grants Fund - This special revenue fund is used to account for federal grants and certain state grants that are legally restricted for specific program purposes. The fund also accounts for food service operations and related revenues and expenditures that are restricted for food service activities.

Capital Projects Fund - This fund is used to account for state and local capital outlay funding that is legally restricted to expenditures for particular purposes.

Club and Activities Fund - This special revenue fund is used to administer funds raised and earned by the various clubs and activities that are part of the School but restricted for use in the extracurricular activities.

During the course of operations, the School has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds. While these balances are reported in the governmental fund financial statements, they are eliminated in the preparation of the government-wide financial statements.

Basis of accounting: Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are prepared using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are prepared using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School considers revenues to be available if they are collected within 120 days of the end of the current period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source.

Note 2 - Summary of Significant Accounting Policies (continued)

All other revenue items are considered to be measurable and available only when cash is received by the School. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Student funding is provided by the State of Florida through the District. Such funding is recorded as FEFP revenue in the government-wide financial statements and state source revenue in the fund financial statements. This funding is received on a prorated basis over a twelve-month period and is adjusted for changes in full-time equivalent student population.

Cash and cash equivalents: The School considers all demand accounts and short-term investments with a maturity of three months or less when purchased to be cash and cash equivalents. The School maintains its cash accounts with one financial institution. The School's accounts at this institution, at times, may exceed the federal insured limit, however, the School's deposits are collateralized in accordance with Chapter 280 of the Florida Statutes (Note 3).

Prepaid items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Income taxes: The School is a department of a nonprofit corporation. Revenue of the School is derived primarily from other governmental entities. The School is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in these financial statements.

Capital assets: Capital assets purchased or acquired are capitalized at historical cost or estimated historical cost. Capital assets are defined by the School as assets with an initial cost equal to or greater than $ 750 and useful life of over one year. Donated capital assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related capital assets. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all capital assets is provided on the straight-line basis over the estimated useful lives as follows:

Building	45 years
Improvements other than building	10 years
Furniture, fixtures and equipment	5 years
Computer equipment	3 years

Note 2 - Summary of Significant Accounting Policies (continued)

The School has recorded a right-to-use lease asset in accordance with GAAP. The right-to-use asset is initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-to-use asset is amortized on a straight-line basis over the life of the related lease.

Deferred outflows/inflows of resources: In addition to assets, the statement of net position (deficit) will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position (deficit) will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period and so will *not* be recognized as an inflow of resources (revenue) until that time. The School does not have any items that qualify for reporting in this category.

Unearned revenue: Unearned revenue arises when the School receives resources before it has a legal claim to them.

Compensated absences: The School's policy permits employees to accumulate earned but unused paid time off, which is eligible for payment upon separation from service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable. Payments for compensated absences are generally paid out of the General Fund.

Net position: Net position is classified in three categories. The general meaning of each is as follows:

- Net investment in capital assets - represents the difference between the cost of capital assets, less accumulated depreciation and amortization reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets.

- Restricted - consists of net position with constraints placed on their 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 - the residual portion of net position that does not meet the definition of the other two categories.

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

Note 2 - Summary of Significant Accounting Policies (continued)

Fund balance: The governmental fund financial statements present fund balances based on the provisions of GAAP, which provides clearly defined fund balance classifications and also sets a hierarchy which details how the School may spend funds based on certain constraints. The following are the fund balance classifications used in the governmental funds financial statements:

- Nonspendable - this classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The School classifies inventories, prepaid items, long-term notes receivable and deposits as nonspendable since they are not expected to be converted to cash or are not expected to be converted to cash within the next year.

- Restricted - this classification includes amounts that are restricted for specific purposes by external parties such as grantors and creditors or are imposed by law through constitutional provisions or enabling legislation.

- Committed - this classification includes amounts that can be used for specific purposes voted on through formal action of the Board of Directors (the highest level of decision-making authority). The committed amount cannot be used for any other purpose unless the Board of Directors removes or changes the commitment through formal action.

- Assigned - this classification includes amounts that the Board of Directors intends to use for a specific purpose, but they are neither restricted nor committed. The School classifies existing fund balance to be used in the subsequent year's budget for elimination of a deficit as assigned.

- Unassigned - this classification includes amounts that have not been restricted, committed or assigned for a specific purpose within the General Fund.

The details of the fund balances are included in the Governmental Funds Balance Sheet on page 11.

When the School incurs expenditures for which restricted or unrestricted fund balance is available, the School would consider restricted funds to be spent first. When the School has expenditures for which committed, assigned or unassigned fund balance is available, the School would consider committed funds to be spent first, then assigned funds and lastly unassigned funds.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 - Summary of Significant Accounting Policies (continued)

Adoption of new accounting standards: The School implemented GASB Statement No. 103, *Financial Reporting Model Improvements*, during the year ended June 30, 2026. The Statement revised certain financial reporting requirements, including the content and presentation of management's discussion and analysis and other financial statement presentation and disclosure requirements.

The School also implemented GASB Statement No. 104, *Disclosure of Certain Capital Assets*, which addresses obligations for governmental entities to separately disclose certain types of capital assets. Implementation did not change the presentation and related disclosures of the School.

The adoption of both standards did not affect any amounts previously reported in the School's financial statements.

Date of management review: The School has evaluated subsequent events through September 25, 2026, which is the date the financial statements were available to be issued.

Note 3 - Cash and Cash Equivalents

At June 30, 2026, the carrying amount of the deposits and cash on hand totaled $ 563,925, with a bank balance of $ 623,379.

State statutes require, and it is the School's policy, that all deposits be made into, and be held by, financial institutions designated by the Treasurer of the State of Florida as qualified public depositories as defined by Chapter 280 of the Florida Statutes. This statute requires that every qualified public depository institution maintain eligible collateral to secure the public entity's funds. The minimum collateral to be pledged by an institution, the collateral eligible for pledge, and the reporting requirements of the qualified public depositor to the Treasurer are defined by the statute. Collateral is pooled in a multiple qualified public depository institution pool with the ability to assess members of the pool should the need arise. The School's deposits of $ 373,379 in excess of the federal insured limit of $ 250,000 are held in a qualified public depository and are covered by the collateral pool held in the name of the financial institution's trust department or agent, but not in the School's name.

Note 4 - Interfund Receivables and Payables and Interfund Transfers

The composition of interfund balances as of June 30, 2026, is as follows:

Due From/To Other Funds		
Receivable Fund	Payable Fund	Amount
General Fund	Capital Projects Fund	$ 30,869
General Fund	Club and Activities Fund	39,463
		$ 70,332

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Note 4 - Interfund Receivables and Payables and Interfund Transfers (continued)

The composition of interfund transfers for the year ended June 30, 2026, is as follows:

	Transfers In: General Fund
Transfers Out:	
Grants Fund	$ 4,469

During the year, transfers were used to move grant revenue received in the current year for prior year expenditures to the General Fund.

Note 5 - Due From/To Related Parties

Due from/to related parties represents amounts that are due from RCS and from/to other schools that share common board membership and are Departments of RCS, which are expected to be repaid within one year.

Note 6 - Restricted Investments

In July 2021, RCS borrowed funds for the acquisition of facilities and refinancing of prior debt for five of its schools, including Tradition Preparatory High School (Note 8). The restricted investments of the School are governed by the Bond Indenture. The Bond Indenture authorizes the Trustee to invest in obligations of the United States or any state, obligations issued by a government sponsored agency, U.S. denominated deposit accounts, certificates of deposit and banker's acceptances, commercial paper, bonds, notes or debentures guaranteed by a corporation, investment agreements with banks, repurchase agreement secured by government obligations, investments in a money market fund and shares in any investment company, money market mutual fund, fixed income mutual fund or exchange traded fund. In accordance with the Bond Indenture, the Trustee has $ 1,999,301 invested in a money market fund that is stated at amortized cost which approximates fair value.

Generally, *credit risk* is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. The exposure to credit risk is limited because the money market fund is rated AAA-mf by Moody's.

Interest rate risk is the risk that changes in interest rate will adversely affect the fair value of an investment. The exposure to declines in fair values is limited because the weighted average maturity of the money market fund is 44 days.

Note 7 - Capital Assets

Capital asset balances and activity for the year ended June 30, 2026, are as follows:

	Balance at July 1, 2025	Additions	Deletions	Balance at June 30, 2026
Capital assets being depreciated/ amortized:				
Improvements other than building	$ 14,534	$ 199,164	$ -	$ 213,698
Building	23,352,054	-	-	23,352,054
Furniture, fixtures and equipment	916,287	36,480	-	952,767
Computer equipment	1,151,050	62,713	-	1,213,763
Lease assets:				
Land	2,682,535	-	-	2,682,535
Total capital assets being depreciated/amortized	28,116,460	298,357	-	28,414,817
Accumulated depreciation/ amortization:				
Improvements other than building	3,100	15,943	-	19,043
Building	2,334,498	584,508	-	2,919,006
Furniture, fixtures and equipment	582,542	208,336	-	790,878
Computer equipment	987,898	155,030	-	1,142,928
Lease assets:				
Land	224,935	59,612	-	284,547
Total accumulated depreciation/ amortization	4,132,973	1,023,429	-	5,156,402
Net capital assets being depreciated/amortized	$ 23,983,487	$ (725,072)	$ -	$ 23,258,415

Depreciation and amortization was charged to governmental activities as follows:

Instruction	$ 208,336
Instruction-related technology	148,235
Operation of plant	660,063
Administrative technology services	6,795
Total	$ 1,023,429

Note 8 - Note Payable

During the year, the School entered into a note payable arrangement for the purchase of computer equipment. The note requires annual payments of $ 13,728 including interest at 1.90% through August 2027.

Note 8 - Note Payable (continued)

The following is a schedule of the future minimum payments under the note payable agreement as of June 30, 2026:

Year Ending June 30,	Principal	Interest	Total
2027	$ 13,221	$ 507	$ 13,728
2028	13,472	256	13,728
	$ 26,693	$ 763	$ 27,456

Note 9 - Bonds Payable

Previously, the Florida Development Finance Corporation (the "Corporation") issued $ 40,135,000 in Tax Exempt Educational Facilities Revenue Bonds, Series 2021A, $ 73,300,000 in Taxable Convertible Educational Facilities Revenue Bonds, Series 2021B and $ 210,000 in Taxable Educational Facilities Revenue Bonds, Series 2021C pursuant to an Indenture of Trust between the Corporation and a Trustee to make a loan to RCS, a division of which the School exists, to finance the acquisition of the facilities and equipment and refinance prior debt of five charter schools existing under RCS. The Series 2021A Bonds bear interest at 5.50% through June 2051.

The Series 2021B Bonds bear interest at 5.00% through June 2031 then at 5.75% through June 2041 and finally at 6.00% through June 2051. Principal and interest will be paid semi-annually on June 15 and December 15. In order to secure the payment of the principal and interest on the Bonds, the Corporation assigned all of its rights and interest in the loan agreement to the Trustee. The Bonds are payable from and secured by a lien upon and pledge of payments to be received by the Trustee.

Upon the occurrence of an event of default as described in the Bond Indenture, the rate of interest on the Bonds shall be adjusted to bear interest at a rate equal to the rate on the Bonds plus three percent (3%) per annum until such event of default has been cured. In addition, the owners of not less than 25% of the bonds outstanding may declare the principal and interest to be immediately due and payable.

The School's share of the annual debt service requirements to maturity for the Series 2021 Bonds is as follows:

Year Ending June 30,	Principal	Interest	Total
2027	$ -	$ 1,644,309	$ 1,644,309
2028	-	1,644,309	1,644,309
2029	-	1,644,309	1,644,309
2030	-	1,644,309	1,644,309
2031	-	1,644,309	1,644,309
2032-2036	-	8,221,545	8,221,545
2037-2041	1,392,961	8,221,545	9,614,506
2042-2046	10,979,813	6,970,850	17,950,663
2047-2051	17,523,752	3,743,481	21,267,233
	$ 29,896,526	$ 35,378,966	$ 65,275,492

Note 10 - Lease Payable

Concurrent with the Series 2021 Bonds issuance (Note 9), subsidiaries of Red Apple Development, LLC ("RAD") entered into a land lease agreement with RCS. The land which is owned by RAD is leased by RCS on behalf of Tradition Preparatory High School under a 45-year lease. The lease agreement qualifies as other than short-term leases under GAAP and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. The discount rate used to recognize the lease asset and the lease liability was 5.58%. For the year ended June 30, 2026, the School incurred interest expense of $ 130,104 for this lease payable. In addition to rent, RCS shall pay to RAD the total cost of ad valorem taxes, assessments and levies imposed upon the premises which totaled $ 25,359 for the year ended June 30, 2026.

Annual requirements to amortize the lease obligation are as follows:

Year Ending June 30,	Principal	Interest	Total
2027	$ -	$ 132,701	$ 132,701
2028	-	135,357	135,357
2029	-	138,062	138,062
2030	-	140,826	140,826
2031	-	143,639	143,639
2032-2036	-	762,477	762,477
2037-2041	-	841,845	841,845
2042-2046	-	929,459	929,459
2047-2051	198,001	828,218	1,026,219
2052-2056	503,045	629,972	1,133,017
2057-2061	799,842	451,092	1,250,934
2062-2066	1,181,647	175,132	1,356,779
	$ 2,682,535	$ 5,308,780	$ 7,991,315

The Bond Indenture required that the School maintain a school payment coverage ratio of 1.00. As of June 30, 2026, the School is in compliance with this covenant.

Note 11 - Long-Term Liabilities

Changes in the School's long-term liabilities for the fiscal year ended June 30, 2026, are as follows:

	Balance at July 1, 2025	Additions	Deletions	Balance at June 30, 2026	Amount Due Within One Year
Series 2021 Educational Facilities Revenue Bonds	$ 29,896,526	$ -	$ -	$ 29,896,526	$ -
Lease - land	2,682,535	-	-	2,682,535	-
Note payable - computer equipment	-	40,420	13,727	26,693	13,221
Compensated absences	34,385	5,890 *	-	40,275	30,206
	$ 32,613,446	$ 46,310	$ 13,727	$ 32,646,029	$ 43,427

* The change in compensated absences above is a net change for the year.

Note 12 - Employee Benefit Plan

During the year ended June 30, 2026, the School offered all of its full-time employees who had attained 21 years of age, a retirement plan (the "Plan") under Internal Revenue Code Section 401(k). The employee is allowed to contribute up to a maximum of 100% of his/her annual gross compensation, subject to certain limitations. The Plan provides for a discretionary employer matching contribution of the participant's annual elective deferral to the Plan. As determined annually by the School's management, the School may also make a discretionary profit-sharing contribution, which is allocated among the participants based on a pro rata formula. Participants are immediately vested in their own contributions and earnings on those contributions.

Participants become vested in School contributions and earnings on School contributions according to the following schedule:

Years of Service	Vesting Percentage
1	25%
2	50%
3	75%
4	100%

Nonvested contributions are forfeited upon termination of employment, and such forfeitures are used to reduce any employer contribution. For the Plan year ended December 31, 2025, the School had forfeitures of $ 2,157. For the year ended June 30, 2026, the School contributed a matching amount of $ 26,985.

Note 13 - Commitments and Contingencies

Management agreement: The School has a formal agreement with Charter Schools USA at Tradition High School, LLC ("CSUSA") to manage, staff and operate the School. The agreement states that CSUSA shall be entitled to cost reimbursements and management fees (the "fee") for its services, subject to availability of funds. The fee is subordinated to all bond payment requirements (Note 9). The fee is based on certain percentages of revenue to cover personnel management costs, procurement/vendor management costs, educational intellectual property and curriculum costs, finance and accounting service costs and support center general overhead fees as provided for in the agreement. The agreement term coincides with the charter and shall automatically renew unless either party terminates at least twelve months prior to the then current expiration date. There were no management fees paid for this year ended June 30, 2026 and CSUSA contributed $ 1,597,394 to the School.

The School has an amount due from CSUSA of $ 56,603 at June 30, 2026, for expenses paid on behalf of the School.

Post-employment benefits: The School does not provide post-employment benefits to retired employees.

Note 14 - Capital Appropriations Funding

The Florida Department of Education has approved a Charter School Capital Outlay ("CSCO") award for the School. In each year that funds are appropriated by the state for charter school capital outlay purposes those funds are allocated among eligible charter schools. The funds for the School's allocation are transferred to the School once a CSCO plan has been provided to and approved by the sponsoring district. The School's CSCO award totaled $ 502,508 for the 2025/2026 school year which has been recognized as revenue in the accompanying financial statements. If the CSCO funds are used to acquire tangible property assets, the District has a reversionary interest in those assets. In the event of nonrenewal, termination, or breach of the charter school agreement, ownership of the assets would automatically revert to the District. The School has elected to use these funds to pay a portion of the interest expenditure.

Note 14 - Capital Appropriations Funding (continued)

Local Capital Improvement Revenue ("LCIR") funds are also appropriated by the District for charter school capital outlay purposes, with funds being allocated among eligible charter schools in a similar manner to the CSCO award. The School's LCIR totaled $ 248,293 for the 2025/2026 school year which has been recognized as revenue in the accompanying financial statements.

Note 15 - Risk Management

The School is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets and natural disasters. The School has obtained property insurance from commercial companies including, but not limited to, general liability and errors and omissions insurance. There were no claims in excess of insurance coverage limits during the past three years.

As disclosed in Note 13, CSUSA employs all of the employees of the School. As a result, the School is not exposed to medical or workers' compensation claims for these individuals. In addition, CSUSA carries all required insurance including, but not limited to, general liability and errors and omissions insurance.

REQUIRED SUPPLEMENTARY INFORMATION

Tradition Preparatory High School
Required Supplementary Information
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	Original vs. Final Budget Variance	Actual	Actual vs. Final Budget Variance
Revenues:					
State sources	$ 8,212,765	$ 8,212,765	$ -	$ 6,104,884	$ (2,107,881)
Local sources	799,360	799,360	-	2,272,859	1,473,499
Interest income	147,583	147,583	-	140,367	(7,216)
Total revenues	9,159,708	9,159,708	-	8,518,110	(641,598)
Expenditures:					
Current:					
Instruction	5,159,022	5,159,022	-	3,970,792	1,188,230
Student support services	71,577	71,577	-	453,287	(381,710)
Instructional staff training services	47,274	47,274	-	59,090	(11,816)
Instruction-related technology	205,020	205,020	-	155,743	49,277
Board services	87,591	87,591	-	86,772	819
General administration	-	-	-	28,631	(28,631)
School administration	1,054,102	1,054,102	-	1,249,200	(195,098)
Fiscal services	365,825	365,825	-	5,136	360,689
Transportation	95,511	95,511	-	12,939	82,572
Central services	155,467	155,467	-	21,963	133,504
Operation of plant	939,414	939,414	-	814,194	125,220
Maintenance of plant	279,574	279,574	-	291,340	(11,766)
Administrative technology service	-	-	-	61,792	(61,792)
Community services	-	-	-	18,657	(18,657)
Capital outlay	342,667	342,667	-	286,318	56,349
Debt service:					
Principal	14,700	14,700	-	13,727	973
Interest	386,064	386,064	-	1,023,612	(637,548)
Total expenditures	9,203,808	9,203,808	-	8,553,193	650,615
Deficiency of revenues under expenditures	(44,100)	(44,100)	-	(35,083)	9,017
Other Financing Sources:					
Issuance of note payable	44,100	44,100	-	40,420	(3,680)
Transfer in	-	-	-	4,469	4,469
Total other financing sources	44,100	44,100	-	44,889	789
Net change in fund balance	$ -	$ -	$ -	9,806	$ 9,806
Fund Balance, July 1, 2025				2,209,899	
Fund Balance, June 30, 2026				$ 2,219,705	

Tradition Preparatory High School
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Grants Fund
For the Year Ended June 30, 2026

	Original Budget	Final Budget	Original vs. Final Budget Variance	Actual	Actual vs. Final Budge Variance
Revenues:					
Federal sources:					
Title I	$ -	$ -	$ -	$ 33,007	$ 33,007
Title IV	-	-	-	15,014	15,014
Total revenues	-	-	-	48,021	48,021
Expenditures:					
Current:					
Instruction	-	-	-	11,979	(11,979)
Instructional staff training services	-	-	-	19,534	(19,534)
Capital outlay	-	-	-	12,039	(12,039)
Total expenditures	-	-	-	43,552	(43,552)
Excess of revenues over expenditures	-	-	-	4,469	4,469
Other Financing Uses:					
Transfer out	-	-	-	(4,469)	(4,469)
Net change in fund balance	$ -	$ -	$ -	-	$ -
Fund Balance, July 1, 2025				-	
Fund Balance, June 30, 2026				$ -	

See accompanying notes to budgetary comparison schedules.

Note 1 - Budgetary Policy and Basis of Accounting

An operating budget is adopted and maintained by the Governing Board for all governmental funds except the Capital Projects Fund and the Club and Activities Fund, pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting used in the preparation of the financial statements. All appropriations lapse at the end of the fiscal year.

The level of budgetary control is at the fund level. The School principal may make unlimited transfers between functional categories throughout the year. Any budget transfers made must be discussed with management and presented to the Governing Board. A potential increase in expenditures over approved budget should be approved by the Governing Board.

Note 2 - Budgetary Highlights between Original Budget and Final Budget

There were no variances between original and final budget for the General Fund or the Grants Fund.

Note 3 - Budgetary Highlights between Actual Results and Final Budget

In the General Fund, actual revenues were unfavorable to the final budget for the year ended June 30, 2026, primarily due to enrollment being lower than projected, resulting in state source revenues falling below budget by $ 2,107,881. This unfavorable variance was partially offset by local revenue exceeding the budget by $ 1,473,499 due to unbudgeted corporate contributions. Total expenditures were favorable compared to the final budget, primarily due to lower-than-budgeted instruction costs, resulting from lower instructional personnel costs, as well as central services was lower than budget for district fees due to the School earning a high performing status, which reduced the district fees from 5% to 2%. Additionally, fiscal services were favorable to budget due to the elimination of support center cost reimbursement since the School required a corporate contribution due to lower enrollment. The favorable variances were partially offset by unfavorable variances for debt service due to the general fund absorbing a portion of the debt payments.

In the Grants Fund, revenues were favorable and expenditures were unfavorable to the budget due to the School qualifying for the federal grants Title I and Title IV, which were not budgeted.

Note 4 - Excess of Expenditures over Appropriations

In the Grants Fund, expenditures for the year ended June 30, 2026, exceeded appropriations by $ 43,552. These over-expenditures were funded by greater than anticipated revenues.

OTHER INDEPENDENT AUDITOR'S REPORTS

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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
Tradition Preparatory High School
Port St. Lucie, 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 Tradition Preparatory High School (the "School"), a Department of Renaissance Charter School, Inc. and a component unit of the School District of St. Lucie County, Florida, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements and have issued our report thereon dated September 25, 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 have not been identified.

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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 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.

Citrin Cooperman & Company, LLP

Fort Lauderdale, Florida
September 25, 2026

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MANAGEMENT LETTER REQUIRED BY CHAPTER 10.850 OF THE *RULES OF THE AUDITOR GENERAL* OF THE STATE OF FLORIDA

To the Board of Directors
Tradition Preparatory High School
Port St. Lucie, Florida

Report on the Financial Statement

We have audited the financial statements of the governmental activities and each major fund of Tradition Preparatory High School (the "School"), as of and for the fiscal year ended June 30, 2026, and have issued our report thereon dated September 25, 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.

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 25, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title

Section 10.854(1)(e)5., *Rules of the Auditor General*, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are Tradition Preparatory High School and 560722.

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Financial Condition and Management

Sections 10.854(1)(e)2. and 10.855(11), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate whether 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 conditions met. In connection with our audit, we determined that the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

Purpose of this Letter

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

Citrin Cooperman & Company, LLP

Fort Lauderdale, Florida
September 25, 2026

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