

**ATLANTIC MONTESSORI CHARTER  
SCHOOL PINES CAMPUS  
PEMBROKE PINES, FLORIDA  
(A CHARTER SCHOOL UNDER ATLANTIC  
MONTESSORI CHARTER SCHOOL. INC.)**

**BASIC FINANCIAL STATEMENTS, INDEPENDENT  
AUDITOR'S REPORT AND SUPPLEMENTAL  
INFORMATION**

**JUNE 30, 2024**

**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS**  
**BASIC FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION**  
**JUNE 30, 2024**

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**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS**  
(A Charter School Under Atlantic Montessori Charter School. Inc.)

9893 Pines Boulevard  
Pembroke Pines, FL 33024  
(754) 263-2700

**2023-2024**

**BOARD OF DIRECTORS**

Mrs. Aurora Vales, President  
Mrs. Kerry Vales, Community Advisor  
Ms. Kisha McClean, Secretary  
Mr. Ricardo Carrea, Secretary

**SCHOOL ADMINISTRATION**

Mrs. Juana Ocejo, Executive Director



## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Atlantic Montessori Charter School Pines Campus  
Pembroke Pines, Florida

### Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Atlantic Montessori Charter School Pines Campus (the "School"), a charter school under Atlantic Montessori Charter School Inc., as of and for the year ended June 30, 2024, 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, each major fund, and the aggregate remaining fund information of Atlantic Montessori Charter School Pines Campus, as of June 30, 2024, 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. 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.

### 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.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with generally accepted auditing standards, 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 the 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 Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated September 20, 2024 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.

*Verdeja - Alvarez, LLP*

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
September 20, 2024

**Management’s Discussion and Analysis**  
Atlantic Montessori Charter School Pines Campus  
(A Charter School Under Atlantic Montessori Charter, Inc.)  
June 30, 2024

The corporate officers of Atlantic Montessori Charter School Pines Campus (the “School”) have prepared this narrative overview and analysis of the School’s financial activities for the fiscal year ended June 30, 2024.

**FINANCIAL HIGHLIGHTS**

1. The net position of the School as of June 30, 2024 was \$89,173.
2. At year-end, the School had current assets of \$128,944.
3. The net position of the School increased by \$41,337 during the year.

*Overview of the Financial Statements*

This discussion and analysis are intended to serve as an introduction to the School’s basic financial statements. The School’s financial statements for the year ended June 30, 2024 are presented in accordance with GASB Codification Section 2200. The financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

*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* presents information on all of the School’s assets and liabilities. The difference between the two is reported as *net position*. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the School is improving or deteriorating.

The *Statement of Activities* presents information on how the School’s net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event resulting in the change occurs, without regard to the timing of related cash flows. Accordingly, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 10 – 11 of this report.

*Fund Financial Statements*

A “fund” is a collection of related accounts grouped to maintain control over resources that have been segregated for specific activities, projects, or objectives. The School, like other state and local governments, uses fund accounting to ensure and report compliance with finance-related legal requirements.

All of the funds of the School are governmental funds. *Governmental Funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements.

Governmental Fund financial statements, however, focus on *near-term* inflows and outflows of spendable resources, as well as on the balances of spendable resources which are available at the end of the fiscal year. Such information may be used to evaluate a government’s requirements for near-term financing.

Prior to the start of the School’s fiscal year, the Board of the School adopts an annual budget for all of its governmental funds, if applicable. A budgetary comparison statement has been provided for the School’s governmental funds to demonstrate compliance with the School’s budget. The basic governmental fund financial statements can be found on pages 12 - 15 of this report.

*Notes to Financial Statements*

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 16 - 24 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a charter school's financial position. In the case of the School, the net position was \$89,173 at the close of the fiscal year. A summary of the School's net position as of June 30, 2024 and 2023 is as follows:

|   | 2024              | 2023              |
|---|-------------------|-------------------|
| Cash  | \$ 3,231          | \$ 2,142          |
| Due from other agencies                                     | 88,905            | 9,025             |
| Prepaid expenses  | 23,528            | 33,555            |
| Deposits  | 13,280            | 13,280            |
| Right-of-use asset, net                                     | 562,233           | 714,078           |
| Capital assets, net   | 26,527            | 31,300            |
| <b>Total Assets</b>   | <b>\$ 717,704</b> | <b>\$ 803,380</b> |
| Salaries and wages payable                                  | \$ 13,511         | \$ 15,730         |
| Accounts payable and accrued expenses                       | 11,809            | 9,437             |
| Due to related party  | 40,978            | 16,299            |
| Right-of-use liability, current and non-current portions    | 562,233           | 714,078           |
| <b>Total Liabilities</b>                                    | <b>628,531</b>    | <b>755,544</b>    |
| <b>Net Position:</b>  |                   |                   |
| Net investment in deposits, capital and right-of-use assets | 205,914           | 44,580            |
| Unrestricted (deficit) net position                         | (116,741)         | 3,256             |
| <b>Total Net Position</b>                                   | <b>89,173</b>     | <b>47,836</b>     |
| <b>Total Liabilities and Net Position</b>                   | <b>\$ 717,704</b> | <b>\$ 803,380</b> |

At the end of the years, the School reported positive balances in total net position.



A summary and analysis of the School’s revenues and expenses for the years ended June 30, 2024 and 2023 were as follows:

| <b>REVENUES</b>                            | 2024              | 2023              |
|--|-------------------|-------------------|
| Program Revenues                           |                   |                   |
| Capital grants and contributions           | \$ 44,488         | \$ 44,867         |
| Federal sources                            | 49,843            | 81,220            |
| General Revenues                           |                   |                   |
| Local sources (FTE and other non specific) | 620,383           | 664,415           |
| Charges and other revenues                 | 257,433           | 79,917            |
| <b>Total Revenues</b>                      | <b>\$ 972,147</b> | <b>\$ 870,419</b> |
| <br>                                       |                   |                   |
| <b>EXPENSES</b>                            |                   |                   |
| Instruction                                | \$ 212,196        | \$ 222,111        |
| Instructional and student support services | 35,191            | 25,056            |
| General administration                     | 46,930            | 45,545            |
| School administration                      | 215,909           | 225,103           |
| Fiscal services                            | 36,518            | 22,878            |
| Food services                              | 16,667            | 17,675            |
| Central services                           | 16,725            | 17,382            |
| Student transportation                     | 1,345             | -                 |
| Operation of plant                         | 264,578           | 232,897           |
| Maintenance of plant                       | 24,533            | -                 |
| Administrative technology services         | 14,220            | 15,290            |
| Community services                         | 1,510             | 3,083             |
| Interest expense                           | 44,488            | 48,426            |
| <b>Total Expenses</b>                      | <b>\$ 930,810</b> | <b>\$ 875,446</b> |
| <br>                                       |                   |                   |
| <b>Increase (Decrease) in Net Position</b> | 41,337            | (5,027)           |
| <br>                                       |                   |                   |
| <b>Net Position at Beginning of Year</b>   | 47,836            | 52,863            |
| <b>Net Position at End of Year</b>         | <b>\$ 89,173</b>  | <b>\$ 47,836</b>  |

Student enrollment remained steady compared to prior year. The School's revenues increased by \$101,728 and expenses increased by \$55,364. The School had an increase in its net position of \$41,337 for the year.

**SCHOOL LOCATION**

The School’s the facility is located at 9893 Pines Boulevard, Pembroke Pines, FL 33024.

**CAPITAL IMPROVEMENT REQUIREMENT**

The School maintains a continuous capital improvements program to enhance facilities and update fixtures and equipment as required.

## **SCHOOL ENROLLMENT**

This past year, the School had approximately 75 students enrolled in grades kindergarten through third grade.

## **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND**

As noted earlier, the School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

## **GOVERNMENTAL FUNDS**

The focus of the School's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the School's financing requirements. In particular, the *unassigned fund* balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Most of the School's operations are funded in the General Fund. The majority of the General Fund revenues are distributed to the School by the District through the Florida Education Finance Program (FEFP), which uses formulas to distribute state funds and an amount of local property taxes (i.e., required local effort) established each year by the Florida Legislature.

At the end of the fiscal year, the School's governmental general fund reported ending fund balance of \$62,646. The fund balance unassigned and available for spending at the School's discretion is \$25,838.

## **CAPITAL AND RIGHT-OF-USE ASSETS**

The School's investment in capital assets as of June 30, 2024 was \$26,527 (net of accumulated depreciation). This investment in capital assets includes leasehold improvements and furniture, equipment and textbooks. In addition, the School has entered into a long-term lease for its educational facility through July 31, 2027. This lease has been reported as long-term debt under guidance from GASB 87 in the original amount of \$949,131. The long-term lease liability ends July 31, 2027. Additional information regarding the long-term lease liability can be found in the notes to the financial statements.

## **REQUESTS FOR INFORMATION**

This financial report is intended to provide a general overview of the finances of the Charter School. Requests for additional information may be addressed to Juana Garcia, Director, 9893 Pines Boulevard, Pembroke Pines, FL 33024.

## GOVERNMENTAL FUND BUDGET ANALYSIS

Prior to the start of the School's fiscal year, the Board of the School adopted an annual budget. A budgetary comparison statement has been provided for the governmental funds to demonstrate compliance with the School's budget.

|  | Governmental Fund |                   |                   |
|--|-------------------|-------------------|-------------------|
|  | Original Budget   | Final Budget      | Actual            |
| <b>REVENUES</b>                            |                   |                   |                   |
| State capital outlay funding               | \$ 60,000         | \$ 44,488         | \$ 44,488         |
| State passed through local                 | 780,683           | 620,383           | 620,383           |
| Federal sources                            | 35,000            | 49,843            | 49,843            |
| Charges and other revenues                 | 75,000            | 257,433           | 257,433           |
| <b>TOTAL REVENUES</b>                      | <b>\$ 950,683</b> | <b>\$ 972,147</b> | <b>\$ 972,147</b> |
| <b>EXPENDITURES</b>                        |                   |                   |                   |
| <b>Governmental Activities</b>             |                   |                   |                   |
| Instruction                                | \$ 377,501        | \$ 212,196        | \$ 212,196        |
| Instructional and student support services | 15,926            | 35,191            | 35,191            |
| General administration                     | 6,500             | 46,930            | 46,930            |
| School administration                      | 207,970           | 215,243           | 215,243           |
| Fiscal services                            | 18,000            | 36,518            | 36,518            |
| Food services                              | 15,000            | 16,667            | 16,667            |
| Central services                           | -                 | 16,725            | 16,725            |
| Student transportation                     | -                 | 1,345             | 1,345             |
| Operation of plant                         | 254,225           | 108,626           | 108,626           |
| Maintenance of plant                       | 3,000             | 24,533            | 24,533            |
| Administrative technology services         | 9,027             | 14,220            | 14,220            |
| Community services                         | 19,111            | 1,510             | 1,510             |
| <b>Debt service</b>                        |                   |                   |                   |
| Repayment of principal                     | -                 | 151,845           | 151,845           |
| Interest                                   | -                 | 44,488            | 44,488            |
| <b>TOTAL EXPENDITURES</b>                  | <b>\$ 926,260</b> | <b>\$ 926,037</b> | <b>\$ 926,037</b> |
| <b>NET CHANGE IN FUND</b>                  | <b>\$ 24,423</b>  | <b>\$ 46,110</b>  | <b>\$ 46,110</b>  |

The general, special revenue and capital outlay fund budgets for the year ending June 30, 2024, were developed based on the School's anticipated revenues and expenditures and the expected student population for the school year. Refer to the budgetary comparison schedules on pages 25-26 for additional information.

**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS  
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)  
STATEMENT OF NET POSITION  
JUNE 30, 2024**

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|   | <b>ASSETS</b> | <u>Governmental<br/>Activities</u> |
|---|---------------|------------------------------------|
| <b>CURRENT ASSETS</b>                                       |               |                                    |
| Cash  |               | \$ 3,231                           |
| Due from other agencies                                     |               | 88,905                             |
| Prepaid expenses  |               | 23,528                             |
| Deposits  |               | <u>13,280</u>                      |
| TOTAL CURRENT ASSETS  |               | 128,944                            |
| Right-of-use asset, net                                     |               | 562,233                            |
| Capital assets, net   |               | <u>26,527</u>                      |
|   |               | <u>588,760</u>                     |
| TOTAL ASSETS  |               | <u>\$ 717,704</u>                  |
| <b>LIABILITIES AND NET POSITION</b>                         |               |                                    |
| <b>CURRENT LIABILITIES</b>                                  |               |                                    |
| Salaries and wages payable                                  |               | \$ 13,511                          |
| Accounts payable and accrued expenses                       |               | 11,809                             |
| Due to related party  |               | 40,978                             |
| Right-of-use liability, current portion                     |               | <u>166,107</u>                     |
| TOTAL CURRENT LIABILITIES                                   |               | 232,405                            |
| Right-of-use liability, non-current portion                 |               | <u>396,126</u>                     |
| TOTAL LIABILITIES   |               | 628,531                            |
| <b>NET POSITION</b>   |               |                                    |
| Net investment in deposits, capital and right-of-use assets |               | 205,914                            |
| Deficit in unrestricted                                     |               | <u>(116,741)</u>                   |
| TOTAL NET POSITION  |               | <u>89,173</u>                      |
| TOTAL LIABILITIES AND NET POSITION                          |               | <u>\$ 717,704</u>                  |

The accompanying notes are an integral part of this financial statement.

**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS  
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2024**

| <b>Functions</b>                                       | <b>Expenses</b>   | <b>Charges for Services</b> | <b>Operating Grants and Contributions</b> | <b>Capital Grants and Contributions</b> | <b>Net (Expense) and Changes in Net Position</b> |
|--|-------------------|-----------------------------|---|---|--|
| <b>Governmental Activities:</b>                        |                   |                             |   |   |  |
| Instruction  | \$ 212,196        | \$ -                        | \$ 40,503                                 | \$ -                                    | \$ (171,693)                                     |
| Instructional and student support services             | 35,191            | -                           | -   | -                                       | (35,191)   |
| General administration                                 | 46,930            | -                           | -   | -                                       | (46,930)   |
| School administration                                  | 215,909           | -                           | -   | -                                       | (215,909)  |
| Fiscal services  | 36,518            | -                           | -   | -                                       | (36,518)   |
| Food services  | 16,667            | -                           | 9,340                                     | -                                       | (7,327)  |
| Central services                                       | 16,725            | -                           | -   | -                                       | (16,725)   |
| Student transportation                                 | 1,345             | -                           | -   | -                                       | (1,345)  |
| Operation of plant                                     | 264,578           | -                           | -   | 44,488                                  | (220,090)  |
| Maintenance of plant                                   | 24,533            | -                           | -   | -                                       | (24,533)   |
| Administrative technology services                     | 14,220            | -                           | -   | -                                       | (14,220)   |
| Community services                                     | 1,510             | -                           | -   | -                                       | (1,510)  |
| Interest expense                                       | 44,488            | -                           | -   | -                                       | (44,488)   |
| <b>Total Governmental Activities</b>                   | <b>\$ 930,810</b> | <b>\$ -</b>                 | <b>\$ 49,843</b>                          | <b>\$ 44,488</b>                        | <b>\$ (836,479)</b>                              |
| GENERAL REVENUES:                                      |                   |                             |   |   |  |
|  |                   |                             |   |   | \$ 620,383                                       |
| FTE and other nonspecific revenues                     |                   |                             |   |   | 257,433  |
| Interest and other miscellaneous local revenue sources |                   |                             |   |   | <u>877,816</u>                                   |
| Total general revenues                                 |                   |                             |   |   |  |
| Change in Net Position                                 |                   |                             |   |   | 41,337   |
| NET POSITION - BEGINNING                               |                   |                             |   |   | <u>47,836</u>                                    |
| NET POSITION - ENDING                                  |                   |                             |   |   | <u><u>\$ 89,173</u></u>                          |

The accompanying notes are an integral part of this financial statement.

**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS  
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)  
BALANCE SHEET – GOVERNMENTAL FUNDS  
JUNE 30, 2024**

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|   | General Fund             | Non-major<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---|--------------------------|------------------------------------|--------------------------------|
| <b>ASSETS</b>                             |                          |                                    |                                |
| Cash                                      | \$ 3,231                 | \$ -                               | \$ 3,231                       |
| Due from other agencies                   | 86,715                   | 2,190                              | 88,905                         |
| Prepaid expenses                          | 23,528                   | -                                  | 23,528                         |
| Deposits                                  | 13,280                   | -                                  | 13,280                         |
| Due from fund                             | 2,190                    | -                                  | 2,190                          |
| <b>TOTAL ASSETS</b>                       | <b><u>\$ 128,944</u></b> | <b><u>\$ 2,190</u></b>             | <b><u>\$ 131,134</u></b>       |
| <b>LIABILITIES</b>                        |                          |                                    |                                |
| Salaries and wages payable                | \$ 13,511                | \$ -                               | \$ 13,511                      |
| Accounts payable and accrued expenses     | 11,809                   | -                                  | 11,809                         |
| Due to related party                      | 40,978                   | -                                  | 40,978                         |
| Due to fund                               | -                        | 2,190                              | 2,190                          |
| <b>TOTAL LIABILITIES</b>                  | <b><u>66,298</u></b>     | <b><u>2,190</u></b>                | <b><u>68,488</u></b>           |
| <b>FUND BALANCE</b>                       |                          |                                    |                                |
| Nonspendable                              | 36,808                   | -                                  | 36,808                         |
| Unassigned                                | 25,838                   | -                                  | 25,838                         |
| <b>TOTAL FUND BALANCE</b>                 | <b><u>62,646</u></b>     | <b><u>-</u></b>                    | <b><u>62,646</u></b>           |
| <b>TOTAL LIABILITIES AND FUND BALANCE</b> | <b><u>\$ 128,944</u></b> | <b><u>\$ 2,190</u></b>             | <b><u>\$ 131,134</u></b>       |

The accompanying notes are an integral part of this financial statement.

**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS  
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)  
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT  
OF NET POSITION  
JUNE 30, 2024**

---

|   |           |
|---|-----------|
| Total Fund Balance - Governmental Funds | \$ 62,646 |
|---|-----------|

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

|                     |        |
|---------------------|--------|
| Capital assets, net | 26,527 |
|---------------------|--------|

Right-of-use assets and liabilities used in governmental activities are not financial resources and, therefore, are not reported in the fund

|                         |           |
|-------------------------|-----------|
| Right-of-use asset, net | 562,233   |
| Right-of-use liability  | (562,233) |

|  |                  |
|--|------------------|
| Total Net Position - Governmental Activities | <u>\$ 89,173</u> |
|--|------------------|

The accompanying notes are an integral part of this financial statement.

**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS  
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2024**

|  | General Fund      | Non-major<br>Governmental<br>Funds | Capital Grants<br>and<br>Contributions | Total<br>Governmental<br>Funds |
|--|-------------------|------------------------------------|--|--------------------------------|
| <b>REVENUES</b>                            |                   |                                    |  |                                |
| State capital outlay funding               | \$ -              | \$ -                               | \$ 44,488                              | \$ 44,488                      |
| State passed through local                 | 620,383           | -                                  | -                                      | 620,383                        |
| Federal sources                            | -                 | 49,843                             | -                                      | 49,843                         |
| Charges and other revenues                 | 257,433           | -                                  | -                                      | 257,433                        |
| <b>TOTAL REVENUES</b>                      | <b>\$ 877,816</b> | <b>\$ 49,843</b>                   | <b>\$ 44,488</b>                       | <b>\$ 972,147</b>              |
| <b>EXPENDITURES</b>                        |                   |                                    |  |                                |
| Instruction                                | \$ 171,693        | \$ 40,503                          | \$ -                                   | \$ 212,196                     |
| Instructional and student support services | 35,191            | -                                  | -                                      | 35,191                         |
| General administration                     | 46,930            | -                                  | -                                      | 46,930                         |
| School administration                      | 215,243           | -                                  | -                                      | 215,243                        |
| Fiscal services                            | 36,518            | -                                  | -                                      | 36,518                         |
| Food services                              | 7,327             | 9,340                              | -                                      | 16,667                         |
| Central services                           | 16,725            | -                                  | -                                      | 16,725                         |
| Student transportation                     | 1,345             | -                                  | -                                      | 1,345                          |
| Operation of plant                         | 108,626           | -                                  | -                                      | 108,626                        |
| Maintenance of plant                       | 24,533            | -                                  | -                                      | 24,533                         |
| Administrative technology services         | 14,220            | -                                  | -                                      | 14,220                         |
| Community services                         | 1,510             | -                                  | -                                      | 1,510                          |
| Debt service:                              |                   |                                    |  |                                |
| Repayment of principal                     | 151,845           | -                                  | -                                      | 151,845                        |
| Interest                                   | -                 | -                                  | 44,488                                 | 44,488                         |
| <b>TOTAL EXPENDITURES</b>                  | <b>\$ 831,706</b> | <b>\$ 49,843</b>                   | <b>\$ 44,488</b>                       | <b>\$ 926,037</b>              |
| <b>NET CHANGE IN FUND BALANCE</b>          | <b>46,110</b>     | <b>-</b>                           | <b>-</b>                               | <b>46,110</b>                  |
| Fund balance at beginning of year          | 16,536            | -                                  | -                                      | 16,536                         |
| Fund balance at end of year                | <u>\$ 62,646</u>  | <u>\$ -</u>                        | <u>\$ -</u>                            | <u>\$ 62,646</u>               |

The accompanying notes are an integral part of this financial statement.



**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS  
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENTS OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2024**

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|   |    |        |
|---|----|--------|
| Change in Fund Balance - Governmental Funds | \$ | 46,110 |
|---|----|--------|

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

|                      |         |
|----------------------|---------|
| Depreciation expense | (4,773) |
|----------------------|---------|

In the statement of activities, amortization of the right-to-use asset is reported as an expense over the estimated life of the lease, however, in the governmental funds report it is not included as an expense

|                      |           |
|----------------------|-----------|
| Amortization expense | (151,845) |
|----------------------|-----------|

Repayments of long term debt are expenditures in the governmental funds, but the repayment reduces long term liabilities in the statement of net position. Amortization of debt premiums or discounts are not reported in the governmental funds, but increase or decrease liabilities

|                         |         |
|-------------------------|---------|
| Repayments of principal | 151,845 |
|-------------------------|---------|

|   |           |               |
|---|-----------|---------------|
| Change in Net Position of Governmental Activities | <u>\$</u> | <u>41,337</u> |
|---|-----------|---------------|

The accompanying notes are an integral part of this financial statement.

**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS  
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

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NOTE 1 – ORGANIZATION AND OPERATIONS

**Reporting Entity**

The Atlantic Montessori Charter School Pines Campus (“School”), a charter school under Atlantic Montessori Charter School, Inc., is a component unit of the District School Board of Broward County, Florida (“District”). The School’s charter is held by Atlantic Montessori Charter School, Inc., a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act and Section 1002.33, Florida Statutes. The governing body of the School is the not-for-profit corporation Board of Directors, which is comprised of not less than three members.

The basic 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 Atlantic Montessori Charter School, Inc. as of June 30, 2024, and its changes in financial position or budgetary comparisons, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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 District School Board of Broward County, Florida, (“District”). The charter agreement was renewed, and the current charter is effective until June 30, 2027, and is subject to annual review and may be renewed by mutual 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 this case, the District is required to notify the School in writing at least 90 days prior to the charter’s expiration. During the term of the charter, the District may also terminate the charter if good cause is shown. In the event of termination of the charter, the District shall assume operation of the School. The School is considered a component unit of the District; therefore, for financial reporting purposes, the School is required to follow generally accepted accounting principles applicable to state and local governmental units.

Criteria for determining if other entities are potential component units which should be reported within the School’s basic financial statements are identified and described in the Governmental Accounting Standards Board’s (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. The application of these criteria provides for identification of any 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.

The School’s location is in Pembroke Pines, Florida for children from kindergarten through third grade and is funded by the District. These financial statements are for the year ended June 30, 2024, when a total of approximately 75 students were enrolled for the school year.

**Basis of Presentation**

The School’s accounting policies conform to accounting principles generally accepted in the United States as applicable to state and local governments. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Accordingly, the basic financial statements include both the government-wide and fund financial statements.

**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS  
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

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NOTE 1 – ORGANIZATION AND OPERATIONS (Continued)

**Deferred Outflow/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period 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 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 position 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.

**Government-wide and Fund Financial Statements**

*Government-Wide Financial Statements*

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information about the School as a whole. Any internal interfund activity has been eliminated from these financial statements. Both statements report only governmental activities as the School does not engage in any business type activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees; (2) operating grants such as the National School Lunch Program, Federal grants, and other state allocations; and (3) capital grants specific to capital outlay.

In addition, revenues not classified as program revenues are shown as general revenues, which include Florida Education Finance Program (FEFP) revenues and other miscellaneous sources.

*Fund Financial Statements*

Fund financial statements are provided for governmental. The operations of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, and liabilities, deferred inflows of resources, equity, revenues and expenditures. The School reports the following major governmental funds with all non-major funds aggregated in a single column:

General Fund - is the School's primary operating fund. It accounts for all financial resources of the school, except those required to be accounted for in another fund.

Special Revenue Fund - is used to account for the proceeds of specific revenue sources, such as federal and state grants, that are restricted or committed to expenditure for specific purposes other than debt service and capital projects. The special revenue fund also includes the School's internal funds for student activities.

Debt Service Fund - accounts for the resources accumulated and payments made for principal and interest on long-term debt of the School.

**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS  
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

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NOTE 1 – ORGANIZATION AND OPERATIONS (Continued)

**Measurement Focus and Basis of Accounting**

The financial statements of the School are prepared in accordance with generally accepted accounting principles (GAAP). The School's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) Codification of Accounting and Financial Reporting Guidance.

The government-wide statements report using the economic resources measurement focus and the full 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.

The School recognizes assets of non-exchange transactions in the period when the underlying transaction occurs, when an enforceable legal claim has arisen, or when all eligibility requirements are met. Revenues are recognized, on the modified accrual basis, when they are measurable and available. Non-exchange transactions occur when the School provides (or receives) value to (from) another party without receiving (or giving) equal or nearly equal value in return. Most donations are examples of non-exchange transactions. Revenues from grants and donations are recognized on the accrual basis, in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. "Measurable" means the amount of the transaction can be determined. "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 60 days of the end of the fiscal year.

Florida Education Finance Program (FEFP) revenues are recognized when received. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Charges for services and fees are recognized when cash is collected as amounts are not measurable. When grant terms provide that the expenditure of funds is the prime factor for determining eligibility for federal, state, and other grant funds, revenue is recognized at the time the expenditure is made. Expenditures are recorded when the related fund liability is incurred, except for long-term debt principal and interest which are reported as expenditures in the year due.

**Budgets and Budgetary Accounting**

In compliance with Florida Statutes, the Board of Directors adopts an annual budget using the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g. salaries and benefits, purchased services, materials and supplies and capital outlay) within each activity (e.g. instruction, pupil personnel services and school administration). Revisions to the annual budget are approved by the Board.

**Cash**

Cash and cash equivalents include all highly liquid investments with a maturity of three months or less.

**Inter-fund Transfers**

Inter-fund receivables/payables ("due from/to") are short-term balances that represent reimbursements between funds for payments made by one fund on behalf of another fund.

**Due from Other Governments or Agencies**

Amounts due to the School by other governments or agencies are for grants or programs under which the services have been provided by the School.

**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS  
 (A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2024**

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NOTE 1 – ORGANIZATION AND OPERATIONS (Continued)

**Capital Assets**

The School's property, plant and equipment with useful lives of more than one year are stated at historical cost and comprehensively reported in the statement of net position in the government-wide financial statements. Donated capital assets are recorded at their estimated fair market value on the date donated. The School generally capitalizes assets with a cost of \$750 or more. Building improvements, additions and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in the government wide financial statements. Proceeds received from the sale of or disposal of capital assets are recorded as other financing sources in the fund financial statements. Estimated useful lives, in years, for depreciable assets are as follows:

| <u>Description</u>                 | <u>Estimated Lives</u> |
|------------------------------------|------------------------|
| Furniture, Fixtures, and Equipment | 3-7 years              |
| Improvements other than Building   | 15 years               |

**Revenue Sources**

Revenues for current operations are received primarily from the State through the District pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the School will report the number of full-time equivalent (FTE) students and related data to the District. Under the provisions of Section 1011.62, Florida Statutes, the District reports the number of the full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for funding through the FEFP. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods. After review and verification of FTE reports and supporting documentation, the FDOE may adjust subsequent fiscal period allocations of FEFP funding for prior year errors disclosed by its review as well as to prevent statewide allocations from exceeding the amount authorized by the Legislature. Normally, such adjustments are treated as reductions of revenue in the year the adjustment is made.

The School receives state funds through the District under charter school capital outlay funding pursuant to Section 1013.62, Florida Statutes. Funds are based on a capital outlay plan submitted to the District and are to be used for lease of School facilities. In addition, the School may receive a portion of the local capital improvement ad valorem tax revenues levied by the District.

Finally, the School also receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to and approved by various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred. Any excess amounts are recorded as deferred revenues until expended. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS  
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

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NOTE 1 – ORGANIZATION AND OPERATIONS (Continued)

**Net Position and Fund Balance Classifications**

Government-wide financial statements

Equity is classified as net position and displayed in three (3) components:

- Net investment in capital assets and right-of-use assets, net of related debt – consists of the historical cost of capital assets net of accumulated depreciation, and long-term receivables, reduced by the outstanding balances of any borrowings that are attributable to the acquisition or improvement of those assets. It also includes right-of-use assets, net of amortization, reduced by the right-to-use liability. The net investment in capital assets and right-of-use assets, net of related debt, for the year ending June 30, 2024 was \$205,914.
- Restricted net position - consists of net position with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments.
- Unrestricted net position - all other net position that do not meet the definition of "restricted" or "net investment in capital assets and long-term receivables."

When both restricted and unrestricted resources are available for a specific purpose, it is the District's policy to use restricted resources first, until exhausted, before using unrestricted resources.

**Fund financial statements**

Under GASB Codification Section 1800.142, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

- Non-spendable - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Consists of fund balance associated with deposits, and prepaid expenses. At June 30, 2024, the School's nonspendable fund balance was \$36,808.
- Restricted - fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- Committed - fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School's Board of Directors. There are no committed fund balances at year-end.
- Assigned - fund balance classification are intended to be used by the School's management for specific purposes but do not meet the criteria to be classified as restricted or committed. There are no assigned fund balances at year-end.
- Unassigned - portion of the fund balance that has not been restricted, committed or assigned for a specific purpose. This is the residual classification for the School's general fund.

Committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS  
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

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NOTE 1 – ORGANIZATION AND OPERATIONS (Continued)

**Income Taxes**

Atlantic Montessori Charter School, Inc. qualifies as a tax-exempt organization under Internal Revenue Code Section 501 (c)(3), and is, therefore, exempt from income tax. Accordingly, no tax provision has been made in the accompanying financial statements.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**Subsequent Events**

In accordance with GASB Codification Section 2250.106, the School has evaluated subsequent events and transactions for potential recognition or disclosure through September 20, 2024, which is the date the financial statements were available to be issued.

NOTE 2 – CAPITAL AND RIGHT-OF-USE ASSETS

The following schedule provides a summary of changes in capital assets, acquired substantially with public funds, for the year ended June 30, 2024:

|                                    | Balance<br>July 1, 2023 | Additions         | Retirements | Balance<br>June 30, 2024 |
|------------------------------------|-------------------------|-------------------|-------------|--------------------------|
| Leasehold improvements             | \$ 43,603               | \$ -              | \$ -        | \$ 43,603                |
| Furniture, equipment and textbooks | 13,422                  | -                 | -           | 13,422                   |
| Total Capital Assets               | <u>\$ 57,025</u>        | <u>\$ -</u>       | <u>\$ -</u> | <u>\$ 57,025</u>         |
| Less: Accumulated Depreciation:    |                         |                   |             |                          |
| Leasehold improvements             | \$ (13,255)             | \$ (4,107)        | \$ -        | \$ (17,362)              |
| Furniture, equipment and textbooks | (12,470)                | (666)             | -           | (13,136)                 |
| Total Accumulated Depreciation     | <u>(25,725)</u>         | <u>(4,773)</u>    | <u>-</u>    | <u>(30,498)</u>          |
| Capital Assets, net                | <u>\$ 31,300</u>        | <u>\$ (4,773)</u> | <u>\$ -</u> | <u>\$ 26,527</u>         |

Depreciation expense for the year ended June 30, 2024 was \$4,773, of which \$666 was allocated to school administration and \$4,107 was allocated to operation of plant.

**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS  
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

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NOTE 2 – CAPITAL AND RIGHT-OF-USE ASSETS (Continued)

Changes in right-of-use assets, related to the School facility were as follows for the period ended June 30, 2024:

|                                | Balance<br>July 1, 2023 | Addition            | Retirements | Balance<br>June 30, 2024 |
|--------------------------------|-------------------------|---------------------|-------------|--------------------------|
| Right-of-use asset             | \$ 949,131              | \$ -                | \$ -        | \$ 949,131               |
| Total right-of-use asset       | <u>\$ 949,131</u>       | <u>\$ -</u>         | <u>\$ -</u> | <u>\$ 949,131</u>        |
| Less: Accumulated Amortization | \$ (235,053)            | \$ (151,845)        | \$ -        | \$ (386,898)             |
| Total Accumulated Amortization | <u>(235,053)</u>        | <u>(151,845)</u>    | <u>-</u>    | <u>(386,898)</u>         |
| Right-of-use asset, net        | <u>\$ 714,078</u>       | <u>\$ (151,845)</u> | <u>\$ -</u> | <u>\$ 562,233</u>        |

NOTE 3 – CASH, OPERATING UNRESTRICTED

**Deposits**

The School's policy is to maintain its cash and cash equivalents in major banks and in high grade investments. As of June 30, 2024, the carrying amount of the School's operating deposits was \$3,231 and the respective bank balances totaled \$4,240.

Deposits at FDIC-insured institutions are insured up to \$250,000 per depositor, per financial institution. The School is a charter school under Atlantic Montessori Charter School, Inc., which also operates various other charter schools. All bank accounts are opened under the account ownership of Atlantic Montessori Charter School, Inc., therefore, bank balances at times may potentially be in excess of FDIC coverage. As of June 30, 2024, there were no balances in excess of FDIC coverage.

NOTE – 4 RELATED PARTY TRANSACTIONS

The School reported a payable of \$40,978 that is due to Atlantic Montessori Charter School West Campus, a charter school under the same charter-holder, in its statement of net position and balance sheet - governmental funds. This amount represents cash advances given to partially fund the current operations of the School.

Changes in payable balances were as follows:

|                                    | Balance<br>July 1, 2023 | Proceeds         | Payments          | Balance<br>June 30, 2024 |
|------------------------------------|-------------------------|------------------|-------------------|--------------------------|
| Atlantic Montessori Charter School | \$ 16,299               | \$ 29,552        | \$ (4,873)        | \$ 40,978                |
| Total due to related party         | <u>\$ 16,299</u>        | <u>\$ 29,552</u> | <u>\$ (4,873)</u> | <u>\$ 40,978</u>         |



**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS  
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

**NOTE 5 – COMMITMENTS, CONTINGENCIES AND CONCENTRATIONS**

The School is currently leasing the school facility from Galium Palm Square. The lease agreement was renewed for an additional 5 years, expiring on July 31, 2027, and requires the school to pay insurance and other costs. On July 1, 2022, the School implemented GASB Statement No. 87 Leases, and as a result recorded a lease right of use asset and liability in these financial statements for the facility lease. The School used an interest rate of 6% based on the average incremental borrowing rate of Atlantic Montessori Charter School, Inc. to discount the annual lease payments and recognize the intangible right to use this asset and the lease liability as of July 1, 2022. The interest expense \$44,488, and the amortization of the right-of-use asset was \$151,845 for the year ended June 30, 2024.

Future minimum payments for the lease are as follows:

| <u>June 30,</u> | <u>Principal</u> | <u>Interest</u>  | <u>Total</u>      |
|-----------------|------------------|------------------|-------------------|
| 2025            | \$166,107        | \$ 29,226        | \$ 195,333        |
| 2026            | 181,372          | 18,845           | 200,217           |
| 2027            | 197,704          | 7,518            | 205,222           |
| 2028            | 17,050           | 85               | 17,135            |
|                 | <u>\$562,233</u> | <u>\$ 55,674</u> | <u>\$ 617,907</u> |

Changes in long-term right-of-use liability during the year are as follows:

|                              | <u>Balance<br/>July 1, 2023</u> | <u>Addition</u> | <u>Retirements</u>  | <u>Balance<br/>June 30, 2024</u> |
|------------------------------|---------------------------------|-----------------|---------------------|----------------------------------|
| Right-of-use liability       | \$ 714,078                      | \$ -            | \$ (151,845)        | \$ 562,233                       |
| Total Right-of-use liability | <u>\$ 714,078</u>               | <u>\$ -</u>     | <u>\$ (151,845)</u> | <u>\$ 562,233</u>                |

**NOTE 6 – INTER-FUND TRANSFERS**

Due from (due to) balance are as follows:

|  | <u>General Fund</u> | <u>Non-Major<br/>Governmental<br/>Funds</u> |
|--|---------------------|---|
| Due to General Fund from Special Revenue Fund for ESSR | \$ 2,190            | \$ (2,190)                                  |
| Total Due from (Due to) Funds                          | <u>\$ 2,190</u>     | <u>\$ (2,190)</u>                           |

**NOTE 7 – FUNDING AND CREDIT RISK CONCENTRATIONS**

The School receives substantially all of its support and revenue from Federal, state and local funding sources, passed through the District, in the form of performance and budget-based contracts. Continuing operation of the School is greatly dependent upon the continued support of these governmental agencies.

**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS  
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

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**NOTE 8 – RISK MANAGEMENT**

The School is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions and natural disasters for which the School carries commercial insurance. Settlement amounts have not exceeded insurance coverage for the past years. In addition, there were no reductions in insurance coverage from those in the prior year.

**NOTE 9 – RETROACTIVE REFERENDUM**

Due from government agencies at June 30, 2024 consists of District funding through a voter-approved referendum within Broward County. The District did not share the funding with the charter schools operating within the District's jurisdiction. The District has entered into a formal agreement with the charter schools to repay the withheld referendum funds over a period of three years. As per the agreement, the funds are no longer subject to restrictions on the use of the funds, as long as they are spent for lawful purpose under Florida Statutes. Under this agreement, the District will make three yearly installment payments to the School consisting of both principal and interest. Due to uncertainty regarding the collectability of the funds, management has elected to only record funds to the extent they have been received, including funds received subsequent to year-end through the date these financial statements were issued. As such, the School has only recorded that portion as a receivable. The total outstanding amount due to the School as of June 30, 2024 is \$86,715 and is included within due from other agencies in the accompanying financial statements.

**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS  
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)  
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2024**

|  | General Fund      |                   |                   |
|--|-------------------|-------------------|-------------------|
|  | Original Budget   | Final Budget      | Actual            |
| <b>REVENUES</b>                            |                   |                   |                   |
| State passed through local                 | \$ 780,683        | \$ 620,383        | \$ 620,383        |
| Charges and other revenues                 | 75,000            | 257,433           | 257,433           |
| <b>TOTAL REVENUES</b>                      | <b>\$ 855,683</b> | <b>\$ 877,816</b> | <b>\$ 877,816</b> |
| <b>EXPENDITURES</b>                        |                   |                   |                   |
| Instruction                                | \$ 377,501        | \$ 171,693        | \$ 171,693        |
| Instructional and student support services | 15,926            | 35,191            | 35,191            |
| General administration                     | 6,500             | 46,930            | 46,930            |
| School administration                      | 207,970           | 215,243           | 215,243           |
| Fiscal services                            | 18,000            | 36,518            | 36,518            |
| Food services                              | -                 | 7,327             | 7,327             |
| Central services                           | -                 | 16,725            | 16,725            |
| Student transportation                     |                   | 1,345             | 1,345             |
| Operation of plant                         | 194,225           | 108,626           | 108,626           |
| Maintenace of plant                        | 3,000             | 24,533            | 24,533            |
| Administrative technology services         | 9,027             | 14,220            | 14,220            |
| Community services                         | 19,111            | 1,510             | 1,510             |
| Debt service:                              |                   |                   |                   |
| Repayment of principal                     | -                 | 151,845           | 151,845           |
| <b>TOTAL EXPENDITURES</b>                  | <b>851,260</b>    | <b>831,706</b>    | <b>831,706</b>    |
| <b>NET CHANGE IN FUND BALANCE</b>          | <b>\$ 4,423</b>   | <b>\$ 46,110</b>  | <b>\$ 46,110</b>  |

Notes to Budgetary Comparison Schedule

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.

**ATLANTIC MONTESSORI CHARTER SCHOOL PINES CAMPUS  
(A CHARTER SCHOOL UNDER ATLANTIC MONTESSORI CHARTER SCHOOL, INC.)  
BUDGETARY COMPARISON SCHEDULE – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2024**

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|                            | Special Revenue Fund |               |               |
|----------------------------|----------------------|---------------|---------------|
|                            | Original Budget      | Final Budget  | Actual        |
| REVENUES                   |                      |               |               |
| Federal sources            | \$ 35,000            | \$ 49,843     | \$ 49,843     |
| TOTAL REVENUES             | <u>35,000</u>        | <u>49,843</u> | <u>49,843</u> |
| EXPENDITURES               |                      |               |               |
| Instruction                | -                    | 40,503        | 40,503        |
| Food services              | 15,000               | 9,340         | 9,340         |
| TOTAL EXPENDITURES         | <u>15,000</u>        | <u>49,843</u> | <u>49,843</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ 20,000</u>     | <u>\$ -</u>   | <u>\$ -</u>   |

Notes to Budgetary Comparison Schedule

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.

REQUIRED SUPPLEMENTAL INFORMATION



Verdeja • Alvarez

Certified Public Accountants & Advisors



Manny Alvarez, C.F.F., C.P.A.  
Lisset I. Cascudo, C.P.A.  
Michelle del Sol, C.F.E., C.P.A.  
Cristy C. Rubio, C.P.A.  
Javier Verdeja, C.P.A.  
Octavio A. Verdeja, C.P.A.  
Octavio "Tab" Verdeja, C.F.F., C.P.A.

Octavio F. Verdeja, Founder - 1971

Armando Aburto, C.P.A.  
Jorge Albeirus, C.P.A.  
Viviana Bruno, C.P.A.  
Pedro L. Silva, C.P.A.  
Michael Vildosola, C.P.A.

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*

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Board of Directors  
Atlantic Montessori Charter School Pines Campus  
Pembroke Pines, 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 and the aggregate remaining fund information of Atlantic Montessori Charter School Pines Campus (the "School"), as of and for the year ended June 30, 2024, 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 20, 2024.

### 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) to determine 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 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 may exist that have not been identified.

## 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 determination of financial statement amounts. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Verdeja - Alvarez, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
September 20, 2024



## MANAGEMENT LETTER

Board of Directors  
Atlantic Montessori Charter School Pines Campus  
Pembroke Pines, Florida

### Report on the Financial Statements

We have audited the financial statements of Atlantic Montessori Charter School Pines Campus (the "School"), as of and for the fiscal year ended June 30, 2024, and have issued our report thereon dated September 20, 2024.

### Auditor's Responsibility

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

### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and 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 20, 2024, 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 and recommendations in the preceding financial audit report.

### Official Title

Section 10.854(1)(e)5, Rules of the Auditor General, requires the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity is Atlantic Montessori Charter School, 065029.



## **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 financials 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. The financial condition assessment procedures applied in connection with our audit, has led us to believe that the School's overall financial condition as of June 30, 2024 is not deteriorating.

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

## **Transparency**

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

## **Additional Matters**

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

## **Purpose of this Letter**

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

*Verdeja - Alvarez, LLP*

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida  
September 20, 2024