BRIDGEPREP ACADEMY INTERAMERICAN
MIAMI, FLORIDA
(A CHARTER SCHOOL UNDER BRIDGEPREP ACADEMY, INC.)

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

JUNE 30, 2021

BRIDGEPREP ACADEMY INTERAMERICAN
BASIC FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION
JUNE 30, 2021

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BRIDGEPREP ACADEMY INTERAMERICAN
(A Charter School Under Bridgeprep Academy, Inc.)

621 Beacom Blvd.
Miami, FL 33135
(305) 643-4833

2020-2021

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Ms. Yeneir Rodriguez-Padron, Secretary
Mr. Lou LoFranco, Director
Mr. Luis Necuze, Treasurer

SCHOOL ADMINISTRATION

Mr. Guillermo M. Gonzalez, Principal

Verdeja • De Armas • Trujillo
Certified Public Accountants and Advisors
Octavio F. Verdeja, Founder - 1971

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Bridgeprep Academy Interamerican
Miami, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, and each major fund, and the aggregate remaining fund information of Bridgeprep Academy Interamerican (the "School"), a charter school under Bridgeprep Academy, Inc. as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, 2021, 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.

Other Matters

As described in Note 1, the accompanying financial statements referred to above present only the financial position of Bridgeprep Academy Interamerican as of June 30, 2021, and the respective changes in financial position for the year then ended, and it is not intended to be a complete presentation of Bridgeprep Academy, Inc. These financial statements do not purport to and do not present fairly the financial position of Bridgeprep Academy, Inc. as of June 30, 2021 and its changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-9 and budgetary comparison information on pages 23-24 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2021, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Verdeja-DeArmas-Trujillo

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 14, 2021

Management's Discussion and Analysis
Bridgeprep Academy Interamerican
June 30, 2021

The corporate officers of Bridgeprep Academy Interamerican (the "School") have prepared this narrative overview and analysis of the School's financial activities for the fiscal year ended June 30, 2021.

FINANCIAL HIGHLIGHTS

1. The assets of the School exceeded its liabilities at June 30, 2021 by $37,182.
2. At year-end, the School had current assets of $281,208.
3. The School had an ending fund balance of $52,395 at June 30, 2021.

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, 2021 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 plus deferred outflows of resources and liabilities plus deferred inflows of resources. The difference 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 assets 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. 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 16-22 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, over time net position may serve as a useful indicator of a school's financial position. A summary of the School's net position as of June 30, 2021 and 2020 follows:

Assets	2021	2020
Cash and cash equivalents	$ 258,381	$ 233,723
Due from governmental agencies and accounts receivable	22,827	17,570
Deposits receivable and other assets	67,864	9,600
Capital assets, net	-	1,482
Total Assets	$ 349,072	$ 262,375
Liabilities and Net Position		
Accounts and wages payable and accrued liabilities	$ 296,677	$ 95,835
Note payable	15,213	23,502
Total Liabilities	311,890	119,337
Net investment in capital assets	-	1,482
Unrestricted	37,182	141,556
Total Net Position	37,182	143,038
Total Liabilities and Net Position	$ 349,072	$ 262,375

At June 30, 2021, the School's total assets were $349,072 and total liabilities were $311,890. At June 30, 2021, the School reported a positive net position of $37,182.

A summary and analysis of the School's revenues and expenses for the year ended June 30, 2021 and 2020 follows:

	2021	2020
REVENUES		
Program Revenues		
Federal passed through state	$ 127,857	$ 65,133
Capital outlay funding	95,188	112,906
National School Lunch Program	40,288	51,290
Charges for services	31,863	58,252
General Revenues		
FEFP nonspecific revenues	1,500,542	1,441,897
Fundraising and other revenue	23,677	17,638
Total Revenues	$ 1,819,415	$ 1,747,116
EXPENSES		
Instructional services	$ 965,713	$ 813,420
Instructional support services	8,591	14,800
Instructional media services	1,500	1,625
Instructional staff training services	1,000	-
General administration	247,940	152,003
Board	12,475	8,972
School administration	293,622	228,487
Food services	62,284	70,368
Operation of plant	241,644	251,670
Maintenance of plant	56,130	69,113
Community services	32,366	29,990
Interest expense	2,006	1,232
Total Expenses	$ 1,925,271	$ 1,641,680
Change in Net Position	(105,856)	105,436
Net Position at Beginning of Year	143,038	37,602
Net Position at End of Year	$ 37,182	$ 143,038

The School's total revenues for the year ended June 30, 2021, were $1,819,415 while its total expenses were $1,925,271 for a net decrease of $105,856. The School's enrollment was maintained at approximately 180 students. The School was able to keep costs at a minimal increase for the 2019-2020 fiscal year while having a higher enrollment, however, its need for supplemental revenue from aftercare and fundraising were hindered by the pandemic. The School increased its instructional expenses in order to ensure the best outcome for the students attending the School. The result for this campus was an "A" rating for the 2020-2021 school year. The School opted-in to receive an "A" grade for the second consecutive year to become a High Performing Charter School.

ACCOMPLISHMENTS

The School has just completed its ninth year of operations. This year, the School remained an "A" grade. This result was due to their academic focus from their curriculum support staff, teachers, administrative team, and the continued implementation of their resources available at school.

The School is excited that the school year of operations ended great and that it is able to continue to offer an outstanding academic program to our community despite the COVID-19 Pandemic. With the approval of our School's board, the School will continue to receive support from our Curriculum Support staff as needed since the campus will continue to have an existing trained master teacher to support the School.

SCHOOL LOCATION

The School operates in the Miami area located at 621 Beacom Blvd Miami, FL 33135.

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, *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.

At the end of the fiscal year, the School's governmental funds reported a decrease in its fund balance of $112,663 and a combined ending fund balance of $52,395 at June 30, 2021.

CAPITAL ASSETS

The School's investment in capital assets, as of June 30, 2021, amounts to $0 (net of accumulated depreciation). This investment in capital assets includes leasehold improvements, fixtures, furniture and equipment, audio visual materials, and computer software. The School maintains a continuous capital improvements program to enhance facilities and update fixtures and equipment as required.

GENERAL 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.

	All Governmental Funds		
	Original Budget	Final Budget	Actual
REVENUES			
State passed through local	$ 1,430,935	$ 1,500,542	$ 1,500,542
State capital outlay funding	102,515	95,188	95,188
Federal passed through state	62,500	127,857	127,857
Federal lunch program	60,000	40,288	40,288
Charges for services and other grants	60,000	31,863	31,863
Other income	41,500	23,677	23,677
TOTAL REVENUES	$ 1,757,450	$ 1,819,415	$ 1,819,415
EXPENDITURES			
Instruction	$ 775,000	$ 965,713	$ 965,713
Instructional support services	10,000	8,591	8,591
Instruction media services	-	1,500	1,500
Instructional staff training services	-	1,000	1,000
General administrative	221,177	247,940	247,940
Board	8,000	12,475	12,475
School administration	200,000	292,140	292,140
Fiscal services	1,500	-	-
Food services	83,000	62,284	62,284
Community services	40,000	32,366	32,366
Operation of plant	324,780	241,644	241,644
Maintenance of plant	68,000	56,130	56,130
Debt service	-	10,295	10,295
TOTAL EXPENDITURES	$ 1,731,457	$ 1,932,078	$ 1,932,078
Change in fund balance before other financing sources	25,993	(112,663)	(112,663)
Proceeds from long-term financing	-	-	-
Net change in fund balance	$ 25,993	$ (112,663)	$ (112,663)

Actual revenues were in line with budgeted amounts. Actual instructional expenses were greater than budgeted due to the School's commitment to improve the grade of the School and to assist its students.

REQUESTS FOR INFORMATION

This financial report is intended to provide a general overview of the finances of the School. Requests for additional information may be addressed to Mr. Juan Carlos Quintana of S.M.A.R.T. Management, LLC located at 9875 S.W. 72nd Street, Miami, Florida 33173.

BRIDGEPREP ACADEMY INTERAMERICAN
STATEMENT OF NET POSITION
JUNE 30, 2021

		Governmental Activities
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$	258,381
Accounts receivable		16,732
Due from governmental agencies		6,095
TOTAL CURRENT ASSETS		281,208
CAPITAL ASSETS, NET		
Buildings and fixed equipment		6,753
Less accumulated depreciation		(6,753)
Audio visual materials and computer software		148,493
Less accumulated depreciation		(148,493)
Furniture and equipment		86,716
Less accumulated depreciation		(86,716)
Total capital assets, net		-
Deposit receivable and other assets		67,864
TOTAL ASSETS	$	349,072
LIABILITIES AND NET POSITION		
LIABILITIES		
Accounts payable and accrued liabilities	$	129,730
Accrued wages payable		166,947
Note payable - current		8,979
TOTAL CURRENT LIABILITIES		305,656
Note payable - long term portion		6,234
TOTAL LIABILITIES		311,890
NET POSITION		
Net investment in capital assets		-
Unrestricted		37,182
TOTAL NET POSITION		37,182
TOTAL LIABILITIES AND NET POSITION	$	349,072

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

BRIDGEPREP ACADEMY INTERAMERICAN
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Functions	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental Activities:					
Instruction	965,713	$ -	116,352	$ -	$ (849,361)
Instructional support services	8,591	-	1,945	-	(6,646)
Instruction media services	1,500	-	-	-	(1,500)
Instructional staff training services	1,000	-	-	-	(1,000)
General administrative	247,940	-	-	-	(247,940)
Board	12,475	-	-	-	(12,475)
School administration	293,622	-	-	-	(293,622)
Food services	62,284	793	40,288	-	(21,203)
Operation of plant	241,644	-	9,560	95,188	(136,896)
Maintenance of plant	56,130	-	-	-	(56,130)
Community services	32,366	31,070	-	-	(1,296)
Interest expense	2,006	-	-	-	(2,006)
Total Governmental Activities	$ 1,925,271	$ 31,863	$ 168,145	$ 95,188	$ (1,630,075)

GENERAL REVENUES:	
Government grants not restricted to specific programs	1,500,542
Miscellaneous revenue	23,677
Total general revenues	1,524,219
Change in Net Position	(105,856)
NET POSITION - BEGINNING	143,038
NET POSITION - ENDING	$ 37,182

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

BRIDGEPREP ACADEMY INTERAMERICAN
BALANCE SHEET – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

		Governmental Fund
ASSETS		
Cash and cash equivalents	$	258,381
Accounts receivable		16,732
Due from governmental agencies		6,095
Deposit receivable and other assets		67,864
TOTAL ASSETS	$	349,072
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable and accrued liabilities	$	129,730
Accrued wages payable		166,947
TOTAL LIABILITIES		296,677
FUND BALANCE		
Nonspendable		
Deposit receivable and other assets		67,864
Unassigned		(15,469)
TOTAL FUND BALANCE		52,395
TOTAL LIABILITIES AND FUND BALANCE	$	349,072

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

BRIDGEPREP ACADEMY INTERAMERICAN
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT OF NET POSTION
FOR THE YEAR ENDED JUNE 30, 2021

Total Fund Balance - Governmental Funds		$	52,395
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		241,962
	Accumulated depreciation		(241,962)
Financed obligations used in governmental funds are not financial resources and, therefore, are not reported in the fund liabilities. The total financed obligations, both current and long-term, are reported in the statement of net position.			
	Obligations under financed equipment		(15,213)
Total Net Position - Governmental Activities		$	37,182

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

BRIDGEPREP ACADEMY INTERAMERICAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Governmental Funds	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
State passed through local	$ 1,500,542	$ -	$ -	$ 1,500,542
State capital outlay funding	-	-	95,188	95,188
Federal passed through state	-	127,857	-	127,857
Federal lunch program	-	40,288	-	40,288
Charges for services	31,070	793	-	31,863
Other income	23,677	-	-	23,677
TOTAL REVENUES	$ 1,555,289	$ 168,938	$ 95,188	$ 1,819,415
EXPENDITURES				
Current:				
Instruction	$ 849,361	$ 116,352	$ -	$ 965,713
Instructional support services	6,646	1,945	-	8,591
Instruction media services	1,500	-	-	1,500
Instructional staff training services	1,000	-	-	1,000
General administrative	247,940	-	-	247,940
Board	12,475	-	-	12,475
School administration	292,140	-	-	292,140
Food services	21,203	41,081	-	62,284
Operation of plant	136,896	9,560	95,188	241,644
Maintenance of plant	56,130	-	-	56,130
Community services	32,366	-	-	32,366
Debt Service:				
Redemption of principal	8,289	-	-	8,289
Interest	2,006	-	-	2,006
TOTAL EXPENDITURES	$ 1,667,952	$ 168,938	$ 95,188	$ 1,932,078
Excess of expenditures over revenues	$ (112,663)	$ -	$ -	$ (112,663)
OTHER FINANCING SOURCES				
Proceeds from long-term financing	-	-	-	-
Total other financing sources	-	-	-	-
NET CHANGE IN FUND BALANCE	(112,663)	-	-	(112,663)
Fund balance at beginning of year	165,058	-	-	165,058
Fund balance at end of year	$ 52,395	$ -	$ -	$ 52,395

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

BRIDGEPREP ACADEMY INTERAMERICAN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Change in Fund Balance - Governmental Funds	$	(112,663)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital outlays		-
Depreciation expense		(1,482)
Governmental funds report financed obligations proceeds as financing sources, while repayment is reported as expenditures. However, in the statement of activities, the financed obligations increases liabilities and does not affect the statement of activities and repayment of principal reduces the obligations.		
Repayments of principal		8,289
Change in Net Position of Governmental Activities	$	(105,856)

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

NOTE 1 – ORGANIZATION AND OPERATIONS

Reporting Entity

Bridgeprep Academy Interamerican Charter School, (the "School") is a charter school sponsored by the School Board of Miami-Dade County, Florida (the "District"). The School's charter is held by Bridgeprep Academy, 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 Board of Directors which is comprised of four members and they have determined that no component unit exists that would require inclusion in the School's financial statements.

The general operating authority of Bridgeprep Academy Interamerican Charter School (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 Miami-Dade County, Florida. The current charter is effective until June 30, 2022. At the end of the term of the charter, the School Board may choose not to renew the charter under grounds specified in the charter, in which case the School Board is required to notify the School in writing at least 90 days prior to the School's expiration. During the term of the charter, the School Board may also terminate the charter if good cause is shown. The charter may be renewed for up to an additional 10 years by mutual agreement.

These financial statements are for the year ended June 30, 2021, when approximately 180 students were enrolled in grades Kindergarten through 8^{th} grade.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

Government-wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information for the School as a whole. Both statements report only governmental activities as the School does not engage in any business type activities. These statements do not include fiduciary funds.

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 and contributions which finance annual operating activities, and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. Other revenue sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements

Fund financial statements are provided for governmental funds. The operations of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures. Major individual governmental funds, namely, the general, special revenue and capital project funds are reported as separate columns in the fund financial statements:

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
General Fund – is the School's primary operating fund. It accounts for all financial resources not accounted for and reported in another fund.

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

Special Revenue Fund – used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service and capital projects.

Measurement Focus, Basis of Accounting and Financial Statement Presentation
The financial statements of Bridgeprep Academy Interamerican Charter School, (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 Guidelines.*

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenues from non-exchange transactions are reported according to Governmental Accounting Standards Board (GASB) Codification Section 1600.111 and Section N50 *"Accounting and Financial Reporting for Non-Exchange Transactions"*. On the accrual basis, revenues from grants and donations are recognized 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 current liabilities. The School considers revenues to be available if they are collected within 90 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. 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.

Budgetary Basis 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, purchased services, and capital outlay) within each activity (e.g. instructional, pupil personnel services and school administration). Any revisions to the annual budget are approved by the Board.

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

Accounts receivable
Accounts receivable consists of after school care fees pending to be collected. Any bad debts are expensed in the subsequent period when they are determined to be uncollectible.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Due from Other Agencies

Due from other agency consists of amounts due from other governmental units for revenues from federal, federal through state, state, or other sources.

Capital Assets, Depreciation and Amortization

Capital assets purchased or acquired are carried at historical cost or estimated historical cost. The School capitalization levels are $750 on tangible personal property. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the costs and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for depreciable assets are as follows:

Furniture and equipment	5 Years
Computer equipment and software	7 Years
Building and improvements	39 Years

Compensated Absences

The School grants a specific number of days of sick/personal leave. Full-time employees are eligible for one day per month to up to ten days of active work during the ten-month period (a “benefit year”). In the event that available time is not used by the end of the benefit year, employees may “rollover” all unused days for use in future benefit years. There is an opportunity to “cash out” unused sick days; however, the employees may only cash out if they have used three days or less of their sick leave in that benefit year. Employees may not cash out more than ten days per school year and are required to always maintain a minimum of twenty-one unused days. The cash value is eighty percent of their current daily rate. There is no termination payment for accumulated unused sick days.

GASB Codification Section C60, *Accounting for Compensated Absences*, provides that compensated absences that are contingent on a specific event that is outside the control of the employer and employee should be accounted for in the period those events take place. Accordingly, these financial statements do not include an accrual for compensated absences available to be used in future benefit years.

The School also provides certain days to be used for specific personal matters such as family death and jury duty. Because the use of such days is contingent upon those events taking place and such events are out of the control of both the employer and the employee, there is no accrual for such days.

Government-wide Fund Net Assets

Government-wide fund net assets are divided into three components:

- Net investment in capital assets – consists of the historical cost capital assets less accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition or improvement of those assets plus deferred outflows of resources less deferred inflows of resources. The net investment in capital assets for the year ending June 30, 2021 was $0.
- Restricted net assets – consists of net assets with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments less related liabilities and deferred inflows of resources. The restricted net position for the year ending June 30, 2021 was $0.
- Unrestricted – all other net position is reported in this category, including amounts due from other charter schools.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

- Nonspendable – fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned). At June 30, 2021, the School had $67,864 in nonspendable fund balance.
- 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. At June 30, 2021, there is no restricted fund balance.
- 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. At June 30, 2021, there is no committed fund balance.
- 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. At June 30, 2021, there is no assigned fund balance.
- Unassigned – fund balance is the residual classification for the School's general fund and includes all spendable amounts not contained in the other classifications.

Order of Fund Balance Spending Policy

The School's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, or committed fund balance at the end of the fiscal year by adjusting journal entries. First Non-spendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then any remaining fund balance amounts for the non-general funds are classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purposes amounts exceed the positive fund balance for the non-general fund. As of June 30, 2021, there are no minimum fund balance requirements for any of the School's funds.

Revenue Sources

Revenues for operations will be received primarily from the District School Board of Miami-Dade County (the "School Board") pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the School will report the number of full-time equivalent (FTE) students and related data to the School Board. Under the provisions of Section 1011.62, Florida Statutes, the School Board reports the number of the full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the Florida Education Finance Program and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods. In addition, the School receives an annual allocation of charter school capital outlay funds for leasing of School facilities.

The School may also receive 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 expensed. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

Bridgeprep Academy, Inc. qualifies as a tax exempt organization under the 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 U.S. generally accepted accounting principles 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

The School has evaluated subsequent events and transactions for potential recognition or disclosure through September 14, 2021, which is the date the financial statements were available to be issued.

NOTE 3 – CAPITAL ASSETS

The following schedule provides a summary of changes in capital assets, acquired substantially with public funds, for the year ended June 30, 2021:

Capital Assets	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Building and fixed equipment	$ 6,753	$ -	$ -	$ 6,753
Audio visual materials and computer software	148,493	-	-	148,493
Furniture and equipment	86,716	-	-	86,716
Total Capital Assets	$ 241,962	$ -	$ -	$ 241,962
Less Accumulated Depreciation				
Building and fixed equipment	$ (6,753)	$ -	$ -	$ (6,753)
Audio visual materials and computer software	(147,587)	(906)	-	(148,493)
Furniture and equipment	(86,140)	(576)	-	(86,716)
Total Accumulated Depreciation	$ (240,480)	$ (1,482)	$ -	$ (241,962)
Capital Assets, net	$ 1,482	$ (1,482)	$ -	$ -

Depreciation expense for the year ended June 30, 2021 amounted to $1,482 which was allocated to school administration.

NOTE 4 – LEASE OBLIGATIONS

The School financed equipment under separate notes expiring through July 2024. As of June 30, 2021, the equipment was financed at a total of $33,419. The notes require monthly payments of principal and interest totaling $827 at interest rates between 7.88%-8.147% per annum.

NOTE 4 – LEASE OBLIGATIONS (Continued)

Future minimum payments under the note as of June 30, 2021 are as follows:

Year Ended June 30,	
2023	$ 8,979
2024	5,768
2025	466
Total	$ 15,213

The following is a summary of changes in long-term debt for the year ended June 30, 2021:

	Balance July 1, 2020	Additions	Repayments	Balance June 30, 2021
Financed note payable	$ 23,502	$ -	$ (8,289)	$ 15,213
	$ 23,502	$ -	$ (8,289)	$ 15,213

NOTE 5 – EDUCATION SERVICE AND SUPPORT PROVIDER

The School entered into an agreement with S.M.A.R.T. Management LLC to provide professional management and consulting services to the School. In its capacity as the management company, S.M.A.R.T. Management LLC manages the finances and operations and makes recommendations to the School's independent board of directors which make the final determinations regarding polices and contracts.

In providing management services to the School, officers of S.M.A.R.T. Management LLC may not serve as members of the Board of Directors of the School. The agreement began on July 1, 2011 and is in effect until July 1, 2021. The contract calls for a management fee of 4% of full time equivalent (FTE) revenues for the year ended June 30, 2021. In addition, the School pays $500 a month for the management of the After Care program. During the year-ended June 30, 2021, the School incurred management fees of $146,909.

NOTE 6 – COMMITMENTS AND CONTINGENCIES

The School entered into a lease agreement in July 2011 to lease facilities. The School has an option to renew this lease for two additional five-year terms expiring August 1, 2028. For the year ended June 30, 2021, the monthly lease payment was $11,060. Each year the rent will be adjusted based upon the percentage increase in the Consumer Price Index (CPI) over the prior year, not to exceed a maximum increase in annual rent in excess of 3% over the preceding year. For the year ended June 30, 2021, the amount paid by the School for the use of the facilities and services was $135,612. The School has estimated future payments for rent to be as follows:

Year Ended June 30,	
2022	$ 140,464
2023	144,678
2024	149,018
2025	153,489
2026	158,093
2027-2028	176,439
Total	$ 922,181

NOTE 7 – DEPOSITS POLICY AND CREDIT RISK

It is the School's policy to maintain its cash and cash equivalents in one financial institution. As of June 30, 2021, the School's deposits consisted of cash balances of $268,781. Deposits at FDIC-insured financial institutions are insured up to $250,000 per depositor, per financial institution. The School is a charter school under Bridgeprep Academy, Inc., which also operates various other charter schools. All bank accounts are opened under the account ownership of Bridgeprep Academy, Inc., therefore, bank balances at times may potentially be in excess of FDIC coverage. As of June 30, 2021, bank balances in potential excess of FDIC coverage was $0

NOTE 8 – GRANTS

In the normal course of operations, the School receives grant funds from various federal, state and local agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not reflected in these financial statements.

NOTE 9 – 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 in the past. In addition, there were no reductions in insurance coverage from those in the prior year. The School does not sponsor a public entity risk pool and has had no settlements that have exceeded their insurance coverage.

NOTE 10 – DEFINED CONTRIBUTION RETIREMENT PLAN

The School's personnel, which are leased through ADP TotalSource Group, Inc., are eligible to participate in a defined contribution 401(k) plan sponsored by their payroll company, ADP TotalSource Group, Inc., covering employees who meet certain age and tenure requirements. Beginning in the 2015-2016 School year, under the ADP TotalSource Retirement Savings Plan (the "Plan"), the School provides a match of 25% of the employee's contribution up to 4% of the employee's compensation. The School made $1,655 of contributions to the Plan for the year ended June 30, 2021.

NOTE 11 – SUBSEQUENT EVENTS

The World Health Organization ("WHO") has declared the coronavirus (COVID-19), a global pandemic and public health emergency. At this point, the School cannot reasonably estimate the extent to which this disruption may continue to impact the School's financial statements and future results of operations.

REQUIRED SUPPLEMENTAL INFORMATION

BRIDGEPREP ACADEMY INTERAMERICAN
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund		
	Original Budget	Final Budget	Actual
REVENUES			
State passed through local	$ 1,430,935	$ 1,500,542	$ 1,500,542
Charges for services	60,000	31,070	31,070
Other income	41,500	23,677	23,677
TOTAL REVENUES	$ 1,532,435	$ 1,555,289	$ 1,555,289
EXPENDITURES			
Instruction	$ 712,500	$ 849,361	$ 849,361
Instructional support services	10,000	6,646	6,646
Instruction media services	-	1,500	1,500
Instructional staff training services	-	1,000	1,000
General administrative	221,177	247,940	247,940
Board	8,000	12,475	12,475
School administration	200,000	292,140	292,140
Fiscal services	1,500	-	-
Food services	23,000	21,203	21,203
Community services	40,000	32,366	32,366
Operation of plant	222,265	136,896	136,896
Maintenance of plant	68,000	56,130	56,130
Debt service	-	10,295	10,295
TOTAL EXPENDITURES	$ 1,506,442	$ 1,667,952	$ 1,667,952
Change in fund balance before other financing sources	25,993	(112,663)	(112,663)
Proceeds from long-term financing	-	-	-
Net change in fund balance	$ 25,993	$ (112,663)	$ (112,663)

See accompanying note to the required supplemental information.

BRIDGEPREP ACADEMY INTERAMERICAN
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL – SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue Funds		
	Original Budget	Final Budget	Actual
REVENUES			
Federal passed through state	$ 62,500	$ 127,857	$ 127,857
Charges for services	-	793	793
Federal lunch program	60,000	40,288	40,288
TOTAL REVENUE	$ 122,500	$ 168,938	$ 168,938
EXPENDITURES			
Instructional services	$ 62,500	$ 116,352	$ 116,352
Instructional support services	-	1,945	1,945
Food services	60,000	41,081	41,081
Operation of plant	-	9,560	9,560
TOTAL EXPENDITURES	$ 122,500	$ 168,938	$ 168,938
Net change in fund balance	$ -	$ -	$ -

See accompanying note to the required supplemental information.

NOTE A – BUDGETARY INFORMATION

Budgetary basis of accounting

The School's annual budget is adopted for the entire operations at the combined governmental level and may be amended by the Board. The budget presented for the year ended June 30, 2021, has been amended according to Board procedures. During the fiscal year, expenditures were controlled at the fund level.

Although budgets are adopted for the entire operation, budgetary comparisons have been presented for the general, special revenue and capital projects funds for which a legally adopted budget exists.

Budgets are presented on the modified accrual basis of accounting consistent with generally accepted accounting principles. During the fiscal year, expenditures were controlled at the object level (e.g., salaries, purchased services, and capital outlay).

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*

Board of Directors of
Bridgeprep Academy Interamerican
Miami, 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 Bridgeprep Academy Interamerican (the "School"), as of and for the year ended June 30, 2021, 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 14, 2021.

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.

Verdy-DeArmas-Trujillo

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 14, 2021

Verdeja • De Armas • Trujillo
Certified Public Accountants and Advisors
Octavio F. Verdeja, Founder - 1971

50th ANNIVERSARY

Manny Alvarez, C.P.A.
Monique Bustamante, C.P.A.
Pedro M. De Armas, C.P.A.
Eric E. Santa Maria, C.P.A.
Alejandro M. Trujillo, C.P.A.
Octavio A. Verdeja, C.P.A.
Tab Verdeja, C.P.A.
Michelle del Sol, C.P.A.
Cristy C. Rubio, C.P.A.
Tommy Trujillo, C.P.A.
Javier Verdeja, C.P.A.

MANAGEMENT LETTER

Board of Directors of
Bridgeprep Academy Interamerican
Miami, Florida

Report on the Financial Statements

We have audited the financial statements of Bridgeprep Academy Interamerican (the "School"), as of and for the fiscal year ended June 30, 2021, and have issued our report thereon dated September 14, 2021.

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 14, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)5., 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 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 of the entity and the school code assigned by the Florida Department of Education of the School is Bridgeprep Academy Interamerican Charter School and #135020.

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255 Alhambra Circle, Suite 560, Coral Gables, FL 33134 • Office: 305.446.3177 • Fax: 305.446.6370 • www.vdtcpa.com

Financial Condition and Management

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

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the School. It is management's responsibility to monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by the same. The financial condition assessment procedures applied in connection with our audit, has lead us to believe that the School's overall financial condition as of June 30, 2021 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 Miami-Dade County, Florida, and is not intended to be and should not be used by anyone other than these specified parties.

Verdy-DeArmas-Trujillo

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 14, 2021