

**IDEA BASSETT AND
IDEA RIVER BLUFF**

**Basic Financial Statements and
Supplemental Information**

June 30, 2025

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INDEPENDENT AUDITOR'S REPORT

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To the Board of Directors
IDEA Bassett and IDEA River Bluff
Jacksonville, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of IDEA Bassett and IDEA River Bluff (the "Schools"), divisions of IDEA Florida, Inc., as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Schools' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Schools, as of June 30, 2025, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Schools, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note A, the financial statements of the Schools are intended to present the financial position and change in financial position of only that portion of the governmental activities and each major fund of IDEA Florida, Inc. that is attributable to the transactions of the Schools. They do not purport to, and do not, present fairly the financial position of IDEA Florida, Inc. as of June 30, 2025 and the changes in its financial position and budgetary comparisons, where applicable, for the year ended June 30, 2025 in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Schools' 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 Schools' 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 for the General Fund and Special Revenue Fund on pages 3 through 6 and 21 through 23, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2025, on our consideration of the Schools' 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 Schools' 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 Schools' internal control over financial reporting and compliance.

Moss, Krusick & Associates, LLC

Winter Park, Florida
September 25, 2025

Management's Discussion and Analysis

Our discussion and analysis of IDEA Bassett's and IDEA River Bluff's (the "Schools") financial performance provides an overview of the Schools' financial activities for the year ended June 30, 2025 with certain comparative information for 2024. Please read this section in conjunction with the Schools' financial statements, which immediately follow this discussion.

Financial Highlights

The following are the highlights of financial activity for the year ended June 30, 2025:

- The Schools' total assets exceeded its liabilities at June 30, 2025 by \$8,414,672 (net position), compared to \$5,798,905 for the year ended June 30, 2024.
- The Schools' total revenues were \$33,674,352 primarily consisting of \$24,382,196 from general revenues including FTE revenues and state money from the Department of Education and \$9,292,156 from operating grants, capital grants, and contributions. The Schools' expenses for the year were \$31,058,585. Net position for the year increased by \$2,615,767.
- Total fund balance in the governmental funds totaled \$6,228,130 for fiscal 2025, a \$715,384 increase from the prior year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Schools' basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

Government-wide financial statements:

The government-wide financial statements, which consist of the following two statements, are designed to provide readers with a broad overview of the Schools' finances, in a manner similar to a private-sector business:

- The statement of net position presents information on all the Schools' assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Schools are improving or deteriorating.
- The statement of activities presents information showing how the Schools' net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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

The government-wide financial statements can be found on pages 7 and 8 of this report.

Fund financial statements:

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Schools only have one category of funds - governmental funds.

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

Fund financial statements (continued)

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

The Schools maintain several individual governmental funds. The General Fund, Special Revenue Fund and Capital Projects Fund are considered to be the Schools' major funds.

A budgetary comparison statement has been provided for the General Fund and Special Revenue Fund to demonstrate compliance with the budgets.

The governmental fund financial statements can be found on pages 9 through 12 of this report.

Notes to basic financial statements:

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 13 through 20 of this report.

Other information:

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Schools' General Fund and Special Revenue Fund adopted budgets to actual results. Required supplementary information can be found on pages 21 and 23 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of financial position.

The following table reflects the condensed government-wide statements of net position as of June 30:

	<u>2025</u>	<u>2024</u>	<u>Change</u>
Assets			
Current assets	\$ 10,004,874	\$ 8,487,401	\$ 1,517,473
Noncurrent assets	47,875,480	67,812,232	(19,936,752)
Total assets	<u>57,880,354</u>	<u>76,299,633</u>	<u>(18,419,279)</u>
Liabilities			
Current liabilities	6,018,798	6,162,338	(143,540)
Non-current liabilities	43,446,884	64,338,390	(20,891,506)
Total liabilities	<u>49,465,682</u>	<u>70,500,728</u>	<u>(21,035,046)</u>
Net position (deficit)			
Net investment in capital assets	2,186,542	1,305,700	880,842
Restricted	121,618	1,150,581	(1,028,963)
Unrestricted (deficit)	6,106,512	3,342,624	2,763,888
Total net position (deficit)	<u>\$ 8,414,672</u>	<u>\$ 5,798,905</u>	<u>\$ 2,615,767</u>

A portion of the Schools' net position reflect its investment in capital assets, less any related outstanding debt used to acquire those assets. The Schools use these capital assets to provide services to students; consequently, these assets are not available for future spending.

Although the Schools' investment in its capital assets is reported net of related debt (if any), it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Resources that are subject to external restrictions on how they may be used are classified as restricted assets. As of June 30, 2025, the Schools had \$121,618 restricted assets held in cash. The decrease in noncurrent assets and noncurrent liabilities at June 30, 2025 compared to June 30, 2024 relates to modifications and terminations to existing leases during the year. The increase in current assets relates to an increase in amounts due from government agencies for grant billings.

As reflected below, the net position is showing an increase of \$2,615,767 and \$7,407,122 for the years ended June 30, 2025 and 2024, respectively, as summarized in the following table:

	<u>2025</u>	<u>2024</u>	<u>Change</u>
Revenues:			
General revenues	\$ 24,382,196	\$ 26,950,721	\$ (2,568,525)
Program revenues	9,292,156	8,332,741	959,415
Total revenues	<u>33,674,352</u>	<u>35,283,462</u>	<u>(1,609,110)</u>
Expenses:			
Instruction	10,881,727	8,941,264	1,940,463
Instructional support services	4,286,297	3,537,891	748,406
Operation of non-instructional services	15,890,561	15,397,185	493,376
Total expenses	<u>31,058,585</u>	<u>27,876,340</u>	<u>3,182,245</u>
Changes in net position	<u>\$ 2,615,767</u>	<u>\$ 7,407,122</u>	<u>\$ (4,791,355)</u>

Fiscal 2025 was the third year of operations for the Schools which included an increase in students from 1,600 in 2024 to 1,869 in 2025. The increase in students has resulted in an increase in instruction and instructional support services costs, however, general revenues decreased due to a decrease in funding received from the Department of Education for the School of Hope program.

Financial Analysis of the Schools' Funds

As noted earlier, the Schools use fund accounting to maintain control over resources that have been segregated for specific activities or objectives. The focus of the Schools' governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Schools' financing requirements. In particular, unreserved fund balance, if any, may serve as a useful measure of the Schools' net resources available for spending at the end of the fiscal year.

General Fund. The fund balance of the General Fund increased by \$715,384 from \$5,512,746 at June 30, 2024 to \$6,228,130 at June 30, 2025.

Special Revenue Fund. The fund balance of the Special Revenue Fund remained the same at \$0 after transfers from the General Fund of \$55,363 which means that all special revenue funds were spent during the year.

Capital Projects Fund. The fund balance of the Capital Projects Fund remained the same at \$0 which means that all capital projects revenue funds were spent during the year.

Capital Assets and Debt Administration

Capital assets: The Schools' investment in capital assets as of June 30, 2025 was approximately \$47.9 million, net of accumulated depreciation and amortization. This investment in capital assets is composed of right of use buildings, furniture and equipment and vehicles. A more detailed analysis is provided in Note D to the financial statements.

Financial Analysis of the Schools' Funds (continued)

Long-term debt: At June 30, 2025, the Schools had no outstanding debt and held lease obligations of approximately \$45.7 million. A more detailed analysis is provided in Notes E and F to the financial statements. The net investment in capital assets totaled approximately \$2.2 million at June 30, 2025 compared to \$1.3 million at June 30, 2024.

Budgetary Highlights

General Fund. Actual revenues were less than the final budget by \$3,393,704. Actual expenditures were less than the final budget expenditures by \$6,151,593 which was primarily due to the Schools' budgeting for additional FTE and expected instruction costs but were over budgeted. The Board of Directors amends the Schools' budget throughout the fiscal year to reflect changes in expected revenue and expenditures and changes in FTE counts.

Special Revenue Fund. The fund balance of the Special Revenue Fund remained the same at \$0 after transfers to the General Fund of \$55,363 which means that all special revenue funds were spent during the year.

The budgeted information can be found on pages 21 through 23 of this report.

Economic Factors for 2024-2025

The economic position of the School for general operations is closely tied to that of the State. The formula for determining funding for education is set by Florida Statute. State funds to charter schools are provided primarily by legislative appropriations from the State's general revenue fund under the Florida Education Finance Program (FEFP), and the State funding for operations is primarily from sales, gasoline, and corporate income taxes. Additionally, the level of tourism in the State heavily influences the amount of taxes collected. Significant changes in State revenue collections could directly impact future School revenue collections.

During 2025 and expected in 2026, the State of Florida enacted several legislative changes that significantly impact charter schools. These include new requirements for sharing local infrastructure surtax and property tax revenues with charter schools and the continuation of the Charter Schools Program (CSP) Grants to fund capital improvements and facility expansions. In the 2025-2026 state budget, there was also an increase in per-student funding to \$9,130, an approximate 1.6% increase over the previous year.

Effective June 30, 2025, the Schools' School of Hope Base Agreement expired. The Schools' are in the process of renewing the existing agreement.

Increasing school enrollment from 1,869 in 2024-2025 to 2,379 in the 2025-2026 school year will significantly increase Florida Education Finance Program (FEFP) revenues.

Requests for Information

This financial report is designed to provide a general overview of IDEA Bassett and IDEA River Bluff's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to IDEA Florida, Inc. 9321 W. Sam Houston Parkway South, Houston, TX 77099.

IDEA BASSETT AND IDEA RIVER BLUFF

STATEMENT OF NET POSITION

June 30, 2025

	<u>Governmental Activities</u>
ASSETS	
CURRENT ASSETS	
Cash	\$ 3,410,001
Due from government agencies	2,616,269
Due from management company	3,963,987
Prepaid items	14,617
Total current assets	<u>10,004,874</u>
NONCURRENT ASSETS	
Capital assets, net of accumulated depreciation and amortization	47,873,680
Deposits	1,800
Total noncurrent assets	<u>47,875,480</u>
Total assets	<u>57,880,354</u>
LIABILITIES AND NET POSITION	
CURRENT LIABILITIES	
Accounts payable	547,054
Accrued liabilities	1,218,985
Due to related parties	2,011,966
Unearned revenue	539
Leases	2,240,254
Total current liabilities	<u>6,018,798</u>
NONCURRENT LIABILITIES	
Leases	<u>43,446,884</u>
Total liabilities	<u>49,465,682</u>
NET POSITION	
Net investment in capital assets	2,186,542
Restricted for:	
Other purposes	117,886
Student scholarships	3,732
Unrestricted	6,106,512
Total net position	<u>\$ 8,414,672</u>

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

IDEA BASSETT AND IDEA RIVER BLUFF

STATEMENT OF ACTIVITIES

Year Ended June 30, 2025

Functions/ Programs	Expenses	Program Revenues			Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental activities:					
Instruction	\$ 10,881,727	\$ -	\$ 1,920,520	\$ -	\$ (8,961,207)
Student support services	765,911	-	-	-	(765,911)
Instructional media services	108,516	-	-	-	(108,516)
Instruction related technology	687,730	-	-	-	(687,730)
Staff training	24,000	-	-	-	(24,000)
General and administrative services	6,266,908	-	54,527	-	(6,212,381)
Plant operations and maintenance	8,037,496	-	-	5,176,453	(2,861,043)
Transportation	1,655,303	-	-	-	(1,655,303)
Fiscal services	144,169	-	-	-	(144,169)
Community services	73,217	-	-	-	(73,217)
Food services	2,119,858	-	2,140,656	-	20,798
Central services	273,487	-	-	-	(273,487)
Debt service	4,358	-	-	-	(4,358)
Interest expense	15,905	-	-	-	(15,905)
Total governmental activities	<u>\$ 31,058,585</u>	<u>\$ -</u>	<u>\$ 4,115,703</u>	<u>\$ 5,176,453</u>	<u>(21,766,429)</u>
General revenues:					
FTE nonspecific revenues and Schools of Hope Funding					24,339,572
Local revenue					42,624
Total general revenues					<u>24,382,196</u>
Change in net position					2,615,767
Net position (deficit) at July 1, 2024					5,798,905
Net position at June 30, 2025					<u>\$ 8,414,672</u>

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

IDEA BASSETT AND IDEA RIVER BLUFF
BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash	\$ 3,410,001	\$ -	\$ -	\$ 3,410,001
Due from government agencies	2,616,269	-	-	2,616,269
Due from management company	3,963,987	-	-	3,963,987
Prepaid items	14,617	-	-	14,617
Deposits	1,800	-	-	1,800
Total assets	<u>\$ 10,006,674</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,006,674</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 547,054	\$ -	\$ -	\$ 547,054
Accrued liabilities	1,218,985	-	-	1,218,985
Due to related parties	2,011,966	-	-	2,011,966
Unearned revenue	539	-	-	539
Total liabilities	<u>3,778,544</u>	<u>-</u>	<u>-</u>	<u>3,778,544</u>
FUND BALANCES				
Nonspendable				
Prepaid items	14,617	-	-	14,617
Deposits	1,800	-	-	1,800
Restricted for:				
Other purposes	117,886	-	-	117,886
Student scholarships	3,732	-	-	3,732
Unassigned	6,090,095	-	-	6,090,095
Total fund balances	<u>6,228,130</u>	<u>-</u>	<u>-</u>	<u>6,228,130</u>
Total liabilities and fund balances	<u>\$ 10,006,674</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,006,674</u>

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

IDEA BASSETT AND IDEA RIVER BLUFF

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION

June 30, 2025

Governmental fund balances: \$ 6,228,130

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Cost of capital assets	\$ 54,745,212	
Accumulated depreciation and amortization	<u>(6,871,532)</u>	
Total capital assets		47,873,680

Liabilities not payable with current available resources are not reported as fund liabilities in the governmental fund statements. All liabilities both current and long-term, are reported in the government-wide statements.

Leases		<u>(45,687,138)</u>
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Total net position of governmental activities		<u>\$ 8,414,672</u>
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The accompanying notes are an integral part of these financial statements.

IDEA BASSETT AND IDEA RIVER BLUFF

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**

Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
Revenues				
State sources	\$ 24,339,572	\$ -	\$ 5,176,453	\$ 29,516,025
Federal sources	-	4,115,703	-	4,115,703
Local sources	42,624	-	-	42,624
Total revenues	<u>24,382,196</u>	<u>4,115,703</u>	<u>5,176,453</u>	<u>33,674,352</u>
Expenditures				
Current:				
Instruction	9,578,992	1,300,735	-	10,879,727
Student support services	715,038	50,873	-	765,911
Instructional media services	100,122	8,394	-	108,516
Instruction related technology	474,754	143,774	-	618,528
Staff training	-	24,000	-	24,000
General and administrative services	5,921,195	325,664	-	6,246,859
Plant operations and maintenance	4,119,288	84,000	5,176,453	9,379,741
Transportation	1,369,818	-	-	1,369,818
Fiscal services	144,169	-	-	144,169
Community services	73,217	-	-	73,217
Food services	-	2,119,858	-	2,119,858
Central services	185,778	3,042	-	188,820
Professional services	4,358	-	-	4,358
Debt service:				
Principal payments on debt	1,019,541	-	-	1,019,541
Interest	15,905	-	-	15,905
Total expenditures	<u>23,722,175</u>	<u>4,060,340</u>	<u>5,176,453</u>	<u>32,958,968</u>
Excess (deficiency) of revenues over (under) expenditures	<u>660,021</u>	<u>55,363</u>	<u>-</u>	<u>715,384</u>
Other financing sources (uses):				
Transfers out	-	(55,363)	-	(55,363)
Transfers in	55,363	-	-	55,363
Total other financing sources (uses)	<u>55,363</u>	<u>(55,363)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	715,384	-	-	715,384
Fund balances at July 1, 2024	5,512,746	-	-	5,512,746
Fund balances at June 30, 2025	<u>\$ 6,228,130</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,228,130</u>

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

IDEA BASSETT AND IDEA RIVER BLUFF

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES

Year Ended June 30, 2025

Net change in fund balances - governmental funds		\$	715,384
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures; in the statement of activities these costs are allocated over their estimated useful lives as a provision for depreciation and amortization.			
Expenditures for capital assets	\$	10,469,032	
Less: provision for depreciation and amortization		<u>(3,991,630)</u>	
Total capital assets			6,477,402
Issuance of leases	\$	(9,286,818)	
Principal payments on debt		1,019,541	
Principal payments on leases		<u>3,690,258</u>	
			<u>(4,577,019)</u>
Change in net position of governmental activities		\$	<u>2,615,767</u>

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

IDEA BASSETT AND IDEA RIVER BLUFF

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE A – SUMMARY OF REPORTING ENTITY AND SIGNFICANT ACCOUNTING POLICIES

IDEA Bassett and IDEA River Bluff (collectively, the “Schools”), are divisions of IDEA Florida, Inc. (the “Organization”). The Schools commenced operations in August 2022 and offer classes for pre-kindergarten through 8th grade students in Duval County, Florida. An average of approximately 1,800 students were enrolled in classes for the School’s 2024-25 school year.

The basic financial statements of the Schools present only the balances, activity and disclosures related to the Schools. They do not purport to, and do not, present fairly the financial position of IDEA Florida, Inc. as of June 30, 2025, and the changes in its 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.

Reporting entity: The Schools operate under a charter granted by the sponsoring Schools’ district, the Schools’ Board of Duval County, Florida (the “Schools’ Board”). The charters are effective until July 30, 2027. At the end of the term of the charter, the charter will be renewed upon written request by the Schools unless the terms of the charter were violated. If the Schools’ Board chooses not to renew or terminate the charters under grounds specified in the charter agreements, the Schools’ Board is required to notify the Schools in writing at least ninety days prior to the charters’ expiration or termination. During the term of the charter, the Schools’ Board may also terminate the charter if terms of the charter agreements are violated.

The general operating authority of the Schools are contained in Section 1002.333, Florida Statutes. The Schools obtained approval from the Florida Department of Education for its School of Hope Performance Base Agreement which designates the Schools as a School of Hope under IDEA Florida, Inc. (Hope Operator). The School of Hope Performance Base Agreement is designed to assist schools in serving students from one or more persistently low-performing schools located in opportunity zones. The current agreement expired on June 30, 2025 and it can be renewed in accordance with law. The agreement can also be terminated before its date of expiration for reasons set forth in the charter and Section 1002.33 of the Florida Statutes.

Component units: The Schools may also be financially accountable if an organization is fiscally dependent on the Schools regardless of whether the organization has a separately elected governing board, a governing board appointed by another government, or a jointly approved board. In addition, component units can be other organizations for which the nature and significance of their relationship with the Schools are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. As a result of evaluating the above criteria, management has determined that no component units exist for which the Schools are financially accountable which would require inclusion in the Schools’ financial statements.

Basis of presentation: Based on the guidance presented in the American Institute of Certified Public Accountants Audit and Accounting Guide – Not-for-Profit Organizations and provisions of Section 228.056(9), Florida Statutes, the Schools are presented as a governmental organization for financial statement reporting purposes.

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

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

IDEA BASSETT AND IDEA RIVER BLUFF

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE A – SUMMARY OF REPORTING ENTITY AND SIGNFICANT ACCOUNTING POLICIES (continued)

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

This government-wide focus is more on the ability to sustain the Schools as an entity and the change in the Schools' net position resulting from the current year's activities.

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

The Schools report the following major governmental funds:

- **General Fund** – This fund is used to account for all operating activities of the Schools except for those required to be accounted for in another fund.
- **Special Revenue Fund** – This fund is used to account for federal grants that are legally restricted to expenditures for particular purposes.
- **Capital Projects Fund** – This fund is used to account for state capital outlay funding that is legally restricted to expenditures for particular purposes.

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

- Net investment in capital assets - represents the difference between the cost of capital assets, less accumulated depreciation and amortization reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets (if any).
- Restricted net position - consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - indicates that portion of net position that will need to be funded by future operations.

Fund balance: The Schools have implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance classifications to report on the nature and extent to which the Schools are bound to have constraints on the specific purposes for which amounts in those funds can be spent.

The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance – consists of amounts that are not in spendable form and of net position that are legally or contractually required to be maintained intact.
- Restricted fund balance – consists of amounts with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Committed fund balance – consists of amounts that can be used for specific purposes pursuant to constraints imposed by the government itself, using its highest level of decision making authority.

IDEA BASSETT AND IDEA RIVER BLUFF

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE A – SUMMARY OF REPORTING ENTITY AND SIGNFICANT ACCOUNTING POLICIES (continued)

Fund balance (continued):

- Assigned fund balance – consists of amounts that are constrained by the government’s intended use of resources but are neither restricted or committed.
- Unassigned – consists of net resources in excess of what can be properly classified in one of the above categories.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the Schools consider restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the Schools consider amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the Schools’ governing body or its delegated official or body has provided otherwise in its commitment or assignment actions. The details of the fund balances are included in the Balance Sheet – Governmental Funds.

Measurement focus and basis of accounting: The basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied. Governmental funds use the current financial resources measurement focus and the government-wide statement uses the economic resources measurement focus.

Governmental activity in the government-wide financial statements is presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental fund financial statements are presented on the modified accrual basis of accounting under which revenue is recognized in the accounting period in which it becomes susceptible to accrual (i.e., when it becomes both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the current period is defined as sixty days.

Cash and cash equivalents: Cash and cash equivalents are defined as demand deposits, money market accounts, and short-term investments with original maturities of three months or less from the date of acquisition.

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

Capital assets: Capital assets purchased or acquired are capitalized at historical cost or estimated historical cost. Capital assets are defined by the Schools as assets with a cost of \$1,000 or more and a useful life of over one year. Donated capital assets are valued at their estimated fair market value as of the date received. Additions, improvements, and other expenditures that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related capital assets. Other costs for repairs and maintenance are expensed as incurred.

Depreciation and amortization on all assets is provided on the straight-line basis over the capital assets’ estimated useful lives or lease term, whichever is shorter, as follows:

Building – right of use	5 years
Furniture and equipment	5 years
Vehicles	5 years
Building and land improvements	15 years

IDEA BASSETT AND IDEA RIVER BLUFF

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE A – SUMMARY OF REPORTING ENTITY AND SIGNFICANT ACCOUNTING POLICIES (continued)

Right of use asset: The Schools have recorded a right of use lease asset in accordance with GASB 87. The right of use asset is initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right of use asset is amortized on a straight-line basis over the life of the related lease.

Compensated absences: The Schools' policy allows employees to carry over unused vacation time during the year. Unused sick leave benefits are not paid upon separation from service. No liability for compensated absences was recorded for the year ending June 30, 2025.

Unearned revenue: Unearned revenue arises when the Schools receive inflows of resources that do not meet the criteria for revenue recognition. At June 30, 2025, the Schools had unearned revenue of \$539, which represented referendum funds not yet earned.

Deferred outflows/inflows of resources: In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Schools do 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(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Schools have not recorded any deferred inflows as of June 30, 2025.

Revenue recognition: Student funding is provided by the State of Florida through the District and the Florida State Department of Education. Such funding is recorded as entitlement revenue in the government-wide financial statements and state source revenue in the fund financial statements. This funding is received on a pro rata basis over a twelve-month period and is adjusted for changes in full-time equivalent (FTE) student population.

Grant and contract revenue: Grant and contract revenue is recognized when the allowable costs, as defined by the individual grant or contract, are incurred.

Use of estimates: The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America 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 the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Income taxes: The Schools are a division of a nonprofit corporation that 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.

IDEA BASSETT AND IDEA RIVER BLUFF

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE A – SUMMARY OF REPORTING ENTITY AND SIGNFICANT ACCOUNTING POLICIES (continued)

GASB pronouncement adopted: GASB issued Statement No. 102, *Certain Risk Disclosures*, in December 2023. GASB 102 enhanced transparency by requiring disclosures about risks related to a government's vulnerabilities due to certain concentrations or constraints. A concentration refers to a lack of diversity in significant inflows or outflows of resources, while a constraint is a limitation imposed by external parties or formal action of the government's highest decision-making authority. The Statement required disclosure when such conditions make the government vulnerable to a substantial impact and when related events have occurred, begun to occur, or are more likely than not to occur within 12 months of the issuance of the financial statements. The provisions of GASB 102 were implemented during the year ended June 30, 2025. The adoption of this standard had no significant impact on the Schools' financial statements.

New GASB pronouncements: GASB issued Statement No. 103, *Financial Reporting Model Improvements*, in April 2024. GASB 103 aims to enhance the effectiveness of the financial reporting model by improving key components such as Management's Discussion and Analysis (MD&A), the presentation of proprietary fund statements, and the reporting of unusual or infrequent items. It also introduces standardized definitions for operating and nonoperating revenues and expenses, and requires separate presentation of major component units and budgetary comparison information as required supplementary information (RSI). The provisions of GASB 103 are effective for fiscal years beginning after June 15, 2025 and will be implemented in the year ended June 30, 2026. The Schools are evaluating the effect of this new standard on their financial statements.

GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*, in September 2024. GASB 104 enhances transparency by requiring separate disclosures of specific types of capital assets in the notes to financial statements. These include lease assets (GASB 87), intangible right-to-use assets (GASB 94), subscription-based IT assets (GASB 96), and other intangible assets, all disclosed by major class. Additionally, GASB 104 introduces disclosure requirements for capital assets held for sale - defined as assets the government has decided to sell and for which it is probable the sale will be finalized within one year of the financial statement date. Governments must disclose the historical cost, accumulated depreciation, and any related debt for which such assets are pledged as collateral. The provisions of GASB 104 are effective for fiscal years beginning after June 15, 2025 and will be implemented in the year ended June 30, 2026. The Schools are evaluating the effect of this new standard on their financial statements.

Date of management review: Subsequent events were evaluated by management through September 25, 2025, which is the date the financial statements were available for issuance.

NOTE B – CASH AND CASH EQUIVALENTS

The Schools use a pooled cash method of accounting as part of IDEA Florida, Inc. (the "Organization"). At June 30, 2025, the carrying amount of the deposits and cash on hand totaled \$3,410,001, with a pooled bank balance of \$8,065,846, which includes the balances of the Organization.

State statutes require, and it is the Schools' policy, that all deposits be made into, and be held by, financial institutions designated by the Treasurer of the State of Florida as "qualified public depositories" as defined by Chapter 280 of the Florida Statutes. This Statute requires that every qualified public depository institution maintain eligible collateral to secure the public entity's funds. The minimum collateral to be pledged by an institution, the collateral eligible for pledge, and the reporting requirements of the qualified public depositor to the Treasurer is defined by statute. Collateral is pooled in a multiple qualified public depository institution pool with the ability to assess members of the pool should need arise. The Schools' deposits are held in a qualified public depository and are covered by the collateral pool because the Schools has identified itself as a public entity.

IDEA BASSETT AND IDEA RIVER BLUFF

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE C – DUE FROM GOVERNMENT AGENCIES

Due from government agencies at June 30, 2025 consists primarily of amounts due from the Department of Education for Title (Title I through IV) grants, Charter School Program (CSP), Individuals with Disabilities Education Act (IDEA), and amounts due from Department of Agriculture for child nutrition programs.

NOTE D – CAPITAL ASSETS

A summary of changes in governmental capital assets is as follows:

	Balance at July 1, 2024	Transfers and Additions	Transfers and Deletions	Balance at June 30, 2025
Capital assets depreciated/amortized:				
Right of use:				
Building	\$ 70,723,954	\$ 9,286,818	\$ (29,458,253)	\$ 50,552,519
Office equipment	623,823	-	-	623,823
Furniture and equipment	357,974	1,059,387	-	1,417,361
Building and land improvements	-	122,827	-	122,827
Vehicles	2,028,682	-	-	2,028,682
Total capital assets being depreciated/amortized	<u>73,734,433</u>	<u>10,469,032</u>	<u>(29,458,253)</u>	<u>54,745,212</u>
Accumulated depreciation/amortization:				
Right of use:				
Building	5,376,858	3,329,475	(3,042,299)	5,664,034
Office equipment	227,360	160,603	-	387,963
Furniture and equipment	104,432	203,055	-	307,487
Vehicles	213,551	294,839	-	508,390
Building and land improvements	-	3,658	-	3,658
Total accumulated depreciation/amortization	<u>5,922,201</u>	<u>3,991,630</u>	<u>(3,042,299)</u>	<u>6,871,532</u>
Total governmental activities capital assets, net	<u>\$ 67,812,232</u>	<u>\$ 6,477,402</u>	<u>\$ (26,415,954)</u>	<u>\$ 47,873,680</u>

Depreciation and amortization for the year ended June 30, 2025 included in the Statement of Activities is as follows:

Plant operations and maintenance	\$ 3,530,229
Transportation	285,485
Central services	84,667
Instruction related technology	69,202
General and administrative services	20,047
Instruction	<u>2,000</u>
Total governmental activities depreciation and amortization expense	<u>\$ 3,991,630</u>

As part of the Schools' charter contract, all capital assets purchased with public funds will automatically revert to the District upon the non-renewal or termination of this contract.

IDEA BASSETT AND IDEA RIVER BLUFF

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE E – LINE OF CREDIT

In 2023, the Schools entered into a \$10 million line of credit agreement with Charter Asset Management to provide working capital to Idea Florida, Inc. The line had a maturity of August 31, 2024, and each advance bore an interest rate equal to the Prime Rate plus 3.20% (11.7% at maturity). As of June 30, 2025, the line of credit had an outstanding balance of \$0. The line of credit also contains various financial covenants of which the Organization is in compliance.

Line of credit activity as of June 30, 2025 consists of the following:

	Balance at July 1, 2024	Additions	Retirements	Balance at June 30, 2025	Due Within One Year
Line of credit	\$ 1,019,541	\$ -	\$ (1,019,541)	\$ -	\$ -

NOTE F – LEASES

During fiscal 2024, the Schools occupied their locations activating their facility leases effective through June 30, 2058. In addition, they entered into several other equipment leases for operations. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the implementation date of July 1, 2022 and subsequently as new leases are entered into. The discount rates used to recognize the right of use asset and the lease liability was 4.95% to 5.07%. Payments are due monthly of approximately \$187,000 for 2026.

During fiscal 2025, the Schools renegotiated the rental terms of its campus facility leases and canceled several equipment leases. The modifications and terminations resulted in a reduction of the right of use asset and lease liability totaling approximately \$30 million.

The following is a schedule of the Schools' future base rent payments as of June 30, 2025:

Years Ending June 30,	Principal	Interest	Total
2026	\$ 2,240,254	\$ 2,082,863	\$ 4,323,117
2027	2,268,137	2,004,387	4,272,524
2028	2,285,009	1,924,500	4,209,509
2029	2,349,372	1,843,078	4,192,450
2030	1,333,876	1,770,156	3,104,032
Thereafter	35,210,490	30,009,570	65,220,060
	<u>\$ 45,687,138</u>	<u>\$ 39,634,554</u>	<u>\$ 85,321,692</u>

The lease activity for the year ended June 30, 2025 are as follows:

	Balance at July 1, 2024	Additions	Retirements and Modifications	Balance at June 30, 2025	Amount Due Within One Year
Leases:					
Building	\$ 66,110,070	\$ 9,286,818	\$ (29,945,840)	\$ 45,451,048	\$ 2,111,099
Equipment	396,462	-	(160,372)	236,090	129,155
Leases - building and equipment	<u>\$ 66,506,532</u>	<u>\$ 9,286,818</u>	<u>\$ (30,106,212)</u>	<u>\$ 45,687,138</u>	<u>\$ 2,240,254</u>

IDEA BASSETT AND IDEA RIVER BLUFF

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE G – CONTINGENCIES AND COMMITMENTS

Grant agreements: The Schools, as divisions of the Organization, received financial assistance from federal and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and may be subject to audit by the grantor agencies. In accordance with Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, the Organization is required to conduct “single audits” when either the threshold for federal awards or state financial assistance exceeds \$750,000. The federal threshold is exceeded for the Organization, and as a result, the Organization is in the process of completing this requirement.

Management Agreement: The Organization entered into a management services agreement with IPS Enterprises, Inc. (“IPS”) effective January 1, 2020 and ending June 30, 2026. The agreement is automatically renewed concurrently with the renewal of any charter schools contract entered into by the Organization. The agreement also applies to any new charter schools performance-based agreements entered into by the Organization.

The agreement provides the Organization with the authority to manage, administer, oversee and supervise all the operations and activities of the charter schools. Contractually, for the services rendered, IPS may charge 15% of all revenues received by the Schools, exclusive of those received from the “Schools of Hope Program”, however, during the year ended June 30, 2025, 5% of Florida Education Finance Program was utilized as the base for the calculation. The management fee for the year ended June 30, 2025 was \$845,714. In addition, the Schools have a balance due from IPS of \$1,952,021 representing temporary amounts due for various transactions consummated on the Schools’ behalf.

NOTE H – CAPITAL APPROPRIATIONS FUNDING

The Florida Department of Education has approved a Charter School Capital Outlay (CSCO) award for the Schools. In each year that funds are appropriated by the State for charter school capital outlay purposes, those funds are allocated among eligible charter schools. The funds for the Schools’ allocation are transferred to the Schools once a CSCO Plan has been provided to and approved by the sponsoring district. The Schools’ CSCO Award totaled \$1,256,321 for the 2024-25 school year, which has been recognized as revenue in the accompanying basic financial statements. If the CSCO funds are used to acquire tangible property assets, the School Board has a reversionary interest in those assets. In the event of nonrenewal, termination or breach of the charter school agreement, ownership of the assets would automatically revert to the School Board. The Schools have elected to use these funds to pay for a portion of the operation of plant expenses.

NOTE I – RISK FINANCING

The Schools are exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets and natural disasters. The Schools have obtained property insurance from commercial companies including, but not limited to, general liability and errors and omissions insurance. There have been no claims in excess of insurance coverage limits during 2024-25.

NOTE J – DUE TO RELATED PARTY

The School uses a pooled cash method of accounting with related divisions of the Organization. As of June 30, 2025, the School has an interfund balance due to other divisions of the Organization totaling \$2,011,966 for payment of startup costs.

REQUIRED SUPPLEMENTAL INFORMATION

IDEA BASSETT AND IDEA RIVER BLUFF

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND**

Year Ended June 30, 2025

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
State sources	\$ 29,347,656	\$ 27,775,900	\$ 24,339,572	\$ (3,436,328)
Local sources	-	-	42,624	42,624
Total revenues	<u>29,347,656</u>	<u>27,775,900</u>	<u>24,382,196</u>	<u>(3,393,704)</u>
Expenditures				
Current:				
Instruction	12,084,068	10,375,988	9,578,992	796,996
Student support services	1,809,210	1,256,443	715,038	541,405
Instructional media services	127,069	118,732	100,122	18,610
Instruction related technology	717,891	1,030,512	474,754	555,758
Staff training	21,800	20,330	-	20,330
General and administrative services	6,112,690	4,604,601	5,921,195	(1,316,594)
Plant operations and maintenance	7,988,951	9,663,967	4,119,288	5,544,679
Transportation	2,190,194	2,121,231	1,369,818	751,413
Fiscal services	127,509	107,483	144,169	(36,686)
Community services	73,425	98,074	73,217	24,857
Central services	131,258	476,407	185,778	290,629
Professional services	-	-	4,358	(4,358)
Debt service:				
Principal payments on debt	-	-	1,019,541	(1,019,541)
Interest	-	-	15,905	(15,905)
Total expenditures	<u>31,384,065</u>	<u>29,873,768</u>	<u>23,722,175</u>	<u>6,151,593</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,036,409)</u>	<u>(2,097,868)</u>	<u>660,021</u>	<u>2,757,889</u>
Other financing sources (uses):				
Transfers in	55,363	55,363	55,363	-
Total other financing sources (uses)	<u>55,363</u>	<u>55,363</u>	<u>55,363</u>	<u>-</u>
Net change in fund balance	(1,981,046)	(2,042,505)	715,384	2,757,889
Fund balance at July 1, 2024	5,512,746	5,512,746	5,512,746	-
Fund balance at June 30, 2025	<u>\$ 3,531,700</u>	<u>\$ 3,470,241</u>	<u>\$ 6,228,130</u>	<u>\$ 2,757,889</u>

See note to required supplemental information.

IDEA BASSETT AND IDEA RIVER BLUFF

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL REVENUE FUND**

Year Ended June 30, 2025

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenues				
National School Lunch and Breakfast Programs	\$ 3,688,528	\$ 3,205,712	\$ 2,140,656	\$ (1,065,056)
ESSER	-	-	54,527	54,527
Title grants	736,250	1,214,052	713,454	(500,598)
Other federal grants	3,274,998	3,082,644	1,207,066	(1,875,578)
Total revenues	<u>7,699,776</u>	<u>7,502,408</u>	<u>4,115,703</u>	<u>(3,386,705)</u>
Expenditures				
Current:				
Instruction	855,549	351,662	1,300,735	(949,073)
Student support services	65,797	170,365	50,873	119,492
Instructional media services	93,895	66,642	8,394	58,248
Instruction related technology	-	-	143,774	(143,774)
Staff training	-	132,317	24,000	108,317
General and administrative services	348,970	195,603	325,664	(130,061)
Plant operations and maintenance	210,000	425,577	84,000	341,577
Community services	152,261	(70,509)	-	(70,509)
Food services	3,912,538	2,996,209	2,119,858	876,351
Central services	-	9,781	3,042	6,739
Total expenditures	<u>5,639,010</u>	<u>4,277,647</u>	<u>4,060,340</u>	<u>217,307</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,060,766</u>	<u>3,224,761</u>	<u>55,363</u>	<u>(3,169,398)</u>
Other financing sources (uses):				
Transfers out	(55,363)	(55,363)	(55,363)	-
Total other financing sources (uses)	<u>(55,363)</u>	<u>(55,363)</u>	<u>(55,363)</u>	<u>-</u>
Net change in fund balance	2,005,403	3,169,398	-	(3,169,398)
Fund balance at July 1, 2024	-	-	-	-
Fund balance at June 30, 2025	<u>\$ 2,005,403</u>	<u>\$ 3,169,398</u>	<u>\$ -</u>	<u>\$ (3,169,398)</u>

See note to required supplemental information.

IDEA BASSETT AND IDEA RIVER BLUFF

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025

NOTE A – BUDGETARY INFORMATION

The Schools formally adopted budgets for the General and Special Revenue Funds by function for the year ended June 30, 2025. The budgets have been prepared in accordance with accounting principles generally accepted in the United States of America. A comparison of actual results of operations to the budgeted amounts for the General Fund and Special Revenue Fund are presented as required supplementary information.

For the year ended June 30, 2025, certain expenditures exceeded appropriations in the General Fund and Special Revenue Fund. These over expenditures were mainly caused by the Schools not budgeting for capital expenditures and certain special revenue activity. However, total expenditures did not exceed appropriations.

SUPPLEMENTAL INFORMATION



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

Partners

W. Ed Moss, Jr.
Joe M. Krusick
Ric Perez
Cori G. Novinich
Renee C. Varga

To the Board of Directors
IDEA Bassett and IDEA River Bluff
Jacksonville, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of IDEA Bassett and IDEA River Bluff (the "Schools"), divisions of IDEA Florida, Inc., as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Schools' basic financial statements, and have issued our report thereon dated September 25, 2025.

Winter Park, FL 32789
501 S. New York Ave.
Phone: 407-644-5811
www.mosskrusick.com

Report on Internal Control over Financial Reporting

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

Clearwater, FL 33761
29605 US Hwy 19 North
Phone: 727-785-7460

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.

N. Palm Beach, FL 33408
631 US Highway One
Phone: 561-848-9300

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

Miami Lakes, FL 33016
7900 NW 155th Street
Phone: 305-445-7956

Report on Compliance and Other Matters

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

Miramar, FL 33025
11450 Interchange Circle
Phone: 954-435-4222

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.

Moss, Krusick & Associates, LLC

Winter Park, Florida
September 25, 2025



MANAGEMENT LETTER

Partners

W. Ed Moss, Jr.
Joe M. Krusick
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Cori G. Novinich
Renee C. Varga

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11450 Interchange Circle
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To the Board of Directors
IDEA Bassett and IDEA River Bluff
Jacksonville, Florida

Report on the Financial Statements

We have audited the financial statements of IDEA Bassett and IDEA River Bluff (the "Schools"), divisions of IDEA Florida, Inc., as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated September 25, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated September 25, 2025, 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 recommendations made in the preceding annual financial audit report.

Official Title

Section 10.854(1)(e)5, Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official titles and the school codes assigned by the Florida Department of Education of the Schools, respectively, are IDEA Bassett and IDEA River Bluff and 165931 and 165951.

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 Schools have 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 Schools. 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 Schools. It is management's responsibility to monitor the Schools' 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.

Financial Condition and Management (continued)

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 Schools maintain on their Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the Schools maintained on their 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 fraud, waste, or abuse, that has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

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

Moss, Krusick & Associates, LLC

Winter Park, Florida
September 25, 2025

MANAGEMENT FINDINGS, RECOMMENDATIONS AND RESPONSES

For the year ended June 30, 2025, there were no management findings, recommendations or responses.