

Main Street High School

A Division of NorthStar Academies, Inc.
(A Component Unit of the Osceola County
Public School District)

Basic Financial Statements
and Additional Information
For the Year Ended June 30, 2025

Main Street High School

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Main Street High School
Kissimmee, 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 Main Street High School (the "School"), a division of NorthStar Academies, Inc. and a component unit of the Osceola County Public School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

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

Emphasis of Matter

As discussed in Note 1, the financial statements of the School are intended to present the financial position and change in financial position of only that portion of the governmental activities and each major fund of NorthStar Academies, Inc. that are attributable to the transactions of the School. They do not purport to, and do not, present fairly the financial position of NorthStar Academies, Inc. as of June 30, 2025, or its changes in its financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.



Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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



Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 and the budgetary comparison information for the General Fund and Special Revenue Fund on pages 23 through 25 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 18, 2025, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Fort Lauderdale, Florida
September 18, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Main Street High School
Management's Discussion and Analysis
June 30, 2025**

As management of Main Street High School (the "School"), a component unit of the School Board of Osceola County, Florida (the "School Board"), we offer readers of the School's basic financial statements this narrative overview and analysis of the financial activities of the School for the year ended June 30, 2025, with comparative information for 2024.

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

Financial Highlights

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

- The School's total assets exceeded its liabilities at June 30, 2025 by \$ 623,443 (net position).
- The School's total revenues were \$ 3,928,181; \$ 3,208,081 from full-time equivalent ("FTE") revenues, \$ 450,471 from operating, capital grants, and contributions, and \$ 269,629 from interest and miscellaneous revenues. The School's expenses for the year were \$ 3,771,169. Net position for the year increased by \$ 157,012.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School's 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 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 the School's assets, liabilities, and deferred inflows/outflows of resources, with the difference between the components reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.

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

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

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

Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the basic government-wide financial statements, governmental fund basic 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 School's near-term financing requirements.

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

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

The School adopts an annual budget for its governmental funds, except for the Capital Projects Fund. A budgetary comparison statement has been provided for the General Fund and Special Revenue Fund to demonstrate compliance with the budget.

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

Notes to 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 the basic financial statements can be found on pages 15 through 22 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 School's General Fund adopted budget to actual results. Required supplementary information can be found on pages 23 through 25 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of financial position. In the case of the School, assets exceeded liabilities by \$ 623,443 at the close of the most recent fiscal year.

	Main Street High School Net Position		
	<u>2025</u>	<u>2024</u>	<u>Variance</u>
Current and Other Assets	\$ 1,230,963	\$ 1,030,415	\$ 200,548
Capital Assets, net	<u>3,814,795</u>	<u>4,035,422</u>	<u>(220,627)</u>
Total assets	<u>5,045,758</u>	<u>5,065,837</u>	<u>(20,079)</u>

**Main Street High School
Management's Discussion and Analysis
June 30, 2025**

Main Street High School
Net Position (continued)

	<u>2025</u>	<u>2024</u>	<u>Variance</u>
Current and Other Assets	\$ 1,230,963	\$ 1,030,415	\$ 200,548
Capital Assets, net	<u>3,814,795</u>	<u>4,035,422</u>	<u>(220,627)</u>
Total assets	<u>5,045,758</u>	<u>5,065,837</u>	<u>(20,079)</u>
	<u>2025</u>	<u>2024</u>	<u>Variance</u>
Current Liabilities	\$ 296,659	\$ 286,293	\$ 10,366
Noncurrent Liabilities	<u>4,125,656</u>	<u>4,313,113</u>	<u>(187,457)</u>
Total liabilities	<u>4,422,315</u>	<u>4,599,406</u>	<u>(177,091)</u>
Net Position:			
Net investment in capital assets	(498,318)	(451,828)	(46,490)
Unrestricted	<u>1,121,761</u>	<u>918,259</u>	<u>203,502</u>
Total net position	<u>\$ 623,443</u>	<u>\$ 466,431</u>	<u>\$ 157,012</u>

Current and other assets rose due to an increase in the School's cash position. Capital assets, net of depreciation, decreased due to current year depreciation and amortization of \$ 280,608, offset by an increase of \$ 59,981 of leasehold improvements. Current liabilities increased due to higher balances in both accounts payable and accrued liabilities. Noncurrent liabilities decreased due to the payments on the lease payable.

Governmental activities: The School's overall net position increased \$ 157,012 from the prior fiscal year. The reasons for this overall increase are discussed in the following section for governmental activities.

Main Street High School
Changes in Net Position

	<u>2025</u>	<u>2024</u>	<u>Variance</u>
Revenues:			
General revenues:			
FTE nonspecific revenues	\$ 3,208,081	\$ 2,849,872	\$ 358,209
Interest and miscellaneous revenues	269,629	117,288	152,341
Program revenues:			
Operating grants and contributions	146,446	158,786	(12,340)
Capital grants and contributions	<u>304,025</u>	<u>244,732</u>	<u>59,293</u>
Total revenues	<u>3,928,181</u>	<u>3,370,678</u>	<u>557,503</u>

**Main Street High School
Management's Discussion and Analysis
June 30, 2025**

Main Street High School
Changes in Net Position (continued)

	2025	2024	Variance
Expenses:			
Functions/Programs:			
Instruction	\$ 1,025,933	\$ 720,574	\$ 305,359
Administrative services	285,744	235,222	50,522
Instructional support services	338,550	407,229	(68,679)
Board	50,781	33,298	17,483
Plant operation and maintenance	1,015,298	925,780	89,518
Student transportation	25,147	26,307	(1,160)
Operation of non-instructional services:			
Fiscal services	787,187	688,948	98,239
Interest expense	242,529	251,267	(8,738)
Total expenses	3,771,169	3,288,625	482,544
Change in net position	157,012	82,053	74,959
Net position - beginning	466,431	384,378	82,053
Net position - ending	\$ 623,443	\$ 466,431	\$ 157,012

General revenues, compared to the previous year, increased due to an increase in enrollment of 17 students; additionally, program revenues increased as well due to an increase in capital outlay funding. Total expenses increased due to facility cost increases, instructional costs, and management fees paid.

Financial Analysis of Governmental Funds

The General Fund is the chief operating fund of the School. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$ 1,089,875, while the total fund balance increased to \$ 1,121,761. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents 33% of total General Fund expenditures, while total fund balance represents 34% of that same amount.

The fund balance of the School's General Fund increased by \$ 203,502, which was primarily attributable to the increase in student enrollment during the current fiscal year.

The Special Revenue Fund has an increase in fund balance during the current fiscal year due to the receipt of grant funds that became available in the current period where class sizes could absorb the students without adding staff.

The Capital Projects Fund does not have an increase or decrease in fund balance during the fiscal year as this fund reports state expense reimbursement grants specifically for the operating facility.

Capital Asset and Debt Administration

Capital assets: At June 30, 2025, the School had capital assets of \$ 3,814,795 net of accumulated depreciation and amortization, invested in a leased building, furniture and computer equipment, and leasehold improvements. Capital asset additions for the year were \$ 59,981 for installation of security cameras. Additional information on the School's capital assets can be found in Note 5 to the financial statements.

Long-term debt: At June 30, 2025, the School had outstanding debt of \$ 4,313,113 as compared to \$ 4,487,250 at June 30, 2024. Additional information on the School's debt can be found in Note 6 to the financial statements.

General Fund Budgetary Highlights

State revenues were favorable to the budget by approximately \$ 264,000 due to higher enrollment. Total expenditures were unfavorable to the budget by approximately \$ 110,000 primarily due to increased staffing and student costs resulting from the increased enrollment. See page 23 for budget to actual comparisons detail.

Economic Factors and Next Year's Budget

In fiscal year 2025, the state of Florida continued to include a teacher salary increase allocation ("TSIA") of \$1.25 billion. The capital outlay funding pool ended up at \$231 million. The School's fiscal year 2024-2025 allocations of these funds were \$70,996 and \$166,188, respectively.

For fiscal year 2026, the funding for teacher salaries and other instructional personnel will be \$1.254 billion. Additionally, the state of Florida approved an increase to the base funding allocation by approximately 0.8%. The School expects the student count to remain consistent, therefore the overall effect will be a moderate increase in these revenues categories. Overall, we expect the revenues available to the School for operations to be consistent with fiscal year 2024-2025.

Requests for Information

This financial report is designed to provide a general overview of Main Street High School'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 Graduation Alliance; One Broward Boulevard, Suite 1599, Fort Lauderdale, FL 33301.

BASIC FINANCIAL STATEMENTS

**Main Street High School
Statement of Net Position
June 30, 2025**

Current Assets:

Cash and cash equivalents	\$	972,410
Due from government agencies		218,841
Due from management company		<u>7,826</u>
Total current assets		<u>1,199,077</u>

Noncurrent Assets:

Deposits and other assets		31,886
Capital assets, net of accumulated depreciation and amortization		<u>3,814,795</u>
Total noncurrent assets		<u>3,846,681</u>
Total assets		<u>5,045,758</u>

Current Liabilities:

Accounts payable		78,822
Accrued liabilities		30,380
Lease payable		<u>187,457</u>
Total current liabilities		296,659

Noncurrent Liabilities:

Lease payable		<u>4,125,656</u>
Total liabilities		<u>4,422,315</u>

Net Position:

Net investment in capital assets		(498,318)
Unrestricted		<u>1,121,761</u>
Total net position	\$	<u><u>623,443</u></u>

See accompanying notes to financial statements.

**Main Street High School
Statement of Activities
For the Year Ended June 30, 2025**

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Governmental</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Activities</u>
					<u>Net Revenues</u>
					<u>(Expenses) and</u>
					<u>Change in</u>
					<u>Net Position</u>
Functions/Programs:					
Regular instruction	\$ 1,025,933	\$ -	\$ 145,432	\$ -	\$ (880,501)
Administrative services	285,744	-	-	-	(285,744)
Instructional support services	338,550	-	-	-	(338,550)
Board	50,781	-	-	-	(50,781)
Plant operations and maintenance	1,015,298	-	1,014	174,137	(840,147)
Student transportation	25,147	-	-	-	(25,147)
Operation of non-instructional services:					
Fiscal services	787,187	-	-	-	(787,187)
Interest expense	242,529	-	-	129,888	(112,641)
Total governmental activities	<u>\$ 3,771,169</u>	<u>\$ -</u>	<u>\$ 146,446</u>	<u>\$ 304,025</u>	<u>(3,320,698)</u>
General revenues:					
FTE nonspecific revenues					3,208,081
Interest and miscellaneous revenues					<u>269,629</u>
Total general revenues					<u>3,477,710</u>
Change in net position					157,012
Net position, July 1, 2024					<u>466,431</u>
Net position, June 30, 2025					<u>\$ 623,443</u>

See accompanying notes to financial statements.

Main Street High School
Balance Sheet of Governmental Funds
June 30, 2025

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Assets:				
Cash and cash equivalents	\$ 972,410	\$ -	\$ -	\$ 972,410
Due from government agencies	218,841	-	-	218,841
Due from management company	7,826	-	-	7,826
Deposits and other assets	<u>31,886</u>	<u>-</u>	<u>-</u>	<u>31,886</u>
Total assets	<u>\$ 1,230,963</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,230,963</u>
Liabilities:				
Accounts payable	\$ 78,822	\$ -	\$ -	\$ 78,822
Accrued liabilities	<u>30,380</u>	<u>-</u>	<u>-</u>	<u>30,380</u>
Total liabilities	<u>109,202</u>	<u>-</u>	<u>-</u>	<u>109,202</u>
Fund Balances:				
Nonspendable:				
Deposits and other assets	31,886	-	-	31,886
Unassigned	<u>1,089,875</u>	<u>-</u>	<u>-</u>	<u>1,089,875</u>
Total fund balances	<u>1,121,761</u>	<u>-</u>	<u>-</u>	<u>1,121,761</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 1,230,963</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,230,963</u>

See accompanying notes to financial statements.

Main Street High School
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2025

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

Governmental fund balances \$ 1,121,761

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	\$ 5,863,668	
Accumulated depreciation and amortization	<u>(2,048,873)</u>	3,814,795

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

Leases payable	<u>(4,313,113)</u>
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Net Position of Governmental Activities	\$ <u>623,443</u>
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See accompanying notes to financial statements.

**Main Street High School
Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds
For the Year Ended June 30, 2025**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Revenues:				
State sources	\$ 3,208,081	\$ -	\$ 245,087	\$ 3,453,168
Federal sources	-	200,279	-	200,279
Local sources	<u>269,629</u>	<u>-</u>	<u>58,938</u>	<u>328,567</u>
Total revenues	<u>3,477,710</u>	<u>200,279</u>	<u>304,025</u>	<u>3,982,014</u>
Expenditures:				
Current:				
Instruction	880,501	145,432	-	1,025,933
Instructional support services	331,384	-	-	331,384
Student transportation services	25,147	-	-	25,147
Fiscal services	787,187	-	-	787,187
Board	50,781	-	-	50,781
Plant operations and maintenance	740,842	1,014	-	741,856
Administrative services	285,744	-	-	285,744
Capital outlay	59,981	-	-	59,981
Debt service:				
Principal	-	-	174,137	174,137
Interest	<u>112,641</u>	<u>-</u>	<u>129,888</u>	<u>242,529</u>
Total expenditures	<u>3,274,208</u>	<u>146,446</u>	<u>304,025</u>	<u>3,724,679</u>
Net change in fund balances	203,502	53,833	-	257,335
Fund Balances, July 1, 2024	<u>918,259</u>	<u>(53,833)</u>	<u>-</u>	<u>864,426</u>
Fund Balances, June 30, 2025	<u>\$ 1,121,761</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,121,761</u>

See accompanying notes to financial statements.

**Main Street High School
 Reconciliation of the Statement of Revenues, Expenditures and
 Changes in Fund Balances of Governmental Funds to the Statement of Activities
 For the Year Ended June 30, 2025**

Net Change in Fund Balances - Governmental Funds	\$	257,335
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>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.</p>		
Capital outlay	\$	59,981
Provision for depreciation and amortization		<u>(280,608)</u>
		(220,627)
<p>Revenues that are earned but not received within the availability period are recognized in the statement of activities when earned and subsequently in the governmental fund financial statements when they become available.</p>		
		(53,833)
<p>Repayment of debt and other long-term debt are expenditures in the governmental funds, but the repayment reduced long-term liabilities in the statement of net position.</p>		
		<u>174,137</u>
Change in Net Position on the Statement of Activities	\$	<u><u>157,012</u></u>

See accompanying notes to financial statements.

Note 1 - Organization and Operations

Main Street High School (the "School") is a division of NorthStar Academies, Inc. (the "Organization") and a component unit of the Osceola County Public School District. The School commenced operations in July 2009 and offers classes for high school students in Osceola County, Florida. Approximately 396 students were enrolled in classes for the school year ended in June 2025.

The basic financial statements of the School present only the balances, activity and disclosures related to the School. They do not purport to, and do not, present fairly the financial position of NorthStar Academies, Inc. as of June 30, 2025, or the changes in its financial position, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Note 2 - Summary of Significant Accounting Policies

Reporting entity: The School operates under a charter granted by the sponsoring school district, the School Board of Osceola County, Florida (the "School Board"). The current charter is effective until June 30, 2029. 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 ninety days prior to the charter's expiration. During the term of the charter, the School Board may also terminate the charter if good cause is shown.

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

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

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

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

Fund financial statements: Fund financial statements report detailed information about the School 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 School reports the following major governmental funds:

- **General Fund** – This fund is used to account for all operating activities of the School except for those required to be accounted for in another fund.
- **Special Revenue Fund** – This fund is used to account for federal grants and certain other revenues 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.

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

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

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

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

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

Note 2 - Summary of Significant Accounting Policies (continued)

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

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

- Net investment in capital assets - represents the difference between the cost of capital assets, less accumulated depreciation and amortization reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets.
- Restricted - consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - the portion of net position that does not meet the definition of the other two categories.

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

Fund balance: The governmental fund financial statements present fund balances based on the provisions of U.S. GAAP which provide clearly defined fund balance classifications to report on the nature and extent to which the School is 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 amounts 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 voted on through formal action by the Governing Board (the highest level of decision making authority). The committed amount cannot be used for any other purpose unless the Board removes or changes the commitment through formal action.
- Assigned fund balance - consists of amounts that the Board of Directors intends to use for a specific purpose, but they are neither restricted nor committed.
- Unassigned - represents the residual amount for the general fund that is not contained in the other classifications. The general fund is the only fund that reports a positive unassigned fund balance. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

Note 2 - Summary of Significant Accounting Policies (continued)

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the School considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the School considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, as needed, unless the School's 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 of Governmental Funds.

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

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

Due to and due from other funds: Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. The balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

Capital assets: Capital assets purchased or acquired are capitalized at historical cost or estimated historical cost. Capital assets are defined by the School as assets with a cost of \$ 1,000 or more, and a useful life of over one year. Donated capital assets are valued at acquisition 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 asset's estimated useful lives or lease term, whichever is shorter, as follows:

Furniture and computer equipment	2 - 5 years
Leasehold improvements	5 years

Right-of-use asset: The School has recorded a right-of-use lease asset in accordance with GASB. 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 shorter of the useful life or the lease term.

Compensated absences: The School's policy allows certain employees to carry over unused vacation time during the year. Unused sick leave benefits are not paid upon separation from service. In accordance with GASB Statement No. 101, effective for fiscal year 2025, management has evaluated all employee leave policies using the "more likely than not" recognition criteria and determined that no material liability for compensated absences should be recognized for the year ended June 30, 2025.

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

Note 2 - Summary of Significant Accounting Policies (continued)

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 assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

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

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

Budget: An operating budget is adopted and maintained by the governing board for all the governmental funds, pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in the preparation of the basic financial statements.

Adoption of new accounting standards: During the year ended June 30, 2025, the School implemented GASB Standard No. 101, *Compensated Absences*, which revisits the definition and recognition parameters of accrued employee paid time off. The School also implemented GASB Statement No. 102, *Certain Risk Disclosures*, which addresses obligations for governmental entities to disclose a variety of risks that could negatively affect the level of service they provide or their ability to meet obligations as they come due. There were no changes required to the financials of the School as a result of the adoption of these standards.

Subsequent events: Subsequent events were evaluated by management through September 18, 2025, which is the date the financial statements were available to be issued.

Note 3 - Cash and Cash Equivalents

At June 30, 2025, the carrying amount of the deposits and cash on hand totaled \$ 972,410, with a bank balance of \$ 987,869.

State statutes require, and it is the School's policy, that all deposits be made into, and be held by, financial institutions designated by the Treasurer of the State of Florida as "qualified public depositories" as defined by Chapter 280 of the Florida Statutes. This statute requires that every qualified public depository institution maintain eligible collateral to secure the public entity's funds. The minimum collateral to be pledged by an institution, the collateral eligible for pledge, and the reporting requirements of the qualified public depository 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 School's deposits of \$ 169,050, which are in excess of the federal insured level of \$ 250,000 are held in a qualified public depository and are covered by the collateral pool because the School has identified itself as a public entity.

Main Street High School
Notes to Basic Financial Statements
June 30, 2025

Note 4 - Due from Government Agencies

Due from government agencies at June 30, 2025 consists of amounts due from the Osceola County Public School District for the following: \$ 182,262 of FTE funding and \$ 36,579 of grant funds.

Note 5 - Capital Assets

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

	Balance at July 1, 2024	Additions	Retirements	Balance at June 30, 2025
Capital assets being depreciated/ amortized				
Furniture and computer equipment	\$ 506,655	\$ -	\$ -	\$ 506,655
Leasehold improvements	237,758	59,981	-	297,739
Leased asset: Building	<u>5,059,274</u>	<u>-</u>	<u>-</u>	<u>5,059,274</u>
 Total capital assets being depreciated/amortized	 <u>5,803,687</u>	 <u>59,981</u>	 <u>-</u>	 <u>5,863,668</u>
Accumulated depreciation/ amortization:				
Furniture and computer equipment	490,444	7,166	-	497,610
Leasehold improvements	221,973	9,480	-	231,453
Intangible right of use: Leased asset: Building	<u>1,055,848</u>	<u>263,962</u>	<u>-</u>	<u>1,319,810</u>
 Total accumulated depreciation/amortization	 <u>1,768,265</u>	 <u>280,608</u>	 <u>-</u>	 <u>2,048,873</u>
 Net capital assets being depreciated/amortized	 <u>\$ 4,035,422</u>	 <u>\$ (220,627)</u>	 <u>\$ -</u>	 <u>\$ 3,814,795</u>

The provision for depreciation and amortization for the year ended June 30, 2025 amounted to \$ 280,608. The School allocated \$ 16,646, 6%, of the depreciation and amortization to instructional support services and \$ 263,962, 94%, to the operation of the facility.

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

Note 6 - Lease

The School entered into a facility lease effective July 1, 2019 through June 30, 2024, with two additional five year renewals, one has been exercised, that the School expects to exercise and are included in the measurement of the lease liability. The lease agreement qualifies as other than short-term leases under GASB Statement No. 87 and, therefore, has been recorded at the present value of the future minimum lease payments as of the implementation date of July 1, 2020. The discount rate used to recognize the intangible right-of-use asset and the lease liability was 5.50%.

Main Street High School
Notes to Basic Financial Statements
June 30, 2025

Note 6 - Lease (continued)

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

Year Ending June 30,	Principal	Interest	Total
2026	\$ 187,457	\$ 232,543	\$ 420,000
2027	198,032	221,968	420,000
2028	209,202	210,798	420,000
2029	221,003	198,997	420,000
2030	251,334	186,166	437,500
Thereafter	<u>3,246,085</u>	<u>906,665</u>	<u>4,152,750</u>
	<u>\$ 4,313,113</u>	<u>\$ 1,957,137</u>	<u>\$ 6,270,250</u>

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

	Balance at July 1, 2024	Additions	Retirements	Balance at June 30, 2025	Amount Due Within One Year
Lease - building	\$ <u>4,487,250</u>	\$ <u>-</u>	\$ <u>174,137</u>	\$ <u>4,313,113</u>	\$ <u>187,457</u>

Note 7 - Contingencies and Commitments

Management agreement: The School operates under a management agreement with EdisonLearning, Inc. ("Edison"), which is a third-party education service provider. The contract provided for assisting the School in the performance of various administrative, operating, and financial duties and providing operating equipment. The management agreement's term is for five academic school years ending with the 2028-2029 school year. The agreement provided for an additional five-year term or such periods that are consistent with the Charter contract term. In exchange for the aforementioned services, the School's Board agreed on a fee annually contained in their budget. For the year ended June 30, 2025, the amount of compensation paid to Edison amounted to approximately \$ 695,000. At June 30, 2025, the School had an amount due from Edison amounting to \$ 7,826.

Post-retirement benefits: The School offers the opportunity to participate in its defined contribution 403(b) plan to eligible employees. The School did not make a contribution to the plan for the year ended June 30, 2025.

Note 8 - Income Taxes

The School is 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.

Note 9 - Capital Appropriations Funding

The Florida Department of Education has approved a Charter School Capital Outlay (CSCO) award for the School. In each year that funds are appropriated by the state for charter school capital outlay purposes those funds are allocated among eligible charter schools. The funds for the School's allocation are transferred to the School once a CSCO Plan has been provided to and approved by the sponsoring board. The School's CSCO Award totaled \$ 245,087 for the 2024/2025 school year which has been recognized as revenue in the accompanying financial statements. If the CSCO funds are used to acquire tangible property assets, the 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 School has elected to use these funds to pay a portion of the interest expense on the lease.

Local Capital Improvement Revenue (LCIR) funds are also appropriated by the School Board for charter school capital outlay purposes, with funds being allocated among eligible charter schools in a similar manner to the CSCO Award. The School's LCIR Award totaled \$ 58,938 for the 2024/2025 school year which has been recognized as revenue in the accompanying financial statements.

Note 10 - Risk Management

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

Note 11 - Subsequent Event

In July 2025, EdisonLearning, Inc. ("Edison") (see Note 7) entered into an agreement to sell its charter school management business and assets to Achieve Learning LLC. Under this arrangement, Edison will assign its rights, obligations, and interests under the management agreement with the School to the buyer upon closing of the transaction. The School's Board of Directors has provided consent to this assignment.

The transaction closed on July 16, 2025, and all current terms and conditions of the management agreement will remain unchanged, and the School is receiving management services under the existing arrangement with the new provider.

REQUIRED SUPPLEMENTARY
INFORMATION

**Main Street High School
 Budgetary Comparison Schedule - General Fund
 For the Year Ended June 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
State sources	\$ 3,206,141	\$ 3,206,141	\$ 3,208,081	\$ 1,940
Local sources	<u>50,026</u>	<u>50,026</u>	<u>269,629</u>	<u>219,603</u>
Total revenues	<u>3,256,167</u>	<u>3,256,167</u>	<u>3,477,710</u>	<u>221,543</u>
Expenditures:				
Current:				
Instruction	1,099,021	1,099,021	880,501	218,520
Instructional support services	321,441	321,441	331,384	(9,943)
Student transportation services	27,415	27,415	25,147	2,268
Fiscal services	729,147	729,147	787,187	(58,040)
Board	27,905	27,905	50,781	(22,876)
Plant operations and maintenance	757,286	757,286	740,842	16,444
Administrative services	230,368	230,368	285,744	(55,376)
Capital outlay	13,426	13,426	59,981	(46,555)
Debt service:				
Principal	-	-	-	-
Interest	<u>-</u>	<u>-</u>	<u>112,641</u>	<u>(112,641)</u>
Total expenditures	<u>3,206,009</u>	<u>3,206,009</u>	<u>3,274,208</u>	<u>(68,199)</u>
Net change in fund balance	<u>\$ 50,158</u>	<u>\$ 50,158</u>	203,502	<u>\$ 153,344</u>
Fund balance, beginning			<u>918,259</u>	
Fund balance, ending			<u>\$ 1,121,761</u>	

**Main Street High School
 Budgetary Comparison Schedule - Special Revenue Fund
 For the Year Ended June 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Elementary and Secondary Emergency Assistance				
Grants (ESSER)	\$ -	\$ -	\$ 142,434	\$ 142,434
NSLP	2,180	2,180	-	(2,180)
Title I funds	57,750	57,750	55,295	(2,455)
Title IV funds	-	-	2,550	2,550
	<u>59,930</u>	<u>59,930</u>	<u>200,279</u>	<u>140,349</u>
Expenditures:				
Instruction	59,930	59,930	145,432	(85,502)
Plant operations and maintenance	-	-	1,014	(1,014)
	<u>59,930</u>	<u>59,930</u>	<u>146,446</u>	<u>(86,516)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	53,833	<u>\$ 53,833</u>
Fund balance, beginning			<u>(53,833)</u>	
Fund balance, ending			<u>\$ -</u>	

Excess of Expenditures over Appropriations

During the fiscal year ended June 30, 2025, expenditures exceeded appropriations in several categories:

General Fund: expenditures were unfavorable to the budget by \$ 68,199, additionally, individual categories exceeded appropriations as follows:

- Instructional support services exceeded budget by \$ 9,943 due to school recognition award funded bonuses paid to staff
- Fiscal services exceeded budget by \$ 58,040 primarily from management company fee adjustments
- Board expenditures exceeded budget by \$ 22,876 as they were not included in the original budget
- Administrative services exceeded budget by \$ 55,376 due to additional support staff added to the school
- Capital outlay exceeded budget by \$ 46,555 due to a new camera system being installed
- Debt service payments of \$ 112,641 were not included in the original budget due to lease accounting treatment under GASB Statement No. 87

Expenditure budget overages were covered by greater than anticipated revenues.

Special Revenue Fund: expenditures exceeded appropriations due to higher than anticipated program participation, resulting in increased instructional costs of \$85,502 over budget.

Expenditure budget overages were covered by greater than anticipated revenues.

OTHER AUDITOR'S REPORTS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors
Main Street High School
Kissimmee, 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 Main Street High School (the "School"), a division of NorthStar Academies, Inc. and a component unit of the Osceola County Public School District, as of and for the year ended June 30, 2025, 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 18, 2025.

Report on Internal Control over Financial Reporting

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

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

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

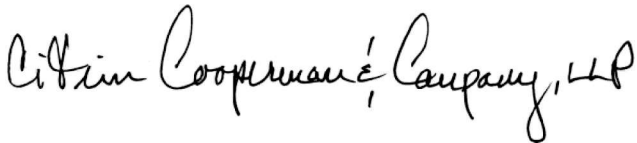
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Report on Compliance and Other Matters

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

Purpose of this Report

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



Fort Lauderdale, Florida
September 18, 2025

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

To the Board of Directors
Main Street High School
Kissimmee, Florida

Report on the Financial Statements

We have audited the governmental activities and each major fund of the financial statements of Main Street High School (the "School"), Florida, as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated September 18, 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 18, 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 findings or recommendations made in the preceding annual financial audit report.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are Main Street High School and 490959.

Financial Condition and Management

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

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

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

Transparency

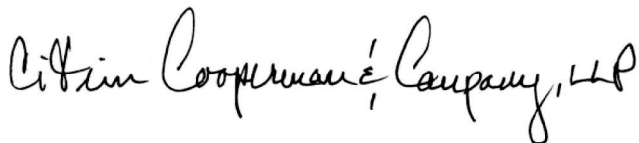
Section 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the School maintained on its website the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with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

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not 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, applicable management, and the School Board of Osceola County. and is not intended to be and should not be used by anyone other than these specified parties.



Fort Lauderdale, Florida
September 18, 2025