

**OASIS MIDDLE SCHOOL, INC.**

**A Charter School and Component Unit of the  
District School Board of Manatee County, Florida**

**Financial Statements  
with Independent Auditor's Reports Thereon**

**June 30, 2025**



**McCRADY & ASSOCIATES**  
CERTIFIED PUBLIC ACCOUNTANTS

## CONTENTS

	<u>Page</u>
<b>Management’s Discussion and Analysis</b>	1 – 6
<b>Independent Auditor’s Report</b>	7 – 9
<b>Basic Financial Statements:</b>	
Statement of Net Position	10
Statement of Activities	11
Balance Sheet – Governmental Funds	12
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	13
Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) of Governmental Funds	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) of Governmental Funds to the Statement of Activities	15
Notes to Financial Statements	16 – 27
<b>Required Supplementary Information:</b>	
Budgetary Comparison Schedule – General Fund	28
Budgetary Comparison Schedule – Special Revenue Fund	29
<b>Report of Independent Auditor’s on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i></b>	30 – 31
<b>Additional Information Required by Rules of the Florida Auditor General, Chapter 10.850, <i>Audits of Charter Schools and Similar Entities:</i></b>	
Management Letter	32 – 34
Management Response	35 - 38

**OASIS MIDDLE SCHOOL, INC.  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

---

Management of Oasis Middle School, Inc. (the "School") offers the following narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2025. Readers are encouraged to use this information in conjunction with information furnished in the School's financial statements. This summary should not be taken as a replacement for the audit, which consists of the basic financial statements and other supplemental information.

**FINANCIAL HIGHLIGHTS**

- ❖ The School ended fiscal year 2025 with a net position of approximately \$306,000.
- ❖ For the fiscal year ended June 30, 2025, the School's expenses exceeded revenues by approximately \$74,000 in the government-wide financial statements.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the School through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the understanding of the financial condition of the School.

**Government-wide Financial Statements**

The government-wide financial statements are designed to provide a broad overview of the School's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the School's financial status as a whole.

The two government-wide statements report the School's net position and the current year changes. Net position is the difference between the School's total assets and total liabilities. Measuring the net position is one way to evaluate the School's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities, 2) business-type activities, and 3) component units. The governmental activities include the School's basic services. The business-type activities are those services that the School charges for not directly related to the School's mission. For the year ended June 30, 2025, the School had no business-type activities or component units.

## **Fund Financial Statements**

The fund financial statements provide a more detailed look at the School's most significant activities. A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. All of the operations of the School are presented in governmental funds only.

Governmental funds are used to account for those functions reported as governmental activities. The School's basic services are accounted for in governmental funds. These funds focus on how assets that can readily be converted into cash flow in and out, and what monies left at year-end are available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*. This method also has a current financial resources focus. As a result, the governmental fund financial statements provide a detailed short-term view of the financial resources available to finance the School's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The School adopts annual budgets for its general and special revenue funds, as required by the Florida Statutes. The budgets are legally adopted by management of the School and its Board. Budgetary comparison schedules have been included as part of the required supplementary information. The budgetary comparison schedule shows four columns: 1) the original budget as adopted by the Board, 2) the final budget as amended by the Board, 3) the actual resources, charges and ending balances in the funds, and 4) the variance between the final budget and the actual resources and charges.

## **Notes to Financial Statements**

The notes to financial statements provide additional information that is essential to the full understanding of the information reported in the government-wide and fund financial statements. The notes to the financial statements start on page 16 of this report.

## **Other Reports**

This report also includes the 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*, as well as the management letter required by the Rules of the Auditor General, Chapter 10.850, *Audits of Charter Schools and Similar Entities*.

## GOVERNMENT-WIDE ANALYSIS OF THE SCHOOL

### Net Position

The School's combined net position as of June 30, 2025 and 2024 are summarized as follows:

	<u>2025</u>	<u>2024</u>	<u>Change</u>
<b>Assets:</b>			
Current assets	\$ 108,552	\$ 105,526	3,026
Capital assets, net	1,819,752	1,929,278	(109,526)
Total assets	<u>1,928,304</u>	<u>2,034,804</u>	<u>(106,500)</u>
<b>Liabilities:</b>			
Current liabilities	414,223	384,264	29,959
Long-term liabilities	1,126,663	1,157,893	(31,230)
Total liabilities	<u>1,540,886</u>	<u>1,542,157</u>	<u>(1,271)</u>
<b>Net Position:</b>			
Investment in capital assets, net of related debt	693,089	771,385	(78,296)
Unrestricted	(305,671)	(278,738)	(26,933)
Total net position	<u>\$ 387,418</u>	<u>\$ 492,647</u>	<u>(105,229)</u>

The change in total assets is due to current year depreciation. The increase in long-term liabilities is due to additional funds advanced to the school from a related party. The decrease in total net position is due to the current year operating deficit.

## Change in Net Position

The School's expenses exceeded revenues by approximately \$346,000 in fiscal 2025—see table below.

	<u>2025</u>	<u>2024</u>	<u>Change</u>
<b>Revenues:</b>			
Federal sources passed through local school district	\$ 120,356	\$ 183,039	(62,683)
State and local sources	534,336	544,434	(10,098)
Contributions and other revenues	120,418	10,586	109,832
Total revenues	<u>775,110</u>	<u>738,059</u>	<u>37,051</u>
<b>Expenses:</b>			
Instruction	319,182	447,867	(128,685)
Board	57,990	41,130	16,860
General administration	19,888	20,598	(710)
School administration	204,247	190,415	13,832
Facilities acquisition	3,390	-	3,390
Fiscal services	26,873	27,208	(335)
Transportation services	5,904	26,867	(20,963)
Operation of plant	128,186	141,881	(13,695)
Interest	83,728	63,428	20,300
Total expenses	<u>849,388</u>	<u>959,394</u>	<u>(110,006)</u>
Change in net position	<u>\$ (74,278)</u>	<u>\$ (221,335)</u>	<u>147,057</u>

Federal sources decreased due to ESSER reimbursements submitted in the prior year. School instruction and transportation expenses decreased as the school reduced costs. Board and administration increased due to insurance premiums and interest increased due to refinancing terms of mortgage. Remaining expenses were fairly consistent with prior year.

## FINANCIAL ANALYSIS OF THE SCHOOL'S FUNDS

The focus of School's governmental funds is to provide information on near term inflows, outflows, and balances of usable resources. Such information is useful in assessing School's financing requirements. Specifically, unrestricted fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

As the School completed the year, its governmental funds reported a combined fund deficit of approximately \$306,000.

### General and Special Revenue Funds Budgetary Highlights

During the fiscal year, the School did not amend its budget. Budget amendments fall into one of the three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget once exact information is available, 2) amendments made to recognize changes in funding amounts, and 3) changes in appropriations that become necessary to maintain services.

In the general fund, budgeted revenues were approximately \$178,000 more than actual revenues due student enrollment estimates not actualizing which management expects to recover in fiscal 2026. Budgeted expenditures were approximately \$122,000 more than actual expenditures.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

At the end of fiscal 2025, the School had invested approximately \$2,552,000 in capital assets.

	<u>2025</u>	<u>2024</u>	<u>Change</u>
<b>Capital assets</b>			
Furniture, fixtures, and equipment	\$ 202,757	\$ 202,757	-
Vehicles	225,263	225,263	-
Building	<u>2,123,618</u>	<u>2,123,618</u>	-
Total capital assets	<u>\$ 2,551,638</u>	<u>\$ 2,551,638</u>	<u>-</u>

More detailed information about the School's capital assets is presented in Note 3 to the financial statements.

### Long-Term Liabilities

Interest paid during fiscal year June 30, 2025 was approximately \$84,000. More detailed information about the School's long-term liabilities is presented in Note 5 to the financial statements.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

### **Budget Highlights for the Fiscal Year Ended June 30, 2026**

Amounts available for appropriation in the general fund are approximately \$803,000, an increase of approximately \$178,000 over the actual 2025 amount.

Budgeted expenditures are expected to be approximately \$628,000, an increase of approximately \$123,000 over the 2025 actual amount.

If these estimates are realized, the School's general fund balance is expected to increase in 2026.

### **CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT**

This financial report is designed to provide interested parties with a general overview of the School's finances and to demonstrate the School's accountability for the money it receives. Should additional information be required, please contact the School's administrative offices at 6417 3<sup>rd</sup> Avenue West, Bradenton, FL 34209.



McCRAZY & ASSOCIATES  
CERTIFIED PUBLIC ACCOUNTANTS

## Independent Auditor's Report

To the Board of Directors of Oasis Middle School, Inc.,  
a Charter School and Component Unit of the District  
School Board of Manatee County, Florida

### Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Oasis Middle School, Inc. (the "School"), a Charter School and Component Unit of the District School Board of Manatee County, Florida as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Oasis Middle School, Inc. a Charter School and Component Unit of the District School Board of Manatee County, Florida as of and for the year ended 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. 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 a Matter

As discussed in Note 11 to the financial statements, the School's current liabilities exceeded current assets by approximately \$1.4 million. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the School's ability to continue as a going concern. 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension liability 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 October 29, 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, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

*McCrary & Associates, PLLC*

Altamonte Springs, Florida  
October 29, 2025

**107 Water Oak Lane | Altamonte Springs, FL 32714**  
**Office 407-960-4429 ■ [admin@mccraryandassociates.com](mailto:admin@mccraryandassociates.com)**  
**[www.mccraryandassociates.com](http://www.mccraryandassociates.com)**

---

Members of American Institute of Certified Public Accountants and Florida Institute of Certified Public Accountants

OASIS MIDDLE SCHOOL, INC.

A Charter School and Component Unit of the  
District School Board of Manatee County, Florida

Statement of Net Position

June 30, 2025

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 105,760
Due from other agencies	2,792
Capital assets:	
Furniture, fixtures, and equipment	202,757
Vehicles	225,263
Building	2,123,618
Less accumulated depreciation	<u>(731,886)</u>
Total capital assets, net	<u>1,819,752</u>
Total assets	<u><u>\$ 1,928,304</u></u>
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	\$ 48,941
Due to related party	261,795
Other liability	103,487
Long-term liabilities:	
Portion due or payable within one year:	
Note payable	1,113,612
Portion due or payable after one year:	
Note payable	<u>13,051</u>
Total liabilities	<u>1,540,886</u>
<b>NET POSITION</b>	
Investment in capital assets, net of related debt	693,089
Unrestricted	<u>(305,671)</u>
Total net position	<u><u>\$ 387,418</u></u>

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

**OASIS MIDDLE SCHOOL, INC.**

**A Charter School and Component Unit of the  
District School Board of Manatee County, Florida**

**Statement of Activities**

**For the Year Ended June 30, 2025**

	Program Specific Revenues				Net (Expenses) Revenues and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Total
Governmental Activities:						
Instruction	\$ 319,182	\$ -	\$ 120,356	\$ -	\$ (198,826)	\$ (198,826)
Board	57,990	-	-	-	(57,990)	(57,990)
General administration	19,888	-	-	-	(19,888)	(19,888)
School administration	204,247	-	-	-	(204,247)	(204,247)
Facilities acquisition and construction	3,390	-	-	-	(3,390)	(3,390)
Fiscal services	26,873	-	-	-	(26,873)	(26,873)
Transportation services	5,904	-	-	-	(5,904)	(5,904)
Operation of plant	128,186	-	-	-	(128,186)	(128,186)
Interest	83,728	-	-	-	(83,728)	(83,728)
<b>Total primary government</b>	<b>\$ 849,388</b>	<b>\$ -</b>	<b>\$ 120,356</b>	<b>\$ -</b>	<b>(729,032)</b>	<b>(729,032)</b>
General revenues:						
State and local sources					534,336	534,336
Contributions and other revenues					120,418	120,418
Total general revenues					<u>654,754</u>	<u>654,754</u>
Changes in net position					(74,278)	(74,278)
Net position at beginning of year					492,647	492,647
Prior period adjustment					<u>(30,951)</u>	<u>(30,951)</u>
Net position at beginning of year, restated					<u>461,696</u>	<u>461,696</u>
Net position at end of year					<u>\$ 387,418</u>	<u>\$ 387,418</u>

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

**OASIS MIDDLE SCHOOL, INC.**

**A Charter School and Component Unit of the  
District School Board of Manatee County, Florida**

**Balance Sheet - Governmental Funds**

**June 30, 2025**

	<b>General Fund</b>	<b>Other Governmental Fund</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 105,760	\$ -	\$ 105,760
Due from other agencies	-	2,792	2,792
Due from special revenue fund	2,792	-	2,792
Total assets	\$ 108,552	\$ 2,792	\$ 111,344
 <b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 48,941	\$ -	\$ 48,941
Due to related party	261,795	-	261,795
Other liability	103,487	-	103,487
Due to general fund	-	2,792	2,792
Total liabilities	414,223	2,792	417,015
 <b>FUND BALANCES</b>			
Spendable:			
Unassigned	(305,671)	-	(305,671)
Total fund balances (deficits)	(305,671)	-	(305,671)
Total liabilities and fund balances (deficits)	\$ 108,552	\$ 2,792	\$ 111,344

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

OASIS MIDDLE SCHOOL, INC.

A Charter School and Component Unit of the  
District School Board of Manatee County, Florida

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

June 30, 2025

**Total fund balances (deficits) - governmental funds** \$ (305,671)

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 as assets in the governmental fund. The cost of the assets at year end consist of:

Capital assets	2,551,638
Accumulated depreciation	(731,886)

Long-term liabilities, including notes payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at the end of the period consist of:

Note payable	<u>(1,126,663)</u>
--------------	--------------------

**Total net position - governmental activities** \$ 387,418

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

**OASIS MIDDLE SCHOOL, INC.**

**A Charter School and Component Unit of the  
District School Board of Manatee County, Florida**

**Statement of Revenues, Expenditures and  
Change in Fund Balances (Deficit) of Governmental Funds**

**For the Year Ended June 30, 2025**

	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>				
Federal sources passed through local school district	\$ -	\$ 120,356	\$ -	\$ 120,356
State and local sources	504,020	-	30,316	534,336
Contributions and other revenues	120,418	-	-	120,418
Total revenues	<u>624,438</u>	<u>120,356</u>	<u>30,316</u>	<u>775,110</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	176,545	120,356	-	296,901
Board	57,990	-	-	57,990
General administration	19,888	-	-	19,888
School administration	204,247	-	-	204,247
Facilities acquisition and construction	3,390	-	-	3,390
Fiscal services	26,873	-	-	26,873
Transportation services	5,904	-	-	5,904
Operation of plant	10,625	-	30,316	40,941
Capital outlay	-	-	-	-
Debt services:				
Principal	-	-	31,230	31,230
Interest	-	-	83,728	83,728
Total expenditures	<u>505,462</u>	<u>120,356</u>	<u>145,274</u>	<u>771,092</u>
Excess (deficiencies) of revenues over expenditures	<u>118,976</u>	<u>-</u>	<u>(114,958)</u>	<u>4,018</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfer in	-	-	114,958	114,958
Operating transfer out	<u>(114,958)</u>	<u>-</u>	<u>-</u>	<u>(114,958)</u>
Total other financing sources	<u>(114,958)</u>	<u>-</u>	<u>114,958</u>	<u>-</u>
Net change in fund balances	4,018	-	-	4,018
Fund balances (deficits) at beginning of year	(278,738)	-	-	(278,738)
Prior period adjustment	<u>(30,951)</u>	<u>-</u>	<u>-</u>	<u>(30,951)</u>
Fund balances (deficits) at beginning of year, restated	<u>(309,689)</u>	<u>-</u>	<u>-</u>	<u>(309,689)</u>
Fund balances (deficits) at end of year	<u><u>\$ (305,671)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (305,671)</u></u>

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

OASIS MIDDLE SCHOOL, INC.

A Charter School and Component Unit of the  
District School Board of Manatee County, Florida

Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balances (Deficit) of Governmental Funds  
to the Statement of Activities

For the Year Ended June 30, 2025

**Net changes in fund balances (deficits) - governmental funds** \$ 4,018

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of incurred for the period ended:

Depreciation expense (109,526)

Principal payments on long-term debt are expenditures in the governmental funds, but the repayments reduce long-term liabilities in the statement of net position.

31,230

**Change in net position of governmental activities** \$ (74,278)

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

**OASIS MIDDLE SCHOOL, INC.**

**A Charter School and Component Unit of the  
District School Board of Manatee County, Florida**

**Notes to Financial Statements**

**For the Year Ended June 30, 2024**

**1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

Oasis Middle School, Inc. (the "School") is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act. The governing body of the School is the not-for-profit corporation Board of Directors, which is composed of at least three members.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, the District School Board of Manatee County Florida, ("School Board"). The School is considered a component unit of the School Board and meets the definition of a governmental entity under the Governmental Accounting Standards Board ("GASB").

**Charter Contract**

The current charter expires June 30, 2028. At the end of the term, the School Board may terminate the current charter at any time if good cause is shown. In the event of termination of the charter, any property purchased by the School with public funds and any unencumbered public funds revert back to the School Board.

**Basis of Presentation**

Based on the guidance provided in the American Institute of Certified Public Accountants Audit and Accounting Guide – *Audits for States and Local Governments* and provisions in the Florida Statutes, the School is considered to be a governmental organization for financial statement reporting purposes. The School is required by its agreement with the School Board to use the governmental reporting model and follow the fund and accounting structure provided in the "Financial and Program Cost Accounting and Reporting for Florida Schools – The Red Book" issued by the FDOE.

**Government-Wide Financial Statements**

The government-wide financial statements provide both short-term and long-term information about the School in a manner similar to that of a private-sector business. The statement of net position and statement of activities are designed to provide financial information about the School as a whole, on an accrual basis of accounting. The statement of net position provides information about the School's financial position, its assets and its liabilities, using an economic resources measurement focus.

## OASIS MIDDLE SCHOOL, INC.

### A Charter School and Component Unit of the District School Board of Manatee County, Florida

#### Notes to Financial Statements (continued)

The statement of activities presents a comparison between direct expenses and program revenue for each function or program of the School's governmental activities. Direct expenses are those that are specifically associated with a program or function, therefore, are clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of goods and services offered by the program, grants, and contributions that are restricted for meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

#### Fund Financial Statements

The governmental fund financial statements report detailed information about the School's most significant funds, not the School as a whole. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School uses fund accounting to ensure and demonstrate compliance with finance related requirements. Certain funds are established by law while others are created by grant agreements. The following are individual governmental funds that are reported in the fund financial statements:

- General Fund – the School's primary operating fund that accounts for all financial resources of the school, except those that are required to be accounted for in another fund.
- Special Revenue Fund – to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for a specific purpose.
- Debt Service Fund – to account for the accumulation of resources for, and payment of general long-term debt principal, interest, and related costs.
- Capital Projects Fund – to account for all resources for the acquisition of capital items purchased by the School with capital outlay funds.

For the purpose of these statements, the general and special revenue funds are considered major funds. The debt service and capital project funds are non-major funds and reported as other governmental funds.

#### Basis of Accounting

Basis of accounting refers to when revenues and expenses/expenditures 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 reported using the accrual basis of accounting. Revenues are recognized when earned and expenses/expenditures are recognized when a liability is incurred, regardless of the timing the related cash flows take place.

The governmental funds basic financial statements are reported using the modified accrual basis of accounting. Under this method, revenues are recognized when they become measurable and

**OASIS MIDDLE SCHOOL, INC.**

**A Charter School and Component Unit of the  
District School Board of Manatee County, Florida**

**Notes to Financial Statements  
(continued)**

available. Revenues are considered to be available when they are collectable within a current period. The School considers revenues to be available if they are collected within 60 days after the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenues are recognized at the time the expenditure is made.

Expenditures are recorded 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. Proceeds from the acquisition of long-term debt are reported as other financing sources.

**Budgetary Basis Accounting**

Budgets are prepared using the modified accrual basis of accounting and the governing board must approve all budgets and amendments. During the fiscal year, expenditures were controlled at the object level. Budgets may be amended by resolution of the Board prior to the date of the annual report.

**Cash and Cash Equivalents**

The School's cash and cash equivalents consist primarily of demand deposits with financial institutions.

As Florida Statutes and the School's policy suggest, all deposits must be made into and 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 the institution, the collateral eligible for pledge, and reporting requirements of the qualified public depositor to the treasurer is defined by the ability of the institution to guarantee deposits made by members of the pool should the need arise. The School's deposits are held in a qualified public depository. They are covered by the collateral pool as the School has identified itself as a public entity at June 30, 2025.

**Interfund receivables and payables**

Activities between the funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as due to/from other funds. The Other governmental fund owes the general fund \$2,792 at June 30, 2025.

**Interfund transfers**

The School reports its debt service fund expenditures in the other governmental funds. For the year ended June 30, 2025, the general funds transferred approximately \$115,000 to other governmental funds for current year debt service payments.

OASIS MIDDLE SCHOOL, INC.

A Charter School and Component Unit of the  
District School Board of Manatee County, Florida

Notes to Financial Statements  
(continued)

**Capital Assets and Depreciation**

The School's capital assets with useful lives of more than one year are stated at historical cost and reported in the statement of net position in the government-wide financial statements. Donated capital assets are recorded at their estimated fair value on the date of donation. The School capitalizes assets with a cost of \$750 or more. Expenditures of normal maintenance and repair that do not add to the assets value or extend the useful lives are not capitalized. Depreciation is computed using the straight-line method. Estimated useful lives of the assets are as follows:

	<u>Years</u>
Building and improvements	30
Furniture, fixtures, and equipment	5
Vehicles	10

Information related to the change in capital assets is described in Note 4.

**Net Position and Fund Balance Classifications**

*Government-wide financial statements*

Net position is classified and reported in three components:

- Investment in capital assets, net of related debt – consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings that are attributed to the acquisition or improvement of those assets.
- Restricted – consists of amounts with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments.
- Unrestricted – all other amounts that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

## OASIS MIDDLE SCHOOL, INC.

### A Charter School and Component Unit of the District School Board of Manatee County, Florida

#### Notes to Financial Statements (continued)

##### Net Position and Fund Balance Classifications

###### *Fund financial statements*

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

- Nonspendable – fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned). All nonspendable fund balances at year end relate to assets that are in nonspendable form.
- Restricted – fund balance that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.
- Committed – fund balance that can be used only for the specific purposes determined by a formal action of the School's Board of Governance.
- Assigned – fund balance that is intended to be used by the School's management for specific purposes but does not meet the criteria to be classified as restricted or committed.
- Unassigned – fund balance that is the residual amount for the School's general fund and includes all spendable amounts not contained in the other classifications.

This statement also clarifies the definition of the special revenue fund to denote it may be used to account for the proceeds of specific revenue sources (other than trusts for individual, private organizations or other governmental agencies or for major capital projects) that are legally restricted to expenditures for specified purposes.

##### Order of Fund Balance Spending Policy

The School's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. First, nonspendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including nonspendable amounts). Any remaining fund balance amounts for the non-general funds are to be classified as restricted fund balance. It is possible for the non-general funds to be classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when nonspendable amounts plus the restricted fund balances for specific purposes amounts exceed the positive fund balance for the non-general fund.

**OASIS MIDDLE SCHOOL, INC.**

**A Charter School and Component Unit of the  
District School Board of Manatee County, Florida**

**Notes to Financial Statements  
(continued)**

**Revenue Sources**

Revenues for operations are received primarily from the District School Board of Manatee County, Florida pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the School reports the number of full-time equivalent ("FTE") students and related data to the School Board. The School Board receives a 5% administrative fee from the School, which is withheld from the respective FEFP payments. The administrative expense is reflected as a general administration expense/expenditure in the accompanying statement of activities and statement of revenues, expenditures and changes in fund balances – governmental funds. The administrative fee is calculated on the FEFP revenue up to 250 students.

Under provisions of Section 1011.62, Florida Statutes, the District reports the number of FTE students and related data to the Florida Department of Education ("FDOE") for funding through the Florida Education Finance Program ("FEFP"). Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey period. The FDOE may also adjust subsequent fiscal period allocations based on an audit of the School's compliance in determining and reporting FTE and related data. Generally, such adjustments are treated as reductions or additions of revenues in the year when the adjustments are made.

The basic amount of funding through the FEFP under Section 1011.62 is calculated based on (1) unweighted FTE, multiplied by (2) the cost factor for each program multiplied by (3) the base student allocation established by the Florida legislature. Additional funds for exceptional students who do not have a matrix of services are provided through the guaranteed allocation designated in Section 1011.62(1)(e)2., Florida Statutes. For the year ended June 30, 2025, the School reported 52.4 unweighted FTE.

The School received additional funding under other federal and state grants. This assistance is generally received based on applications submitted to various granting agencies. For federal and state grants in which funding is awarded based on incurring eligible expenditures, revenue is recognized as the amount of eligible expenditures which have been incurred.

The School is also eligible for charter school capital outlay funding. The amounts received under this program are based on the School's actual and projected student enrollment during the fiscal year. Funds received under this program may only be used for lawful capital outlay expenditures.

**Use of Estimates**

In preparing the financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the balance sheet and revenues and expenses/expenditures for the period presented. Significant estimates used in these financial statements include determination of useful lives of fixed assets to calculate depreciation expense. Actual results could differ significantly from those estimates.

**OASIS MIDDLE SCHOOL, INC.**

**A Charter School and Component Unit of the  
District School Board of Manatee County, Florida**

**Notes to Financial Statements  
(continued)**

**Recently Issued Accounting Pronouncements**

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This pronouncement requires liabilities relates to compensated absences recognized for 1) leave that has not been used and 2) leave that has not been used but not yet paid in cash or settled through non- cash means and includes but is not limited to vacation, sick leave, and paid time off (PTO). This statement establishes standards of accounting and financial reporting for compensated absences and other associated salary-related payments such as certain defined contribution pensions. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies. This statement also provides guidance for measuring this liability. A liability for leave that has been used but not yet paid or settled should be measured at the employee's pay rate as of the date of the financial statements or the amount of the cash or non-cash amount settled. This statement also allows governments to disclose only the net change in the liability and are no longer required to disclose which governmental funds typically have been used to liquidate the liability. This statement applies to all financial statements of all state and local governments. The required effective date for this statement is for fiscal years beginning after December 15, 2024, and all reporting periods thereafter. Early application is encouraged. The School has not included a liability for compensated absences in accrued expenses, which is consistent with Statement No.101 as the School has a use it or lose it policy and unused time does not roll over to the next fiscal year.

**Prior Period Adjustment**

Beginning net position and fund balance have been restated by \$30,951 for real estate taxes incurred in prior years but not paid until the current year.

**OASIS MIDDLE SCHOOL, INC.**

**A Charter School and Component Unit of the  
District School Board of Manatee County, Florida**

**Notes to Financial Statements  
(continued)**

**2 FAIR VALUE MEASUREMENTS**

Accounting principles generally accepted in the United States (GAAP) define fair value for an investment generally as the price an organization would receive upon selling the investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. The information available to measure fair value varies depending on the nature of each investment and its market or markets. Accordingly, GAAP recognizes a hierarchy of "inputs" an organization may use in determining or estimating fair value. The inputs are categorized into "levels" that relate to the extent to which an input is objectively observable and the extent to which markets exist for identical or comparable investments. In determining or estimating fair value, an organization is required to maximize the use of observable market data (to the extent available) and minimize the use of unobservable inputs. The hierarchy assigns the highest priority to unadjusted quoted prices in active markets for identical items (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

The fair value hierarchy distinguishes between independent observable inputs and unobservable inputs used to measure fair value as follows:

*Level 1:* Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

*Level 2:* Inputs other than quoted market prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

*Level 3:* Unobservable inputs for an asset or liability. Level 3 inputs should be used to measure fair value to the extent that observable level 1 or 2 inputs are not available.

This statement requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. The School's significant financial instruments are cash, accounts payable, short term borrowings, and other short term assets and liabilities. For these financial instruments (level 1), carrying values approximate fair value because of the short maturity of these instruments.

**OASIS MIDDLE SCHOOL, INC.**

**A Charter School and Component Unit of the  
District School Board of Manatee County, Florida**

**Notes to Financial Statements  
(continued)**

**3 CAPITAL ASSETS**

Capital asset activity during the year ended June 30, 2025 was as follows:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Capital assets:</b>				
Furniture, fixtures and equipment	\$ 202,757	\$ -	\$ -	\$ 202,757
Vehicles	225,263	-	-	225,263
Building	2,123,618	-	-	2,123,618
Total capital assets	2,551,638	-	-	2,551,638
<b>Accumulated depreciation:</b>				
Furniture, fixture, and equipment	(143,726)	(22,281)	-	(166,007)
Vehicles	(191,709)	(13,760)	-	(205,469)
Building	(286,925)	(73,485)	-	(360,410)
Total accumulated depreciation	(622,360)	(109,526)	-	(731,886)
Capital assets, net	\$ (1,929,278)	\$ (109,526)	\$ -	\$ 1,819,752
<b>Depreciation expense:</b>				
Instructional			\$ 22,281	
Transportation			13,760	
Building			73,485	
Total governmental activities depreciation expense			\$ 109,526	

**4 DUE TO RELATED PARTY**

During fiscal years 2019, 2020, 2023 and 2024, the Executive Director and family members made various loans totaling \$261,795 to assist with costs associated with capital improvements to the School's real property. As of June 30, 2025, a final resolution of repayment has not been determined by the School's Board of Directors. The loans are non-interest bearing and are not considered due until after December 2026.

**OASIS MIDDLE SCHOOL, INC.**

**A Charter School and Component Unit of the  
District School Board of Manatee County, Florida**

**Notes to Financial Statements  
(continued)**

**5 LONG-TERM DEBT**

The School has entered into a \$1,340,000 note payable in connection with the acquisition of real property. The note calls for principal and interest payments of \$8,843 monthly. Interest rate is 5.00% annually and the note matures October 2024. As indicated in Note 10, the School and Bank agreed to extend maturity to December 2, 2025.

\$ 1,113,612

The School has entered into an installment contract to finance a van. The note calls for principal and interest payments of \$406 monthly. Interest rate is 8.19% annual and the note matures August 2028.

13,051

\$ 1,126,663

The following is a summary of changes in long-term debt for the year ended June 30, 2025:

Balance outstanding at the beginning of year	\$ 1,157,893
Additions	-
Reduction	<u>(31,230)</u>
Balance outstanding at the end of year	<u>\$ 1,126,663</u>

Future debt service related to the note payable is as follows as of June 30, 2025:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ended June 30,			
2026	\$ 1,117,508	\$ 46,375	\$ 1,163,883
2027	4,231	642	4,873
2028	4,597	276	4,873
2029	<u>327</u>	<u>8</u>	<u>335</u>
	<u>\$ 1,126,663</u>	<u>\$ 47,301</u>	<u>\$ 1,173,964</u>

Interest paid during the year ended June 30, 2025 totaled approximately \$84,000.

**OASIS MIDDLE SCHOOL, INC.**

**A Charter School and Component Unit of the  
District School Board of Manatee County, Florida**

**Notes to Financial Statements  
(continued)**

**6 SCHEDULE OF STATE AND LOCAL REVENUE SOURCES**

The following is a schedule of state and local revenue sources:

**District School Board of Manatee County, Florida:**

Florida Education Finance Program	\$	261,176
Class size reduction		44,822
Discretionary local effort		44,734
Referendum		62,141
Capital outlay		30,136
Transportation		25,198
Educational enrichment		12,022
Local capital outlay		25,289
ESE guaranteed allocation		12,460
Safe schools		4,899
Mental health assistance		3,065
Miscellaneous		1,639
Safety and security grant		448
Total	\$	<u>534,336</u>

The administrative fee paid to the School Board during the year ended June 30, 2025 totaled approximately \$20,000, which is reflected as a general administration expense/expenditure in the accompanying statement of activities and statement of revenues, expenditures and changes in fund balances – governmental funds.

**7 RISK MANAGEMENT PROGRAM**

Workers' compensation coverage, general liability, professional liability and property coverage are being provided through purchased commercial insurance with minimum deductibles for each line of coverage. Settled claims resulting from these risks have not historically exceeded commercial coverage.

**8 COMMITMENTS AND CONTINGENT LIABILITIES**

**Grants**

The School participates in state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the School has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at year-end may be impaired.

**OASIS MIDDLE SCHOOL, INC.**

**A Charter School and Component Unit of the  
District School Board of Manatee County, Florida**

**Notes to Financial Statements  
(continued)**

Management believes there are no significant contingent liabilities related to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

**Other Liabilities**

Other liabilities consist of insurance proceeds in the amount of \$103,487. The reimbursement is for repairs and construction relating to building improvements. Management plans to contract with a vendor that will perform the necessary repairs as reported in the insurance documentation.

**Legal Matters**

In the normal course of conducting its operations, the School occasionally becomes party to various legal actions and proceedings. Management believes the ultimate resolution of such legal matters will not have a significant adverse effect on the accompanying financial statements.

**9 INCOME TAXES**

The School qualifies as a tax-exempt organization under Internal Revenue Code Section 501(c)(3), and is therefore, exempt from income taxes. Accordingly, no tax provision has been made in the accompanying financial statements. Additionally, no uncertain tax positions have been made requiring disclosure in the related notes to the financial statements. The School's income tax returns for the past three tax years are subject to examination by tax authorities, and may change upon examination.

**10 SUBSEQUENT EVENTS**

In accordance with GASB Codification Section 2250.106, the School has evaluated subsequent events and transactions for potential recognition or disclosure through October 29, 2025, which is the date the financial statements were available to be issued.

**11 SCHOOL'S ABILITY TO CONTINUE AS A GOING CONCERN**

The School has incurred total government-wide losses of \$755,569 the past three years and an additional loss in 2025 of \$74,278. The School been unable to renegotiate its borrowings from its bankers. The School has a balloon payment of approximately \$1 million dollars on its mortgage due December 2025. Consequently, as of June 30, 2025, the School's current liabilities exceed total current assets by \$1.4 million. Without such financial support, there is substantial doubt that it will be able to continue as a going concern.

**OASIS MIDDLE SCHOOL, INC.**

**A Charter School and Component Unit of the  
District School Board of Manatee County, Florida**

**Required Supplementary Information**

**Budgetary Comparison Schedule - General Fund**

**For the Year Ended June 30, 2025**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
State and local sources	\$ 775,000	\$ 775,000	\$ 504,020	\$ (270,980)
Contributions and other revenues	27,500	27,500	120,418	92,918
Total revenues	<u>802,500</u>	<u>802,500</u>	<u>624,438</u>	<u>(178,062)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	204,379	204,379	176,545	27,834
Pupil support services	2,200	2,200	-	2,200
Instruction staff training	2,500	2,500	-	2,500
Board	61,000	61,000	57,990	3,010
General administration	5,000	5,000	19,888	(14,888)
School administration	163,425	163,425	204,247	(40,822)
Fiscal services	15,000	15,000	26,873	(11,873)
Transportation services	60,730	60,730	5,904	54,826
Operation of plant	114,000	114,000	10,625	103,375
Capital outlay	-	-	-	-
Total expenditures	<u>628,234</u>	<u>628,234</u>	<u>505,462</u>	<u>122,772</u>
Excess of revenue over expenditures	<u>174,266</u>	<u>174,266</u>	<u>118,976</u>	<u>(55,290)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from the issuance of debt	-	-	-	-
Operating transfer out	-	-	(114,958)	(114,958)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(114,958)</u>	<u>(114,958)</u>
Net changes in fund balance	174,266	174,266	4,018	(170,248)
Fund balance (deficit) at beginning of year	<u>(278,738)</u>	<u>(278,738)</u>	<u>(278,738)</u>	<u>-</u>
Fund balance (deficit) at end of year	<u><u>\$ (104,472)</u></u>	<u><u>\$ (104,472)</u></u>	<u><u>\$ (274,720)</u></u>	<u><u>\$ (170,248)</u></u>

See report of independent auditor's.

OASIS MIDDLE SCHOOL, INC.

A Charter School and Component Unit of the  
District School Board of Manatee County, Florida

Required Supplementary Information

Budgetary Comparison Schedule - Special Revenue Fund

For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Federal sources passed through				
local school district	\$ 142,856	\$ 142,856	\$ 120,356	\$ (22,500)
Total revenues	<u>142,856</u>	<u>142,856</u>	<u>120,356</u>	<u>(22,500)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	142,856	142,856	120,356	22,500
Total expenditures	<u>142,856</u>	<u>142,856</u>	<u>120,356</u>	<u>22,500</u>
Net changes in fund balance	-	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See report of independent auditor's.



McCRADY & ASSOCIATES  
CERTIFIED PUBLIC ACCOUNTANTS

**Report of Independent Auditor's 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 of Oasis Middle School, Inc.,  
a Charter School and Component Unit of the District  
School Board of Manatee County, 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, each major fund, and the aggregate remaining fund for Oasis Middle School, Inc., a Charter School and Component Unit of the District School Board of Manatee County, Florida, 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 October 29, 2025.

**Internal Control Over Financial Reporting**

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

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

Finding 2025-01: Management did not properly record revenues and expenses resulting in inaccurate financial information to base financial decisions upon. During our audit procedures, we noted that the school's financial conditions continued to deteriorate from prior year and certain revenues and expenditures were not properly recorded to provide management with accurate financial data to closely monitor, review and take appropriate steps to reduce or mitigate the School's financial condition.

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 identified one deficiency in internal control that we consider to be a material weakness noted above.

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

*McCrary & Associates, PLLC*

Altamonte Springs, Florida  
October 29, 2025

107 Water Oak Lane | Altamonte Springs, FL 32714  
Office 407-960-4429 ■ [admin@mccraryandassociates.com](mailto:admin@mccraryandassociates.com)  
[www.mccraryandassociates.com](http://www.mccraryandassociates.com)

---

Members of American Institute of Certified Public Accountants and Florida Institute of Certified Public Accountants

**Additional Information Required by  
Rules of the Auditor General,  
Chapter 10.850, *Audits of Charter Schools  
and Similar Entities***



**Management Letter as Required by Rules of the Florida Auditor General,  
Chapter 10.850, Florida Statutes, *Charter School Audits***

To the Board of Directors of Oasis Middle School, Inc.,  
a Charter School and Component Unit of the District  
School Board of Manatee County, Florida

**Report on the Financial Statements**

We have audited the financial statements of Oasis Middle School, Inc. (the "School") as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated October 29, 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 Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in that report, if applicable, which is dated, October 29, 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 the name or official title of the entity be disclosed in this management letter. The official title of the entity is Oasis Middle School, Inc. The School code is 2122.

**Financial Condition and Management**

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

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the School. It is management's responsibility to monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. Based on our procedures, the entity has met one or more conditions described in Sections 10.854(1)(e)6.a. and 10.855(12), as the School's cash decreased significantly in the current year to cover operating costs and current debt obligations.

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 had one recommendation Finding 2025-01 as noted on page 30.

### **Transparency**

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

### **Additional Matters**

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

*McCrady & Associates, PLLC*

Altamonte Springs, Florida  
October 29, 2025

107 Water Oak Lane | Altamonte Springs, FL 32714  
Office 407-960-4429 ■ [admin@mccradyandassociates.com](mailto:admin@mccradyandassociates.com)  
[www.mccradyandassociates.com](http://www.mccradyandassociates.com)



**Oasis Middle School  
6417 3<sup>rd</sup> Avenue West  
Bradenton, FL 34209  
(941) 749-1979**

**October 29, 2025**

**McCrary and Associates  
107 Water Oak Lane  
Altamonte Springs, Florida**

**Ref: Going Concern Condition Annual Audited Financials 2025**

Regarding the Going Concern noted in the June 30, 2025 Annual Financial Statements for Oasis Middle School, the Board of Directors and school leadership recognize the importance of financial stability to ensure and maintain successful school operations. The following actions are underway to address and resolve the situation.

The school has initiated discussions with the current mortgage lender to explore options extending the existing loan under the same terms and conditions. The request is to extend the mortgage maturity date to July 15, 2026. This will allow us the necessary time to fulfill specific financial and operational benchmarks required to qualify for the refinancing of the school property.

We are currently working with a local bank management team to assist the school in meeting the criteria for a refinance of the mortgage. The team is providing guidance and support to assist in navigating the process to secure a refinancing commitment. The goal is to be refinanced by no later than June 30, 2026. We are also looking at other financial avenues that support small business and not for profits.

The Board of Directors and school leadership are working closely to manage the progress of this matter. On-going meetings will be held to review progress and provide updates which will be noted in meeting minutes.

We will continue to proactively and aggressively address this matter to achieve resolution.

Sincerely,

A handwritten signature in blue ink that reads "Edna F. Bailey". The signature is fluid and cursive, with the first name "Edna" being the most prominent.

Edna F. Bailey – School Director

A handwritten signature in black ink that reads "Martin O'Brien". The signature is cursive and somewhat stylized, with the first name "Martin" being the most prominent.

Martin O'brien – President Board of Directors



**Oasis Middle School**  
**6417 3rd Avenue West**  
**Bradenton, FL 34209**  
**(941) 749-1979**

Oasis Middle Charter School  
Financial Corrective Action Plan  
October 13, 2025

Introduction: The development of a Financial Corrective Plan for Oasis Middle has been a collaborative effort involving school staff/families, board members, school accountants and school community members. The purpose of the plan is to identify the cause of the financial shortfall and determine a realistic plan that includes a reasonable timeframe in which to remedy the situation.

Cause of Condition:

Growing student enrollment is key to resolving the financial condition of the school. While a reputable established marketing agency was contracted to secure new students; very few students were obtained from this process. Unexpected operational costs were incurred resulting from building maintenance issues; monthly mortgage payments increased from the previous year and some long-term family student enrollments were lost due to unplanned family relocations.

Description of Actions to Correct Condition:

Ensuring that all monthly financial obligations are met will remain a priority. As of date all school business related items continue to be current i.e. mortgage, payroll, general building maintenance, routine business administration and etc.

Utilize the school's record of strong academic performance, serving an underserved student population with a positive impact to the community to secure funding from business financial partners who identify with the school's mission.

Market for additional students by implementing an Aggressive Grass Roots Marketing Campaign. This will include the distribution of targeted direct mail accompanied by an outbound calling campaign; Open houses and small intimate 'meet the principal' sessions with middle school parents and a student referral incentive plan for current school families. This will be combined with the use of text messaging and email campaigns.

Procedures for Monitoring Process:

1. The Board of Directors will provide oversight of the implementation of the corrective plan.
2. Monthly status reports on the progress of the plan will be provided to the Board of Directors by the school administration.
3. Monthly financial reports to SDMC will be used as progress monitoring.

Completion Time:

Our goal is to eliminate the school general fund deficit by June 30, 2026. We believe running an intensive marketing campaign focused on our academic success with our particular student population and supporting it with social media messaging will produce better results. Developing and creating business partners who believe in our mission will produce additional funding.

Conclusion:

Our goal is to replenish our General Fund Reserves and resolve our financial disposition. With the collaboration of our motivated staff and school family members we believe this can be accomplished. We will closely evaluate the results of our efforts as we progress and make changes as we proceed to achieve the best results.