

OLYMPUS INTERNATIONAL ACADEMY
BOCA RATON, FLORIDA
(A CHARTER SCHOOL UNDER OLYMPUS
INTERNATIONAL ACADEMY, INC.)

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

JUNE 30, 2025

OLYMPUS INTERNATIONAL ACADEMY
BASIC FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION
JUNE 30, 2025

TABLE OF CONTENTS

	PAGES
General Information.....	1
Independent Auditor's Report.....	2-4
Management's Discussion and Analysis (not covered by Independent Auditor's Report).....	5-9
 Basic Financial Statements	
<i>Government-wide Financial Statements:</i>	
Statement of Net Position.....	10
Statement of Activities.....	11
 <i>Fund Financial Statements:</i>	
Balance Sheet – Governmental Funds.....	12
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position.....	13
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds.....	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities.....	15
 Notes to Basic Financial Statements.....	 16-25
 Required Supplemental Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – General Fund.....	26
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Special Revenue Fund.....	27
 Note to Required Supplemental Information.....	 28
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 <i>Government Auditing Standards</i>	29-30
Schedule Of Findings And Questioned Costs.....	31
Management Letter.....	32-35

OLYMPUS INTERNATIONAL ACADEMY
(A Charter School under Olympus International Academy, Inc.)

8411 W. Palmetto Park Rd.
Boca Raton, FL 33433
(561) 900-5323

2024-2025

BOARD OF DIRECTORS

Mr. Joseph Mullen, President
Mr. Charlene Thomas, Member
Mr. Alvaro Del Olmo, Secretary

SCHOOL ADMINISTRATION

Ms. Nancy Swenson, Principal



Verdeja • Alvarez
Certified Public Accountants & Advisors



Octavio F. Verdeja, Founder - 1971

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Michelle del Sol, C.F.E., C.P.A.
Cristy C. Rubio, C.P.A.
Javier Verdeja, C.P.A.
Octavio A. Verdeja, C.P.A.
Octavio "Tab" Verdeja, C.F.E., C.P.A.

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Olympus International Academy
Boca Raton, Florida

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Olympus International Academy (the "School"), a charter school under Olympus International Academy, Inc., 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, each major fund, and the aggregate remaining fund information of Olympus International Academy, 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 Opinion

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.

Correction of an Error

As described in Note 12 to the financial statements, the School adjusted net assets for amounts incorrectly recorded in the prior period.

Substantial Doubt about the School's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the School will continue as a going concern. As described more fully in Note 13 to the financial statements, the School has incurred operating deficits and has unexpended funds that are restricted for use by referendum during the year ended June 30, 2025, and, as of that date, the School does not have funds available to meet the restricted purpose. Due to the events described, substantial doubt exists about the School's ability to continue as a going concern. Management's evaluation of the

events and conditions and management's plans regarding those matters are also described in Note 13.

The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to that 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 School's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 29, 2026 on our consideration of the Academy's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the School's internal control over financial reporting and compliance.

Verdeja - Alvarez, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
January 29, 2026

Management's Discussion and Analysis
Olympus International Academy
June 30, 2025

The corporate officers of Olympus International Academy (the "School") have prepared this narrative overview and analysis of the School's financial activities for the fiscal year ended June 30, 2025.

FINANCIAL HIGHLIGHTS

1. At year-end, the School had current assets of \$317,153.
2. The School reported a change in fund balance of (\$956,268) and an ending fund balance of \$5,084 for the year ending and at June 30, 2025, respectively.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the School's basic financial statements. The School's financial statements for the year ended June 30, 2025 are presented in accordance with GASB Codification Section 2200. The financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The *Government-wide Financial Statements* are designed to provide readers with a broad overview of the School's finances, in a manner similar to a private-sector business.

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

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

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

Fund Financial Statements

A “fund” is a collection of related accounts grouped to maintain control over resources that have been segregated for specific activities, projects, or objectives. The School, like other state and local governments, uses fund accounting to ensure and report compliance with finance-related legal requirements. All of the funds of the School are governmental funds. *Governmental Funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements.

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

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

Notes to Financial Statements

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

The notes to the financial statements can be found on pages 16 - 25 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, over time net position may serve as a useful indicator of the School’s financial position. A summary of the School’s net position as of June 30, 2025 and 2024:

	Assets	2025	2024
Cash and cash equivalents		\$ 62,127	\$ 818,188
Due from other agencies		14,606	153,766
Prepaid expenses		-	60,769
Deposits receivable and other assets		20,000	10,000
Lease receivable		766,149	939,286
Capital and right-to-use assets, net		12,438,006	13,075,604
Total Assets		<u>\$ 13,300,888</u>	<u>\$ 15,057,613</u>
Liabilities and Net Position			
Accounts and wages payable and accrued liabilities		\$ 166,668	128,393
Accrued interest payable		21,209	21,953
Loan payable		121,433	73,433
Right-to-use liability, current and noncurrent portion		12,725,920	13,172,194
Total Liabilities		<u>13,035,230</u>	<u>13,374,020</u>
Deferred inflows of resources		690,327	914,217
Net investment in capital assets (deficit)		(287,914)	(265,409)
Restricted		527,288	402,684
Unrestricted		(664,043)	632,101
Total Net Position		<u>(424,669)</u>	<u>769,376</u>
Total Liabilities, Deferred inflows and Net Position		<u>\$ 13,300,888</u>	<u>\$ 15,057,613</u>

At June 30, 2025, the School's total assets were \$13,300,888 and total liabilities were \$12,963,230. At June 30, 2025, the School reported a total net position deficit of (\$352,669).

Prior year amounts have been restated to include leases previously excluded. The effect of the restatement to prior year was as follows: to (1) to increase lease receivables (and total assets) by \$961,239; (2) increase to deferred inflows of resources of \$914,217; and (3) an increase in net position of \$47,022.

A summary and analysis of the School's revenues and expenses for the years ended June 30, 2025 and June 30, 2024:

REVENUES	<u>2025</u>	<u>2024</u>
Program Revenues:		
Revenues from state sources	\$ 12,900	\$ 359,102
State capital outlay funding	361,240	266,947
Charges for services	184,639	180,817
General Revenues:		
FEFP nonspecific revenue	2,795,697	3,870,203
Other local revenue	910,466	423,363
Total Revenues	<u>\$ 4,264,942</u>	<u>\$ 5,100,432</u>
 EXPENSES		
Instruction	\$ 2,473,374	\$ 1,831,096
Fiscal services	461,823	496,252
School administration	566,282	439,373
School board	114,951	84,120
Operation of plant	1,060,473	997,809
Maintenance of plant	109,203	116,145
Food services	31,027	-
Administrative technology services	58,637	37,887
Community services	256,073	378,817
Interest	327,144	219,811
Total Expenses	<u>\$ 5,458,987</u>	<u>\$ 4,601,310</u>
 Change in Net Position	 \$ (1,194,045)	 \$ 499,122
 Net Position at Beginning of Year	 <u>769,376</u>	 <u>270,254</u>
Net Position at End of Year	<u><u>\$ (424,669)</u></u>	<u><u>\$ 769,376</u></u>

The School's total revenues for the year ended June 30, 2025 were \$4,264,942 while its total expenses were \$5,458,987 for a net decrease of (\$1,194,045).

Prior year amounts have been restated to include leases previously excluded. The effect of the restatement to prior year was as follows: to (1) to increase other local revenue and net position by \$47,022.

SCHOOL LOCATION

The School operates in the Palm Beach area located at 8411 W. Palmetto Park Rd., Boca Raton, FL 33433.

CAPITAL IMPROVEMENT REQUIREMENT

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

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND

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

GOVERNMENTAL FUNDS

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

For the year ended June 30, 2025, the School's governmental funds reported a net change in fund balance of (\$956,268) and reported a combined fund balance at year-end of \$5,084.

CAPITAL AND RIGHT-TO-USE ASSETS

At June 30, 2025, the School's investment in capital assets amounts to \$292,381 (net of accumulated depreciation). This investment in capital assets includes leasehold improvements, furniture, fixtures and equipment. The School's investment in right-to-use assets, amounts to \$12,145,625 (net of accumulated amortization). This investment in right-to-use assets relates to a facility lease.

DEBT

In June 2019, the School entered into an agreement with its landlord in which the landlord loaned the School a total of \$250,000, consisting of \$150,000 to purchase fixtures, furnishing and equipment and \$100,000 to be used for the purpose of marketing and promotion of the School. The balance owed related to this agreement totaled \$121,433 at June 30, 2025.

Due to the implementation of GASB No. 78, *Leases*, the School recorded a right-to-use liability for its facilities of \$13,959,908 as of July 1, 2022, the implementation date. The balance in the right-to-use liability and interest payable associated with the right-to-use liability totaled \$12,725,920 and \$21,209, respectively, as of June 30, 2025.

GOVERNMENTAL FUND BUDGET ANALYSIS

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

	All Governmental Funds		
	Original Budget	Final Budget	Actual
REVENUES			
State passed through local district	\$ 3,593,789	2,795,697	\$ 2,795,697
State capital outlay funding	373,836	361,240	361,240
Federal passed through state	430,178	12,900	12,900
Charges for services	-	184,639	184,639
Local and other revenue	494,858	910,466	910,466
TOTAL REVENUES	\$ 4,892,661	\$ 4,264,942	\$ 4,264,942
EXPENDITURES			
Instruction	\$ 2,625,032	\$ 2,400,983	\$ 2,400,983
Fiscal services	499,915	461,823	461,823
School administration	466,108	566,282	566,282
School Board	82,000	114,951	114,951
Operation of plant	401,388	434,561	434,561
Maintenance of plant	65,000	109,203	109,203
Central services	350	-	-
Administrative technology services	37,200	58,637	58,637
Community services	-	256,073	256,073
Food services	-	31,027	31,027
Capital outlay			
Other capital outlay	-	60,705	60,705
Debt service			
Interest	373,836	280,691	280,691
Principal retirement	-	446,274	446,274
TOTAL EXPENDITURES	4,550,829	5,221,210	5,221,210
OTHER FINANCING SOURCES			
Payments of L/T payables	-	-	-
Total other financing sources	-	-	-
NET CHANGE IN FUND BALANCE	\$ 341,832	\$ (956,268)	\$ (956,268)

The School's budget was prepared anticipating 304 students. For the 2024-2025 year, there were approximately 300 students.

REQUESTS FOR INFORMATION

This financial report is intended to provide a general overview of the finances of the School. Requests for additional information may be addressed to Ms. Nancy Swenson, Principal, at 8411 W. Palmetto Park Rd., Boca Raton, FL 33433.

OLYMPUS INTERNATIONAL ACADEMY
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 62,127
Due from other agencies	14,606
Deposits receivable	20,000
Lease receivable, due in less than one year	220,420
TOTAL CURRENT ASSETS	317,153
 LEASE RECEIVABLE, NON-CURRENT PORTION	 545,729
CAPITAL ASSETS AND RIGHT-TO-USE ASSET, NET	12,438,006
 TOTAL ASSETS	 \$ 13,300,888
 LIABILITIES AND NET POSITION (DEFICIT)	
LIABILITIES	
Accounts payable	\$ 15,964
Accrued interest payable	803
Accrued payroll and related expenses	150,704
Loan payable	121,433
Right-to-use liability, current portion	446,649
TOTAL CURRENT LIABILITIES	735,553
 Accrued interest payable, non-current portion	 20,406
Right-to-use liability, non-current portion	12,279,271
TOTAL LIABILITIES	13,035,230
 DEFERRED INFLOWS	
Deferred lease income	690,327
TOTAL DEFERRED INFLOWS	690,327
 TOTAL LIABILITIES INCLUDING DEFERRED INFLOWS	 13,725,557
 NET POSITION (DEFICIT)	
Net investment in capital assets (deficit)	(287,914)
Restricted	527,288
Unrestricted	(664,043)
TOTAL NET POSITION (DEFICIT)	(424,669)
 TOTAL LIABILITIES AND NET POSITION (DEFICIT)	 \$ 13,300,888

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

OLYMPUS INTERNATIONAL ACADEMY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Functions	Expenses	Program Revenues			Net (Expense) and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 2,473,374	\$ -	\$ 12,900	\$ -	\$ (2,460,474)
Fiscal services	461,823	-	-	-	(461,823)
School administration	566,282	-	-	-	(566,282)
School board	114,951	-	-	-	(114,951)
Operation of plant	1,060,473	-	-	361,240	(699,233)
Maintenance of plant	109,203	-	-	-	(109,203)
Food services	31,027	-	-	-	(31,027)
Administrative technology services	58,637	-	-	-	(58,637)
Community services	256,073	184,639	-	-	(71,434)
Interest on long-term debt	327,144	-	-	-	(327,144)
Total Governmental Activities	\$ 5,458,987	\$ 184,639	\$ 12,900	\$ 361,240	\$ (4,900,208)
GENERAL REVENUES:					
State through local school district					\$ 2,795,697
Local and other revenue					910,466
Total general revenues					<u>3,706,163</u>
Change in Net Position					(1,194,045)
NET POSITION - BEGINNING, as restated					<u>769,376</u>
NET POSITION (DEFICIT) - ENDING					<u>\$ (424,669)</u>

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

OLYMPUS INTERNATIONAL ACADEMY
BALANCE SHEET- GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 62,127	\$ -	\$ -	\$ 62,127
Due from other agencies	-	-	14,606	14,606
Lease receivables	766,149	-	-	766,149
Deposits	20,000	-	-	20,000
TOTAL ASSETS	<u>\$ 848,276</u>	<u>\$ -</u>	<u>\$ 14,606</u>	<u>\$ 862,882</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 15,964	\$ -	\$ -	\$ 15,964
Accrued payroll and related expenses	150,704	-	-	150,704
Accrued interest payable	803	-	-	803
TOTAL LIABILITIES	<u>167,471</u>	<u>-</u>	<u>-</u>	<u>167,471</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred rental income	<u>690,327</u>	<u>-</u>	<u>-</u>	<u>690,327</u>
FUND BALANCE				
Non-spendable				
Leases	75,822	-	-	75,822
Deposits	20,000	-	-	20,000
Restricted	512,682	-	14,606	527,288
Unassigned	(618,026)	-	-	(618,026)
TOTAL FUND BALANCE	<u>(9,522)</u>	<u>-</u>	<u>14,606</u>	<u>5,084</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 848,276</u>	<u>\$ -</u>	<u>\$ 14,606</u>	<u>\$ 862,882</u>

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

OLYMPUS INTERNATIONAL ACADEMY
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT
OF NET POSITION
JUNE 30, 2025

Total Fund Balance - Governmental Funds	\$	5,084
Capital and right-to-use assets, net of accumulated depreciation and amortization, used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.		12,438,006
Long term liabilities are not due in the current period and accordingly, are not reported as fund liabilities.		
	Right-to-use liability	(12,725,920)
	Loan payable	(121,433)
	Accrued interest payable	(20,406)
Total Net Position - Governmental Activities	\$	<u>(424,669)</u>

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

OLYMPUS INTERNATIONAL ACADEMY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
State passed through local school district	\$ 2,795,697	\$ -	\$ -	\$ 2,795,697
Federal passed through state	-	12,900	-	12,900
State capital outlay funding	-	-	361,240	361,240
Local and other revenue:				
Charges for services	184,639	-	-	184,639
Other	910,466	-	-	910,466
TOTAL REVENUES	\$ 3,890,802	\$ 12,900	\$ 361,240	\$ 4,264,942
EXPENDITURES				
Instruction	\$ 2,045,017	\$ 355,966	\$ -	\$ 2,400,983
Fiscal services	461,823	-	-	461,823
School administration	566,282	-	-	566,282
School board	114,951	-	-	114,951
Operation of plant	374,943	59,618	-	434,561
Maintenance of plant	109,203	-	-	109,203
Administrative technology services	58,637	-	-	58,637
Community services	256,073	-	-	256,073
Food services	31,027	-	-	31,027
Capital outlay:				
Other capital outlay	60,705	-	-	60,705
Debt service:				
Interest	25,547	-	255,144	280,691
Principal payments	354,784	-	91,490	446,274
TOTAL EXPENDITURES	\$ 4,458,992	\$ 415,584	\$ 346,634	\$ 5,221,210
Deficiency of revenues over expenditures	(568,190)	(402,684)	14,606	(956,268)
NET CHANGE IN FUND BALANCE	\$ (568,190)	\$ (402,684)	\$ 14,606	\$ (956,268)
Fund balance at beginning of year, as restated	558,668	402,684	-	961,352
Fund balance at end of year	<u>\$ (9,522)</u>	<u>\$ -</u>	<u>\$ 14,606</u>	<u>\$ 5,084</u>

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

OLYMPUS INTERNATIONAL ACADEMY
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

Change in Fund Balance - Governmental Funds	\$ (956,268)
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlays	60,705
Depreciation expense	(93,542)
Amortization expense	(604,761)

Right-to-use assets and liabilities and associated interest payable used in governmental activities are not financial resources or obligations and therefore are not reported.

Principal payments of right-to-use liability	446,274
Interest payable	25,547

Increases in long term payables is an expense in governmental funds, but increases the long term liability in the statement of net position. This is the amount by which the long term payable increased in the current period.

Increase in L/T payable	(72,000)
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Change in Net Position of Governmental Activities	<u>\$ (1,194,045)</u>
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The accompanying notes are an integral part of this financial statement.

**OLYMPUS INTERNATIONAL ACADEMY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 1 – ORGANIZATION AND OPERATIONS

Reporting Entity

Olympus International Academy (the “School”) is a charter school sponsored by the School Board of Palm Beach County, Florida (the “District”). The School’s charter is held by Olympus International Academy, Inc., a not-for-profit corporation, organized pursuant to Chapter 617, Florida Statutes, the Florida Not For Profit Corporation Act, and Section 1002.33 Florida Statutes. The School is governed by a Board of Directors composed of four members.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School’s current charter is for a term of ten years beginning August 1, 2023 through July 31, 2033. The charter may be renewed as provided in Section 1002.33 or 1002.331, Florida Statutes, upon mutual consent between the School and the District and execution of a written renewal. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter, in which case the District is required to notify the School in writing at least ninety days prior to the charter’s expiration. The School contract provides in the event the School is dissolved or terminated, any unencumbered funds and all School property purchased with public funds revert to the District. During the term of the charter, the District may also terminate the charter if good cause is shown.

These financial statements are for the year ended June 30, 2025, the School’s seventh full year of operations, when approximately 300 students were enrolled in grades Kindergarten through 8th grade.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

Government-wide and Fund Financial Statements

Government-wide Financial Statements

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

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, (2) operating grants and contributions which finance annual operating activities, and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. Other revenue sources not properly included with program revenues are reported as general revenues.

**OLYMPUS INTERNATIONAL ACADEMY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements (Continued)

Fund Financial Statements

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

The School utilizes the following major governmental funds:

General Fund – is the School's primary operating fund. The General Fund accounts for all financial resources not accounted for and reported in another fund.

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

Capital Projects Fund – this fund accounts for all resources for the leasing or acquisition of capital facilities by the School to the extent funded by capital outlay funds.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenues from non-exchange transactions are reported according to Governmental Accounting Standards Board (GASB) Codification Section 1600.111 and Section N50 "Accounting and Financial Reporting for Non-Exchange Transactions." On the accrual basis, revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Measurable means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The School considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Florida Education Finance Program (FEFP) revenues are recognized when received. A one-year availability period is used for revenue recognition for all other governmental fund revenues. When grant terms provide that the expenditure of funds is the prime factor for determining eligibility for federal, state, and other grant funds, revenue is recognized at the time the expenditure is made. Expenditures are recorded when the related fund liability is incurred, except for long-term debt principal and interest which are reported as expenditures in the year due.

Budgetary Basis of Accounting

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

**OLYMPUS INTERNATIONAL ACADEMY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

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

Due from Other Agencies

Due from other agencies consists of amounts due from other governmental units for revenues from federal, federal through state, state, or other sources. Management has determined that amounts due from other agencies at June 30, 2025 are fully collectable and therefore, no allowance for uncollectable amounts has been recorded.

Capital Assets and Depreciation

Capital assets purchased or acquired are carried at historical cost or estimated historical cost. The School capitalization levels are \$1,000 on tangible personal property. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the costs and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for depreciable assets are as follows:

	Estimated Useful Lives (years)
Improvements other than building	10
Furniture, fixtures, and equipment	3 - 5

Compensated Absences

The School grants a specific number of days for sick/personal leave. Full-time office and administrative employees are eligible for up to ten days of active work during the ten-month period (a "benefit year"). Teachers are eligible for up to seven days of active work during the benefit year. In the event that available time is not used by the end of the benefit year, employees may not "rollover" all unused days for use in future benefit years.

Pursuant to recently issued Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*, only leave that accumulates should be recognized as a liability for leave that has not been used because if it does not accumulate, a government would not have an obligation for it at the date of the financial statements. For organizations with use-it-or-lose it policies, for which any unused leave is forfeited at the end of the fiscal year, there is no obligation to provide time off or payment or settlement in a future period. Accordingly, no liability for compensated absences is reported in these financial statements. See Adopted Accounting Pronouncements.

**OLYMPUS INTERNATIONAL ACADEMY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide Fund Net Position

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

- Net investment in capital assets – consists of the historical cost capital assets less accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition or improvement of those assets plus deferred outflows of resources less deferred inflows of resources. This also consists of right-to-use assets related to facility leases, net of related liabilities. The net investment in capital and right-to-use assets for the year ending June 30, 2025 was a deficit of (\$287,914).
- Restricted net assets – consists of net assets with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments less related liabilities and deferred inflows of resources. Restricted net assets of \$527,288 at June 30, 2025 consisted of unspent referendum funds and capital outlay.
- Unrestricted – all other net position is reported in this category.

Governmental Fund Balances

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

- Non-spendable – fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned). At June 30, 2025, the School's non-spendable fund balance totaled \$95,822.
- Restricted – fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. At June 30, 2025, restricted fund balance of \$527,288 consisted of unspent referendum funds and capital outlay.
- Committed – fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School's Board of Directors. At June 30, 2025, there is no committed fund balance.
- Assigned – fund balance classification are intended to be used by the School's management for specific purposes, but do not meet the criteria to be classified as restricted or committed. At June 30, 2025, there is no assigned fund balance.
- Unassigned – fund balance is the residual classification for the School's general fund and includes all spendable amounts not contained in the other classifications.

Order of Fund Balance Spending Policy

The School considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and committed, assigned, or unassigned amounts are considered to have been spent when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

The School has a revenue spending policy that provides guidance for programs with multiple revenue sources. The finance officer will use resources in the following hierarchy: debt proceeds, federal funds, state funds, local non-city funds, city funds, and funds passed through the District. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The finance officer has the authority to deviate from this policy if it is in the best interest of the School.

**OLYMPUS INTERNATIONAL ACADEMY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Sources

Revenues for operations will be received primarily from the District School Board of Palm Beach County (the “School Board”) pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the School will report the number of full-time equivalent (FTE) students and related data to the School Board. Under the provisions of Section 1011.62, Florida Statutes, the School Board reports the number of the full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the Florida Education Finance Program and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods.

The School may also receive federal grant awards and State financial assistance for the enhancement of various educational programs. Federal awards and State financial assistance are generally received based on an application submitted to and approved by various granting agencies. For federal awards and state financial assistance in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred. This activity is recorded in the Special Revenue Fund and Capital Outlay Fund, as applicable. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

Income Taxes

Olympus International Academy Inc. qualifies as a tax exempt organization under the Internal Revenue Code Section 501(c)(3), and is, therefore, exempt from income tax. Accordingly, no tax provision has been made in the accompanying financial statements. 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 years are subject to examination by tax authorities and may change upon examination.

Use of Estimates

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

Subsequent Events

The School has evaluated subsequent events and transactions for potential recognition or disclosure through January 29, 2026, which is the date the financial statements were available to be issued.

Adopted Accounting Pronouncements

In June 2022, GASB issued Statement No. 101 (“GASB 101”), *Compensated Absences*, which establishes a unified model for the recognition and measurement of all types of compensated absences, such as vacation leave, sick leave, and paid time off. This Statement replaces the prior guidance in GASB Statement No. 16 and requires that a liability be recognized as leave is earned, regardless of whether it vests or is contingent on future events, to the extent it is more likely than not to be used for time off in a future reporting period or otherwise paid to the employee.

OLYMPUS INTERNATIONAL ACADEMY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Adopted Accounting Pronouncements (Continued)

The School grants a specific number of days for sick/personal leave each benefit year. Unused days do not carry forward to subsequent benefit years and are not paid out under any circumstance (“use-it-or-lose-it” policy). Because no leave earned in the current year results in a future obligation once the benefit year ends, the School determined that no liability for compensated absences is required under GASB 101.

In June 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures* (“GASB 102”), which includes new disclosure requirements related to concentrations and constraints, including certain risks related to capital assets. GASB 102 requires disclosure when events or conditions make it at least reasonably possible that a significant concentration or constraint could impact the government’s ability to continue providing services at current levels or meet obligations as they come due. This pronouncement did not have a material impact on the School’s financial statements.

NOTE 3 – CASH DEPOSITS

It is the School’s policy to maintain its cash and cash equivalents in two financial institutions. Deposits at FDIC-insured financial institutions are insured up to \$250,000 per depositor, per financial institution. As of June 30, 2025, the bank balances of the School’s cash deposits was \$62,127 which did not exceed FDIC-insured limits.

NOTE 4 – CAPITAL AND RIGHT-TO-USE ASSETS

Capital and right-to-use asset activity for the year ended June 30, 2025 is as follows:

	Balance July 1, 2024	Additions	Disposals	Balance June 30, 2025
Capital assets:				
Leasehold improvements	\$ 181,035	\$ 34,825	\$ -	\$ 215,860
Furniture, fixtures, and equipment	443,926	25,880	-	469,806
Total capital assets	\$ 624,961	\$ 60,705	\$ -	\$ 685,666
Less: accumulated depreciation				
Leasehold improvements	\$ (15,356)	\$ (21,151)	\$ -	\$ (36,507)
Furniture, fixtures, and equipment	(284,387)	(72,391)	-	(356,778)
Total accumulated depreciation	\$ (299,743)	\$ (93,542)	\$ -	\$ (393,285)
Capital assets, net	\$ 325,218	\$ (32,837)	\$ -	\$ 292,381
Right-to-use asset:				
Right-to-use asset, gross	\$ 13,959,908	\$ -	\$ -	\$ 13,959,908
Less: accumulated amortization	(1,209,522)	(604,761)	-	(1,814,283)
Right-to-use asset, net	\$ 12,750,386	\$ (604,761)	\$ -	\$ 12,145,625
Total capital and right-to-use assets, net	\$ 13,075,604	\$ (637,598)	\$ -	\$ 12,438,006

**OLYMPUS INTERNATIONAL ACADEMY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 4 – CAPITAL AND RIGHT-TO-USE ASSETS (Continued)

For the year ended June 30, 2025, depreciation expense was allocated in the statement of activities as follows:

Instruction	\$ 72,391
Operation of plant	<u>21,151</u>
Total	<u>\$ 93,542</u>

NOTE 5 – DEBT

In June 2019, the School received loan proceeds of \$250,000 from ICG Charter Boca Raton, LLC (“ICG”), consisting of a \$150,000 loan to purchase fixtures, furnishing and equipment (“FF&E Loan”). The School also leases facilities from ICG. The loan bears no interest. Beginning January 1, 2021, the FF&E loan is to be repaid on a at a rate of \$50 per student per annum. At June 30, 2025, the balance of the FF&E Loan was \$121,433.

NOTE 6 – PROFESSIONAL SERVICES CONTRACT

The School entered into an agreement with Building Hope Services to provide accounting and finance services to the School. The contract, renewable annually, calls for an annual fee of \$110 per student based on enrollment at the beginning of the school year, payable in monthly installments. For the year ended June 30, 2025, the School recorded expenses related to this agreement totaling \$28,681.

The School entered into an additional agreement with Building Hope Services to provide human resources services. The contract, renewable annually, calls for an annual fee of \$340 per employee based on employee count at the beginning of the school year, payable in monthly installments. For the year ended June 30, 2025, the School recorded expenses related to this agreement totaling \$17,408.

OLYMPUS INTERNATIONAL ACADEMY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 7 – EDUCATION SERVICE AND SUPPORT PROVIDER

The School entered into an agreement with Vamos Falar Potugues Foundation, Inc. (“VFP”) to provide professional management and consulting services to the School. In its capacity, VFP manages the operations and finances and makes recommendations to the School’s independent board of directors which make the final determinations regarding policies and contracts. The agreement began on July 1, 2019 and is effective for ten years through June 30, 2029. The agreement will automatically renew for two additional five-year periods unless either party delivers a written notice of termination at least twelve months prior. The contract calls for a fee equal to 10% of the School’s FEFP revenues, plus an additional 5% for before and aftercare revenues. The fee is payable in monthly installments. During the year ended June 30, 2025, expenses incurred under the agreement totaled \$289,173. At June 30, 2025, the amount owed to VFP was \$0.

NOTE 8 – COMMITMENTS

The School entered into an agreement to lease facilities from ICG Charter Boca Raton, LLC under a 25 year non-cancelable operating lease expiring September 1, 2044 with an option to renew for up to two additional consecutive five year periods. During the year ending June 30, 2023, the agreement called for monthly lease payments of \$40,000 through July 2023. In August 2022, the base rent was adjusted to \$50,000 per month through July 2023. Beginning August 2023, the monthly base rent will be \$56,617. During the year ended June 30, 2025, amounts paid for rent totaled \$706,016.

On July 1, 2021, the School implemented GASB Statement No. 87 *Leases*, and as a result recorded a lease right-to-use asset and liability in these financial statements for the facility lease. The School had modifications to their leases and for the year ended June 30, 2023, the School removed the prior right-to-use asset and liability and recorded a new right-to-use asset and liability. The School used an interest rate of 5.00% to discount the annual lease payments and recognize the intangible right to use this asset and the lease liability as of July 1, 2022. The interest expense was \$327,144 and the amortization of the right-to-use asset was \$604,761 for the year ended June 30, 2025.

Changes in right-to-use liability during the year are as follows:

	Balance July 1, 2024	Increase	Decrease	Balance June 30, 2025
Right-to-use liability	\$ 13,172,194	\$ -	\$ (446,274)	\$ 12,725,920
	<u>\$ 13,172,194</u>	<u>\$ -</u>	<u>\$ (446,274)</u>	<u>\$ 12,725,920</u>

OLYMPUS INTERNATIONAL ACADEMY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 8 – COMMITMENTS (Continued)

The following is an estimated schedule of future minimum payments:

Year Ended	Principal	Interest	Total	
2026	\$ 481,728	\$ 249,329	\$ 731,057	
2027	524,798	239,234	764,032	
2028	569,826	228,252	798,078	
2029	385,347	218,657	604,004	
2030	393,845	211,039	604,884	
2031-2035	2,436,928	919,855	3,356,783	(Five year period)
2036-2040	3,354,891	631,146	3,986,037	(Five year period)
2041-2045	4,493,542	239,771	4,733,313	(Five year period)
2046	85,015	-	85,015	(One year period)
	<u>\$ 12,725,920</u>	<u>\$ 2,937,283</u>	<u>\$ 15,663,203</u>	

NOTE 9 – SUBLEASE AGREEMENTS

The School entered into a separate agreement on August 1, 2022 to sublease a portion of its facilities to Yeshiva of South Florida, Inc. through July 31, 2028.

In accordance with GASB Statement No. 87, *Leases*, the School has recognized a lease receivable and a corresponding deferred inflow of resources at the present value of future lease payments as of the lease commencement date. Lease revenue is recognized on a straight-line basis over the lease term, while interest revenue is recognized on the outstanding lease receivable using the effective interest method. In addition, the School also collects revenues associated with the sublease for common area maintenance ("CAM fees"). As CAM fees are variable in nature, the School records these amounts when they occur. For the year ended June 30, 2025 lease revenue totaled \$339,067. As of June 30, 2025, lease receivables were \$766,149 and deferred inflows related to rental income were \$690,327, respectively.

Future payments associated with the lease are as follows for the year ended June 30:

2026	\$ 253,750
2027	268,750
2028	283,750
2029	23,750
Total	<u>\$ 830,000</u>

NOTE 10 – GRANTS

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

**OLYMPUS INTERNATIONAL ACADEMY
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTE 11 – RISK MANAGEMENT

The School is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions and natural disasters for which the School carries commercial insurance. Settlement amounts have not exceeded insurance coverage in the past. In addition, there were no reductions in insurance coverage from those in the prior year. The School does not sponsor a public entity risk pool and has had no settlements that have exceeded their insurance coverage.

NOTE 12 – PRIOR PERIOD ADJUSTMENT

During the year ended June 30, 2025, the School identified that amounts associated with sublease agreements were not included in the previously issued financial statements. Accordingly, the prior year financial statements have been restated to include these operations.

The effect of this adjustment was to increase beginning net position at July 1, 2024 by \$47,022. The prior year presentation has been adjusted to conform with the current year presentation.

NOTE 13 – OPERATING DEFICITS AND NONCOMPLIANCE WITH REFERENDUM RESTRICTIONS

The 2022 voter referendum to continue ad valorem levy for School safety, teachers, and operational needs, requires funds to be used for funding school safety, school police, mental health services, arts, music, physical education, career and choice program teachers, and improved teacher pay. The School had unexpended funds associated with the Referendum of \$512,682, of which only \$62,127 was held in cash. The remaining had been expended for operations outside of the approved usage during the year.

REQUIRED SUPPLEMENTAL INFORMATION

OLYMPUS INTERNATIONAL ACADEMY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET
AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund		
	Original Budget	Final Budget	Actual
REVENUES			
State passed through local school district	\$ 3,593,789	\$ 2,795,697	\$ 2,795,697
Charges for services	-	184,639	184,639
Local and other revenue	494,858	910,466	910,466
TOTAL REVENUES	\$ 4,088,647	\$ 3,890,802	\$ 3,890,802
EXPENDITURES			
Instruction	\$ 2,194,854	\$ 2,045,017	\$ 2,045,017
Student and instructional support services	30,000	-	-
Fiscal services	499,915	461,823	461,823
School administration	466,108	566,282	566,282
School board	82,000	114,951	114,951
Operation of plant	401,388	374,943	374,943
Maintenance of plant	65,000	109,203	109,203
Central services	350	-	-
Administrative technology services	37,200	58,637	58,637
Community services	-	256,073	256,073
Food services	-	31,027	31,027
Capital outlay:			
Other capital outlay	8,000	60,705	60,705
Debt service:			
Interest	-	25,547	25,547
Principal retirement	-	354,784	354,784
TOTAL EXPENDITURES	\$ 3,784,815	\$ 4,458,992	\$ 4,458,992
Change in fund balance before other financing sources	303,832	(568,190)	(568,190)
OTHER FINANCING SOURCES			
Payments of L/T payables	-	-	-
Transfers in (out)	-	-	-
NET CHANGE IN FUND BALANCE	\$ 303,832	\$ (568,190)	\$ (568,190)

See accompanying note to the required supplemental information.

**OLYMPUS INTERNATIONAL ACADEMY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET
AND ACTUAL – SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2025**

	Special Revenue Fund		
	Original Budget	Final Budget	Actual
REVENUES			
Federal passed through state	\$ 430,178	\$ 12,900	\$ 12,900
TOTAL REVENUES	<u>\$ 430,178</u>	<u>\$ 12,900</u>	<u>\$ 12,900</u>
EXPENDITURES			
Instruction	\$ 430,178	\$ 355,966	\$ 355,966
Operation of plant	-	59,618	59,618
TOTAL EXPENDITURES	<u>\$ 430,178</u>	<u>\$ 415,584</u>	<u>\$ 415,584</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ (402,684)</u>	<u>\$ (402,684)</u>

See accompanying note to the required supplemental information.

OLYMPUS INTERNATIONAL ACADEMY
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2025

NOTE A – BUDGETARY INFORMATION

Budgetary basis of accounting

The School's annual budget is adopted for the entire operations at the combined governmental level and may be amended by the Board. The budget presented for the year ended June 30, 2025, has been prepared according to Board procedures. During the fiscal year, expenditures were controlled at the fund level.

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

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



Verdeja Alvarez
Certified Public Accountants & Advisors



Octavio F. Verdeja - Founder - 1971

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

Armando Abaito, C.P.A.
Jorge Albaladejo, C.P.A.
Viviana Bruno, C.P.A.
Pedro L. Salas, C.P.A.
Michael Villanueva, C.P.A.

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

Board of Directors of
Olympus International Academy
Boca Raton, 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 Olympus International Academy (the "School") 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 January 29, 2026.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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 instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and questioned costs as items: **2025-01**.

Purpose of this Report

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

Verdeja - Alvarez, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
January 29, 2026

**OLYMPUS INTERNATIONAL ACADEMY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025**

2025-01: NONCOMPLIANCE WITH VOTER REFERENDUM FUNDING REQUIREMENTS

Criteria:

The 2022 voter referendum to continue ad valorem levy for School safety, teachers, and operational needs, requires funds to be used for funding school safety, school police, mental health services, arts, music, physical education, career and choice program teachers, and improved teacher pay.

Condition:

During fiscal year 2025, the School used a portion of the referendum funding for general operating expenses not allowed under the referendum.

Cause:

Management oversight and a failure of monitoring controls.

Effect:

Noncompliance with the referendum requirements.

Recommendation:

The School should implement controls to ensure referendum funds are expended only for approved purposes.

Management's response:

The School performed a detailed, line-by-line review of historical expenditures to identify costs that the School believes are referendum eligible, were incurred and paid, and were not previously submitted.

The School prepared a reconciliation schedule identifying each expenditure, amount, cumulative total, and proposed eligibility category, supported by source documentation. The detailed reconciliation is included as Exhibit A, and the eligibility categories and justifications presented therein reflect the School's good-faith understanding and interpretation of the referendum purpose categories at the time the costs were incurred and are provided for the District's consideration.

The School found gross referendum-eligible expenditures of \$982,285, less \$297,814 previously applied by the District, resulting in \$684,471 of net eligible expenditures pending amendment.

The School has implemented enhanced internal controls to ensure accurate classification and timely reporting of referendum-eligible expenditures going forward, including:

- Updated written procedures
- Centralized tracking of referendum expenditures- Monthly administrative review
- Timely submission to the District

MANAGEMENT LETTER

Board of Directors of
Olympus International Academy
Boca Raton, Florida

Report on the Financial Statements

We have audited the financial statements of Olympus International Academy (the “School”), a charter school sponsored by the District School Board of Palm Beach County, Florida, as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated January 29, 2026.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in that report, which is dated January 29, 2026, 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. No findings or recommendations were made in the preceding annual financial 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 Olympus International Academy and #504030.

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 the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financials condition assessment procedures for the School. It is management's responsibility to monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. The financial condition assessment procedures applied in connection with our audit, has lead us to believe that the School's overall financial condition as of June 30, 2025 is not deteriorating.

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we have the following recommendations:

2025-01: Total Deficit in Net Position

Observation

Pursuant to Sections 218.39(5), Florida Statutes, the auditor must notify each member of the governing body for which a fund balance deficit in total or for that portion of a fund balance not classified as restricted, committed, or nonspendable, or a total or unrestricted net assets deficit, as reported on the fund financial statements of entities required to report under governmental financial reporting standards or on the basic financial statements of entities required to report under not-for-profit financial reporting standards, for which sufficient resources of the local governmental entity, charter school, charter technical career center, or district school board, as reported on the fund financial statements, are not available to cover the deficit.

Condition

The School has a total net position deficit of \$424,669 at June 30, 2025.

Cause

Although the School reflected a positive fund balance during the year and at year end, the School reflected a deficit in net position due to their investments in capital assets and right-to-use assets and instruction during the current year.

Effect

A continued deficit position may impair the School's ability to meet future obligations and maintain operations.

Recommendation

The School needs to continue to properly budget its expected expenditures and revenues for the following school year so that it can continue to improve its financial position.

Management response

The School's negative fund balance is primarily the result of accounting entries required under GASB Statement No. 87 (related to leases) and the amortization of lease-related items. These are non-cash accounting adjustments that do not reflect actual cash flow or operational performance.

While depreciation and amortization reduce net position for financial reporting purposes, they do not impact the School's current cash flows or its ability to meet ongoing operating obligations. The School monitors liquidity and financial performance primarily through cash balances, cash flow projections, and budget-to-actual comparisons.

The impact on the School's overall financial results and cash position during the year is also partially attributable to a decrease in student enrollment. To mitigate this impact, the School engaged Building Hope CFO Services to provide financial oversight and strategic support. Through this engagement, the School monitors cash position on a monthly basis and works proactively to identify cost-reduction opportunities and to develop and implement enrollment and other revenue-generating strategies in coordination with the School's principal.

Management will continue to monitor both GAAP-based financial results and cash-based performance metrics to ensure the long-term financial sustainability of the School.

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 the information specified in Section 1002.33(9)(p), Florida Statutes on its Web site.

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we had the following finding:

2025-02: NONCOMPLIANCE WITH VOTER REFERENDUM FUNDING REQUIREMENTS

Criteria:

Pursuant to Section 10.854(1)(e)4., Rules of the Auditor General, the auditor must notify each member of the governing body of any noncompliance. The 2022 voter referendum to continue ad valorem levy for School safety, teachers, and operational needs, requires funds to be used for funding school safety, school police, mental health services, arts, music, physical education, career and choice program teachers, and improved teacher pay.

Condition:

During fiscal year 2025, the School used a portion of the referendum funding for general operating expenses not allowed under the referendum.

Cause:

Management oversight and a failure of monitoring controls.

Effect:

Noncompliance with the referendum requirements.

Recommendation:

The School should implement controls to ensure referendum funds are expended only for approved purposes.

Management's response:

The School performed a detailed, line-by-line review of historical expenditures to identify costs that the School believes are referendum eligible, were incurred and paid, and were not previously submitted.

The School prepared a reconciliation schedule identifying each expenditure, amount, cumulative total, and proposed eligibility category, supported by source documentation. The detailed reconciliation is included as Exhibit A, and the eligibility categories and justifications presented therein reflect the School's good-faith understanding and interpretation of the referendum purpose categories at the time the costs were incurred and are provided for the District's consideration.

The School found gross referendum-eligible expenditures of \$982,285, less \$297,814 previously applied by the District, resulting in \$684,471 of net eligible expenditures pending amendment.

The School has implemented enhanced internal controls to ensure accurate classification and timely reporting of referendum-eligible expenditures going forward, including:

- Updated written procedures
- Centralized tracking of referendum expenditures- Monthly administrative review
- Timely submission to the District

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 Palm Beach County, Florida, and is not intended to be and should not be used by anyone other than these specified parties.

Verdeja - Alvarez, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
January 29, 2026

January 29, 2026

Verdeja & Alvarez, LLP
Certified Public Accountants
255 Alhambra Circle, Suite 630
Coral Gables, Florida 33134

This representation letter is provided in connection with your audit of the financial statements of Olympus International Academy, Inc. (the "School"), which comprise the respective financial position of the governmental activities, and each major fund, and the aggregate remaining fund information as of June 30, 2025, and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of January 29, 2026, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 31, 2025; including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.

- 3) We acknowledge our responsibility 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Guarantees, whether written or oral, under which the School is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

10) We have provided you with:

- a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the School from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 11) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 13) We have no knowledge of any fraud or suspected fraud that affects the School and involves:

- Management,
- Employees who have significant roles in internal control, or
- Others where the fraud could have a material effect on the financial statements.

- 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the School's financial statements communicated by employees, former employees, regulators, or others.
- 15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 16) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 17) We have disclosed to you the identity of the School's related parties and all the related party relationships and transactions of which we are aware.

Government—specific

- 18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 19) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 20) The School has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 21) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.
- 22) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 23) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 24) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.

- 25) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 26) As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 27) The School has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 28) The School has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 29) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 30) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 31) The financial statements include all fiduciary activities (if applicable) required by GASBS No. 84.
- 32) The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34.
- 33) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 34) Components of net position (net investment in capital assets; restricted; and unrestricted), and components of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 35) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 36) Provisions for uncollectible receivables have been properly identified and recorded.
- 37) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

- 38) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 39) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 40) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 41) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 42) We have appropriately disclosed the School's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 43) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 44) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 45) All recorded accounts and contracts receivable, if any, are fully collectible.
- 46) All material accounts and contracts receivable, accounts payable, accrued expenses, compensated absences, and loans have been properly recorded as of June 30, 2025 and are included in the financial statements.
- 47) The School is properly insured in accordance with grant stipulations, contracts and similar businesses.
- 48) Expenses allocated to grants are in accordance with grant specifications. There are no prohibited disbursements.
- 49) All expenditures, allowed to be charged to specific grants were appropriately charged, and no two grants were charged for the same expenditure.
- 50) All State awards have been identified and included in the financial statements.
- 51) Management has prepared and reviewed allocations of expenditures among the various grants and funds and such allocations are materially accurate.

- 52) All State awards have been administered in compliance with all applicable State laws and regulations.
- 53) Management has complied with reporting requirements in connection with State and Federal awards.
- 54) All commitments and contingencies have been properly disclosed in the financial statements.
- 55) All employees are in compliance with the fingerprinting and drug screening requirements and all teachers are in compliance with certification requirements.
- 56) Operating and capital leases have been properly recorded including terms and maturity dates.
- 57) Internal funds including fundraising have been properly recorded. Amounts restricted for a specific use have only been used for such purposes.
- 58) It is the School's policy to maintain its cash and cash equivalents in two financial institutions. Deposits at FDIC-insured financial institutions are insured up to \$250,000 per depositor, per financial institution. As of June 30, 2025, the bank balances of the School's cash deposits was \$62,127, which did not exceed FDIC-insured limits.
- 59) In June 2019, the School received loan proceeds of \$250,000 from ICG Charter Boca Raton, LLC ("ICG"), consisting of a \$150,000 loan to purchase fixtures, furnishing and equipment ("FF&E Loan"). The School also leases facilities from ICG. The loan bears no interest. Beginning January 1, 2021, the FF&E loan is to be repaid on a monthly basis at a rate of \$50 per student. At June 30, 2025, the balance of the FF&E Loan was \$121,433.
- 60) The School entered into an agreement with Building Hope Services to provide accounting and finance services to the School. The contract, renewable annually, calls for an annual fee of \$110 per student based on enrollment at the beginning of the school year, payable in monthly installments. For the year ended June 30, 2025, the School recorded expenses related to this agreement totaling \$28,681. The School entered into an additional agreement with Building Hope Services to provide human resources services. The contract, renewable annually, calls for an annual fee of \$340 per employee based on employee count at the beginning of the school year, payable in monthly installments. For the year ended June 30, 2025, the School recorded expenses related to this agreement totaling \$17,408.
- 61) The School entered into an agreement with Vamos Falar Potugues Foundation, Inc. ("VFP") to provide professional management and consulting services to the School. In its capacity, VFP manages the operations and finances and makes recommendations to the School's independent board of directors which make the final determinations regarding policies and contracts. The agreement began on July 1, 2019 and is effective for ten years through June 30, 2029. The agreement will automatically renew for two additional five-year periods unless either party delivers a written notice of termination at least twelve months prior. The contract calls for a fee equal to 10% of the School's FEFP revenues, plus an additional 5% for before and aftercare revenues. The fee is payable in monthly installments. During the year ended June 30, 2025, expenses incurred under the agreement totaled \$289,173. At June 30, 2025, the amount owed to VFP was \$0.

- 62) The School entered into an agreement to lease facilities from ICG Charter Boca Raton, LLC under a 25 year non-cancelable operating lease expiring September 1, 2044 with an option to renew for up to two additional consecutive five year periods. During the year ending June 30, 2023, the agreement called for monthly lease payments of \$40,000 through July 2023. In August 2022, the base rent was adjusted to \$50,000 per month through July 2023. Beginning August 2023, the monthly base rent will be \$56,617. During the year ended June 30, 2025, amounts paid for rent totaled \$706,016.
- 63) On July 1, 2021, the School implemented GASB Statement No. 87 Leases, and as a result recorded a lease right-to-use asset and liability in these financial statements for the facility lease. The School had modifications to their leases and for the year ended June 30, 2023, the School removed the prior right-to-use asset and liability and recorded a new right-to-use asset and liability. The School used an interest rate of 5.00% to discount the annual lease payments and recognize the intangible right to use this asset and the lease liability as of July 1, 2022. The interest expense was \$327,144 and the amortization of the right-to-use asset was \$604,761 for the year ended June 30, 2025.
- 64) The School entered into a separate agreement on August 1, 2022 to sublease a portion of its facilities to Yeshiva of South Florida, Inc. through July 31, 2028. In accordance with GASB Statement No. 87, Leases, the School has recognized a lease receivable and a corresponding deferred inflow of resources at the present value of future lease payments as of the lease commencement date. Lease revenue is recognized on a straight-line basis over the lease term, while interest revenue is recognized on the outstanding lease receivable using the effective interest method. In addition, the School also collects revenues associated with the sublease for common area maintenance ("CAM fees"). As CAM fees are variable in nature, the School records these amounts when they occur. For the year ended June 30, 2025 lease revenue totaled \$339,067. As of June 30, 2025, lease receivables were \$766,149 and deferred inflows related to rental income were \$690,327, respectively.
- 65) In the normal course of operations, the School receives grant funds from various federal, state and local agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not reflected in these financial statements.
- 66) The School is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions and natural disasters for which the School carries commercial insurance. Settlement amounts have not exceeded insurance coverage in the past. In addition, there were no reductions in insurance coverage from those in the prior year. The School does not sponsor a public entity risk pool and has had no settlements that have exceeded their insurance coverage.
- 67) During the year ended June 30, 2025, the School identified that amounts associated with sublease agreements were not included in the previously issued financial statements. Accordingly, the prior year financial statements have been restated to include these operations. The effect of this adjustment was to increase beginning net position at July 1, 2024 by \$47,022. The prior year presentation has been adjusted to conform with the current year presentation.

68) The 2022 voter referendum to continue ad valorem levy for School safety, teachers, and operational needs, requires funds to be used for funding school safety, school police, mental health services, arts, music, physical education, career and choice program teachers, and improved teacher pay. The School had unexpended funds associated with the Referendum of \$512,682, of which only \$62,127 was held in cash. The remaining had been expended for operations outside of the approved usage during the year.

DocuSigned by:

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Board of Directors
OLYMPUS INTERNATIONAL ACADEMY, INC.