

**INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE MARION COUNTY DISTRICT SCHOOL BOARD**

FINANCIAL STATEMENTS

JUNE 30, 2026

INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE MARION COUNTY DISTRICT SCHOOL BOARD
FINANCIAL STATEMENTS

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INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Ina A. Colen Academy, LLC
Ocala, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Ina A. Colen Academy, LLC (the "Charter School") (a Charter School and component unit of the Marion County District School Board), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Charter School's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Charter School as of June 30, 2026, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Charter 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.

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 Charter 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Charter 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 Charter 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 as listed in the table of contents 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 August 14, 2026 on our consideration of the Charter School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Charter School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Charter School's internal control over financial reporting and compliance.

CS&L CPAs

CS&L CPAs, P.A.

August 14, 2026
Bradenton, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Ina A. Colen Academy, LLC, a charter school and a component unit of the Marion County District School Board, we offer readers of the financial statements this narrative overview and analysis of the financial activities of Ina A. Colen Academy, LLC for the fiscal year ended June 30, 2026.

Readers should review this Management's Discussion and Analysis (MD&A) in addition to the financial statements and the accompanying notes to the financial statements to gain an understanding of Ina A. Colen Academy, LLC (the "Charter School") as an operating entity.

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Ina A. Colen Academy, LLC, 5080 SW 66th Ct. Rd, Ocala, FL 34474.

Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the Charter School's financial statements. The Charter School's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

Government-wide Financial Statements

The financial statements are designed to provide readers with a broad overview of the Charter School's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Charter School's assets plus deferred outflows less liabilities and deferred inflows, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Charter School is improving or deteriorating.

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



PRINCIPAL

Vanessa Baxley

MAILING ADDRESS

5080 SW 66th Ct. Rd.
Ocala, FL 34474

PHONE

352-304-6787

WEBSITE

IACAFL.org

Both of the government-wide financial statements distinguish functions of the Charter School that are principally supported by revenues, grants and contributions not restricted to specific programs from other functions that are intended to recover a significant portion of their costs through user fees. The governmental activities of the Charter School include various functions including instruction, general support, community service and maintenance of plant.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Charter School, like other state and local government component units, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The individual generic fund type in the Charter School's financial statements is a governmental fund. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Charter School's near term financing requirements.

The Charter School has four governmental funds: a General Fund, a Special Revenue Fund, a Capital Projects Fund and a Debt Service Fund. The Charter School has elected to report all four funds as major funds.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The information in the notes is as important to understanding the Charter School's finances as the information in the financial statements. The Charter School uses notes to (1) present information in greater detail than is possible within the financial statements themselves, (2) explain the nature of amounts reported in the financial statements and how those amounts were determined, and (3) report certain information that does not meet the requirements for inclusion in the financial statements (such as certain contingencies). The notes to the basic financial statements can be found commencing on page 15 of this report.

Financial Summary

Comparative condensed statements of net position and condensed statements of activities are shown below:

Condensed Statements of Net Position – Governmental Activities

	June 30, 2026	June 30, 2025	Change
Current and other assets	\$ 734,751	\$ 1,037,885	\$ (303,134)
Capital assets	32,194	48,130	(15,936)
Right-to-use asset	1,442,634	1,500,340	(57,706)
Total assets	2,209,579	2,586,355	(376,776)
Other liabilities	50,076	159,762	(109,686)
Long-term liabilities	4,583,945	4,592,983	(9,038)
Total liabilities	4,634,021	4,752,745	(118,724)
Net Position:			
Net investment in capital assets	32,194	48,130	(15,936)
Restricted	543,116	216,359	326,757
Unrestricted	(2,999,752)	(2,430,879)	(568,873)
Total Net Position	\$ (2,424,442)	\$ (2,166,390)	\$ (258,052)

Total assets consists mainly of cash, a right-to-use asset and capital assets used to provide services to students. The majority of the liabilities include accounts payable, accrued wages and long-term liabilities as described in Note 3.

The statement of activities presents information showing how the Charter School's net position increased or decreased during the current year.

Condensed Statement of Activities – Governmental Activities

	June 30, 2026	June 30, 2025	Change
Revenues			
Program revenues:			
Charges for services	\$ 419,680	\$ 411,230	\$ 8,450
Operating grants and contributions	147,735	133,093	14,642
General revenues:			
State grants and revenues	5,012,036	4,666,170	345,866
Local revenues	1,133,194	723,091	410,103
Contributions and other revenues	94,781	88,467	6,314
Total revenues	6,807,426	6,022,051	785,375
Expenses			
Instruction	3,431,328	3,134,336	296,992
General support	1,714,249	1,577,538	136,711
Community service	161,452	127,780	33,672
Maintenance of plant	1,645,163	1,316,098	329,065
Interest	113,286	104,707	8,579
Total expenses	7,065,478	6,260,459	805,019
Increase (Decrease) in Net Position	(258,052)	(238,408)	(19,644)
Net Position – Beginning	(2,166,390)	(1,927,982)	(238,408)
Net Position – Ending	\$ (2,424,442)	\$ (2,166,390)	\$ (258,052)

Detailed Analyses

Governmental Activities

The condensed statements of net position table shows a decrease in total assets of \$376,776 or 14.6% due significantly to a decrease in current and other assets of \$303,134 or 29.2%. The decrease in current and other assets is due to a decrease in cash based in part to the increase in overall expenses in the current year and timing of year-end payments. As of June 30, 2026, the Charter School had a negative net position of \$2,424,442, which is the difference between total assets less total liabilities. Negative net position is a result of notes payable from a related party to assist in funding the first three years of operations.

The condensed statements of activities table shows both revenues and expenses increased over the previous year. An increase of \$345,866 or 7.4% for state grants and revenues is due to an increase in Marion County funding based on an increase in student count. The increase of \$410,103 or 56.7% for local revenues is due largely to an increase in half-cent sales tax revenue of \$234,340, as well as an increase in the Charter School's allocation of capital improvement revenue from the Florida Department of Education of an additional \$121,743 as compared to the previous year. Increases in instruction expenses of \$296,992 or 9.5% is due to an increase in classroom teacher salaries and group insurance, while the increase in maintenance of plant of \$329,065 or 25.0% is due to an increase in necessary building repairs, property insurance, and lease rental expenses.

Governmental Funds

The General Fund is the general operating fund of the Charter School. The fund balance of the General Fund totaled \$141,559 as of June 30, 2026, which decreased by \$520,205 during the year. Unassigned fund balance was \$74,939 as of June 30, 2026 which is available for future spending. The General Fund saw an increase in both revenue and expenditures during the current year, noting revenues increased \$343,089 or 6.7% while expenditures had a higher increase of \$464,142 or 8.6%. The increase in revenue is due to additional funding for an increased student count, while the increase in expenditures was due largely to an increase in instruction expenditures from increased teacher salaries and insurance benefits.

The Special Revenue Fund accounts for the activities of the food service program that serves breakfast and lunches to students with federal and other funding. The General Fund transferred the excess of expenditures in excess of revenues during the year, therefore, the Special Revenue Fund has no fund balance as of June 30, 2026. The Special Revenue Fund revenue of \$265,260 remained consistent with the prior year of \$227,822, while expenditures in the current year of \$321,336 were also comparable to the prior year of \$299,573.

The Capital Projects Fund is used to account for all capital activity, including right-to-use assets. The Capital Projects Fund had revenues of \$1,057,663 and expenditures of \$708,989 during the year ended June 30, 2026, both of which increased over the prior year which had \$652,815 of revenues and \$436,456 of expenditures.

The increase in revenue is due to increases of both half-cent sales tax and local capital improvement funding, while expenses increased due to property insurance and building repairs. The entire fund balance is restricted for future capital projects.

The Debt Service Fund is used to account for all proceeds and payments, including interest, related to capital leases and long-term debt. Debt service for the current year totaled \$113,286 which only included payments of interest expense, and is an 8.1% increase over the prior year of \$104,707.

Significant Capital Assets and Long-Term Financing Activity

Capital Assets

The Charter School has both depreciable capital assets and a right-to-use asset related to a facility lease. Depreciable capital assets include furniture and equipment, software, and computers, noting the carrying value decreased in the current year 33% from \$48,130 to \$32,194 due to current year depreciation expense of \$19,893, offset by current year additions of \$3,957 for the purchase of new computer equipment. The Charter School's right-to-use asset, after amortization, had a carrying value of \$1,442,634 as of June 30, 2026. Combined, total capital assets, net of accumulated depreciation or amortization was \$1,474,828. See Note 2 to the financial statements for additional detail of the capital asset activity for the year.

Long-Term Financing

Total borrowings outstanding at June 30, 2026 were \$3,000,000, and remained the same as the previous year due to no borrowings in the current year. See Note 3 to the financial statements for more details on the long-term liabilities.

Currently Known Facts, Decisions, or Conditions

The Charter school will be going into the fifth year of operations, and the third year of having a full K through 8 student population.

The Board of Directors monitors the Charter School's financial performance relative to the budget on a quarterly basis. The Board of Directors makes formal budget amendments to approve changes as they monitor the bottom line for the overall financial effect on the Charter School.

The Board of Directors has approved an operating budget for the 2026-27 academic year. The original budget is based on 602 students with revenues budgeted for \$7,715,978 and expenditures budgeted for \$7,623,799. The budget demonstrates that the Charter School will have a budgeted increase in total fund balance of \$92,179.

INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE MARION COUNTY DISTRICT SCHOOL BOARD
STATEMENT OF NET POSITION
JUNE 30, 2026

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Current assets	
Cash	\$ 500,876
Accounts receivable	164,522
Prepaid expenses	69,353
Total current assets	<u>734,751</u>
Capital assets	
Capital assets, net of accumulated depreciation	32,194
Right-to-use asset, net of accumulated amortization	1,442,634
Total capital assets	<u>1,474,828</u>
TOTAL ASSETS	<u>2,209,579</u>
LIABILITIES	
Current liabilities	
Accounts payable	19,598
Accrued expenses	30,478
Total current liabilities	<u>50,076</u>
Noncurrent liabilities	
Due within one year	73,455
Due in more than one year	4,510,490
Total noncurrent liabilities	<u>4,583,945</u>
TOTAL LIABILITIES	<u>4,634,021</u>
Net position	
Net investment in capital assets	32,194
Restricted	543,116
Unrestricted	(2,999,752)
TOTAL NET POSITION	<u>\$ (2,424,442)</u>

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

INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE MARION COUNTY DISTRICT SCHOOL BOARD
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026

	Expenses	Program Revenues			Net (Expense) Revenue and Change In Net Position Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 3,431,328	\$ -	\$ -	\$ -	\$ (3,431,328)
General support	1,714,249	117,525	147,735	-	(1,448,989)
Community service	161,452	302,155	-	-	140,703
Maintenance of plant	1,645,163	-	-	-	(1,645,163)
Interest	113,286	-	-	-	(113,286)
Total Governmental Activities	<u>7,065,478</u>	<u>419,680</u>	<u>147,735</u>	<u>-</u>	<u>(6,498,063)</u>
General Revenues Not Restricted to Specific Programs:					
State grants and revenues					5,012,036
Local revenues					1,133,194
Contributions and other revenues					<u>94,781</u>
Total General Revenues Not Restricted to Specific Programs:					<u>6,240,011</u>
Change in net position					(258,052)
Net Position – Beginning of year					<u>(2,166,390)</u>
Net Position – End of year					<u><u>\$ (2,424,442)</u></u>

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

INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE MARION COUNTY DISTRICT SCHOOL BOARD
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2026

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total
ASSETS					
Cash	\$ 500,876	\$ –	\$ –	\$ –	\$ 500,876
Accounts receivable	–	16,147	148,375	–	164,522
Due from other funds	18,347	–	394,741	–	413,088
Prepaid items	66,620	2,733	–	–	69,353
TOTAL ASSETS	\$ 585,843	\$ 18,880	\$ 543,116	\$ –	\$ 1,147,839
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 19,390	\$ 208	\$ –	\$ –	\$ 19,598
Accrued expenses	30,153	325	–	–	30,478
Due to other funds	394,741	18,347	–	–	413,088
TOTAL LIABILITIES	444,284	18,880	–	–	463,164
Fund Balances:					
Non-spendable	66,620	–	–	–	66,620
Restricted	–	–	543,116	–	543,116
Unassigned	74,939	–	–	–	74,939
TOTAL FUND BALANCES	141,559	–	543,116	–	684,675
TOTAL LIABILITIES AND FUND BALANCES	\$ 585,843	\$ 18,880	\$ 543,116	\$ –	\$ 1,147,839

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

INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE MARION COUNTY DISTRICT SCHOOL BOARD
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2026

Fund Balances – Governmental Funds	\$	684,675
Amounts reported for governmental activities in the statement of net position are different because:		
The right-to-use asset used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		1,442,634
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		32,194
Noncurrent liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds		
Compensated absences	(39,235)	
Direct borrowings – Promissory notes	(3,000,000)	
Lease liability	<u>(1,544,710)</u>	
		<u>(4,583,945)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u><u>(2,424,442)</u></u>

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

INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE MARION COUNTY DISTRICT SCHOOL BOARD
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2026

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total
REVENUES					
Federal through state	\$ –	\$ 147,735	\$ –	\$ –	\$ 147,735
State	4,626,127	–	385,909	–	5,012,036
Local	461,440	–	671,754	–	1,133,194
Other	396,936	117,525	–	–	514,461
Total Revenues	5,484,503	265,260	1,057,663	–	6,807,426
EXPENDITURES					
Current					
Instruction	3,116,112	–	–	–	3,116,112
Exceptional instruction	267,065	–	–	–	267,065
Student personnel services	364,091	–	–	–	364,091
Instructional related technology	100,893	–	–	–	100,893
Board administration	105,146	–	–	–	105,146
School administration	586,852	–	–	–	586,852
Food services	–	321,336	–	–	321,336
Fiscal services	176,715	–	–	–	176,715
Operation of plant	891,618	–	708,989	–	1,600,607
Maintenance of plant	44,027	–	–	–	44,027
Community services	158,898	–	–	–	158,898
Athletic services	45,846	–	–	–	45,846
Debt service					
Principal	–	–	–	–	–
Interest	–	–	–	113,286	113,286
Total Expenditures	5,857,263	321,336	708,989	113,286	7,000,874
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(372,760)	(56,076)	348,674	(113,286)	(193,448)
OTHER FINANCING SOURCES					
Transfers in (out)	(147,445)	56,076	(21,917)	113,286	–
Total Other Financing Sources	(147,445)	56,076	(21,917)	113,286	–
NET CHANGE IN FUND BALANCES	(520,205)	–	326,757	–	(193,448)
FUND BALANCES – Beginning of year	661,764	–	216,359	–	878,123
FUND BALANCES – End of year	<u>\$ 141,559</u>	<u>\$ –</u>	<u>\$ 543,116</u>	<u>\$ –</u>	<u>\$ 684,675</u>

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

INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE MARION COUNTY DISTRICT SCHOOL BOARD
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026

Net change in fund balances – statement of revenues, expenditures and changes in fund balance – Governmental funds	\$	(193,448)
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Amounts reported for governmental activities in the
statement of activities are different because:

In the statement of activities, the right-to-use asset from a lease arrangement is amortized over the life of the lease. However, the right-to-use asset is not reported in the governmental funds. This represents the amortization expense in the statement of activities.		(57,706)
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The governmental funds report capital outlays as expenditures.
However, in the statement of activities, the cost of
those assets are allocated over their estimated useful
lives and reported as depreciation expense.

Capital outlay	3,957	
Less current depreciation	(19,893)	(15,936)

Some expenses reported in the statement of activities
do not require the use of current financial resources
and, therefore, are not reported as expenditures in
the governmental funds.

Increase in compensated absences	(23,679)	
Decrease in lease liability	32,717	9,038

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>(258,052)</u>
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The accompanying notes are an integral part of these financial statements.

**INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Ina A. Colen Academy, LLC (the “Charter School”) is a Florida limited liability company that operates a charter school in Ocala, Florida. The governing body of the Charter School is a Board of Directors composed of five members. The Charter School served students in Kindergarten through 8th grade for the 2025–26 school year.

The general operating authority of the Charter School is contained in Chapter 1002.33, Florida Statutes. The Charter School operates under a charter of the sponsoring school board, the Marion County District School Board (School Board), which is effective through June 30, 2036. The Charter School is considered a component unit of the School Board. Upon dissolution or termination of the charter, all of the property, furnishings and equipment purchased with public funds, in part or in whole, automatically revert to the School Board.

Basis of Presentation

The financial statements of the Charter School have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB has issued a codification of governmental accounting and financial reporting standards. This codification and subsequent GASB pronouncements are recognized as GAAP for state and local governments, including the Charter School.

Government-wide and Fund Financial Statements

The Charter School’s financial statements include both government-wide (reporting on the Charter School as a whole) and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Charter School. The government-wide financial statements present governmental activities only. The Charter School has no business-type or fiduciary activities.

In the government-wide statement of net position, the Charter School recognizes all long-term assets as well as long-term liabilities, including debt and other obligations. The Charter School’s net position is reported in three parts (as applicable): (1) net investment in capital assets; (2) restricted net position; and (3) unrestricted net position.

The government-wide statement of activities demonstrates the degree to which the direct expenses of a given function (or segment) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Government-wide and Fund Financial Statements – Continued

The individual generic fund type in the Charter School's financial statements is a governmental fund. The focus of the governmental fund's measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income.

Each governmental fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, fund balance, revenues, and expenditures. The Charter School reports the following governmental funds, all of which have been elected by management to be reported as major funds:

The General Fund is the general operating fund of the Charter School and is used to account for all of its general financial resources and any activity not related to the other governmental funds.

The Special Revenue Fund accounts for activities of the food service program that serves breakfast and lunches to students and through federal and other funding.

The Capital Projects Fund is used to account for all capital-related activity.

The Debt Service Fund is used to account for all debt proceeds and payments, including interest, related to long-term debt.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported 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 the related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available, if they are collected within 60 days of the end of the current period. When grant terms provide that the expenditure of resources is the determining factor for eligibility for federal, state and other grant resources, revenue is recognized at the time the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recognized only when payment is due.

Revenues for current operations received from the School Board, pursuant to funding provisions included in the Charter School's charter are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Charter School.

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NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Cash

The Charter School's cash consists of deposits with a financial institution that is insured by the Federal Depository Insurance Corporation (FDIC). At June 30, 2026, the carrying amount and the bank balance of the Charter School's deposits was \$500,876. At June 30, 2026, the Charter School's cash balances exceeded FDIC limits by \$250,876.

Accounts Receivable

Accounts receivables are shown net of an allowance for doubtful accounts. The allowance for doubtful accounts is the Charter School's best estimate of the amount of accounts receivable proven to be uncollectible. All amounts are considered collectible at June 30, 2026, and as a result, no allowance has been established.

Capital Assets

Capital assets, which include furniture, equipment software and computers, are reported as governmental activities in the government-wide financial statements and are not reported in the fund financial statements. Capital assets are defined by the Charter School as any individual asset with an initial cost of more than \$750 and an estimated useful life in excess of one year. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. All capital assets are depreciated using the straight-line method over their estimated useful lives. Useful lives are 5 years for furniture, equipment, software and computers.

Interfund Transactions

Interfund receivables/payables arise from temporary interfund transfers. When a fund has an interfund receivable and an interfund payable to the same fund, the amounts are recorded in separate accounts. Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or advances to/from other funds" (i.e. the long-term portion of interfund loans). Internal activity and balances between governmental funds have been eliminated in the government-wide statement of net position, as applicable. As of June 30, 2026, the Special Revenue Fund had amounts due to the General Fund of \$18,347 and the Capital Projects Fund had amounts due from the General Fund of \$394,741.

Transfers are indicative of funding for capital projects, lease payments or debt service, as well as reimbursements between funds. For the year ended June 30, 2026, the Capital Projects Fund transferred \$21,917 to the General Fund and the General Fund transferred \$56,076 to the Special Revenue Fund and \$113,286 to the Debt Service Fund, respectively. Net amounts transferred out of the General Fund were \$147,445.

Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for governmental activities is classified as "net position."

Fund Balance: Generally, fund balance represents the difference between the assets plus deferred outflows and liabilities plus deferred inflows under the current financial resources measurement focus of accounting.

INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Fund Equity – Continued

In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the Charter School is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Fund balances are classified as follows:

- *Non-spendable*: Fund balances are reported as non-spendable when amounts cannot be spent because they are either: (1) not in spendable form (i.e., items that are not expected to be converted to cash) or (2) legally or contractually required to be maintained intact. Non-spendable fund balance is \$66,620 as of June 30, 2026 and includes prepaid items.
- *Restricted*: Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted fund balance of \$543,116 is restricted for future capital outlay or lease payments.
- *Committed*: Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraint imposed by formal action of the Board of Directors. Only the Board of Directors may modify or rescind the commitment.
- *Assigned*: Fund balances are reported as assigned when amounts are constrained by the Charter School's intent to be used for specific purposes, but are neither restricted nor committed. Currently there is no one employee authorized to assign fund balances. As a result, only the Board of Directors is authorized to make assignments.
- *Unassigned*: Fund balances are reported as unassigned as the residual amount when balances do not meet any of the above criterion. The Charter School reports positive unassigned fund balance of \$74,939 as of June 30, 2026.

Net position represents the difference between assets plus deferred outflows less liabilities and deferred inflows. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws or regulations. Net position not reported as net investment in capital assets and restricted net position is reported as unrestricted net position.

Flow Assumptions: When both restricted and unrestricted amounts of fund balance/net position are available for use for expenditures/expenses incurred, it is the Charter School's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Charter School's policy to first use committed, then assigned and unassigned.

Revenue Sources

Revenues for current operations are received primarily from the School Board, pursuant to the funding provisions included in the Charter School's charter. In accordance with the funding provisions of the charter and Chapter 1002.33(17), Florida Statutes, the Charter School reports the number of full-time equivalent (FTE)

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NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Revenue Sources – Continued

students and related data to the School Board. Under the provisions of Chapter 1011.62, Florida Statutes, the School Board reports the number of full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program (FEFP). Funding for the Charter School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the Charter School during the designated full-time equivalent student survey periods.

The Charter School also receives federal, state and local awards for the enhancement of various educational programs. Awards are generally received based on applications submitted to and approved by the respective granting agencies.

Budgetary Information

An annual budget was adopted on the modified accrual basis of accounting and is used to account for the activity in the governmental funds. Appropriations are controlled at the fund level. All annual appropriations lapse at fiscal year end. The Charter School's budget for the year ended June 30, 2026 was prepared on a GAAP basis.

Estimates

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

Adoption of a New Accounting Standard

Effective July 1, 2025, the Charter School adopted new accounting guidance by implementing the provisions of Governmental Accounting Standards Board (GASB) Statement No. 103, *Financial Reporting Model Improvements* (GASB No. 103) and GASB Statement No. 104, *Disclosure of Certain Capital Assets* (GASB No. 104). The adoption of GASB No. 103 required updates to the Management's Discussion and Analysis to include specific topics and also detailed analyses explaining why balances and results of operations changed, and required an explanation of significant variances between budget and actual amounts to be presented in the notes to the required supplementary information. The adoption of GASB No. 103 had no effect on net position or fund balance as initially reported. The adoption of GASB No. 104 had no impact on the Charter School's financial statements.

**INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS**

NOTE 2 – CAPITAL ASSETS

Capital asset activity for fiscal year ended June 30, 2026, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets being depreciated or amortized:				
Capital assets				
Furniture and equipment	\$ 42,633	\$ -	\$ -	\$ 42,633
Software	9,713	-	-	9,713
Computers	45,577	3,957	-	49,534
Right-to-use asset				
Facility	1,673,458	-	-	1,673,458
Total capital assets being depreciated or amortized	1,771,381	3,957	-	1,775,338
Less accumulated depreciation or amortization for:				
Capital assets				
Furniture and equipment	25,593	8,527	-	34,120
Software	5,031	1,942	-	6,973
Computers	19,169	9,424	-	28,593
Right-to-use asset				
Facility	173,118	57,706	-	230,824
Total accumulated depreciation or amortization	222,911	77,599	-	300,510
Total capital assets, net of accumulated depreciation or amortization	1,548,470	(73,642)	-	1,474,828
Governmental activities capital assets, net	<u>\$ 1,548,470</u>	<u>\$ (73,642)</u>	<u>\$ -</u>	<u>\$ 1,474,828</u>

Depreciation expense for the year ended June 30, 2026 was allocated to the following governmental functions as follows:

Instruction	\$ 13,711
Student personnel services	272
Instructional media services	1,098
School administration	1,288
Operation of plant	3,267
Operation of plant	257
Community services	<u>\$ 19,893</u>

Amortization expense for the year ended June 30, 2026 was \$57,706 and is included in instruction expenses in the statement of activities.

INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS

NOTE 3 – LONG-TERM LIABILITIES

During the 2022–23 school year, the Charter School entered into an uncollateralized \$1,500,000 direct borrowing promissory note with a related party. The note bears a fixed interest rate of 3%. The note requires quarterly interest payments commencing on October 1, 2022. Commencing on the later of July 1, 2027 or the first quarter after the conclusion of a fiscal year in which the Charter School does not need to request an additional advance, quarterly principal amounts shall be required over a ten year period. In the event of default, all indebtedness immediately will become due and payable. The entire note is outstanding as of June 30, 2026.

During the 2023–24 school year, the Charter School entered into an uncollateralized \$1,000,000 direct borrowing promissory note with a related party. The note bears a fixed interest rate of 4.43%. The note requires quarterly interest payments commencing on October 1, 2023. Commencing on the later of July 1, 2027 or the first quarter after the conclusion of a fiscal year in which the Charter School does not need to request an additional advance, quarterly principal amounts shall be required over a ten year period. In the event of default, all indebtedness immediately will become due and payable. The entire note is outstanding as of June 30, 2026.

During the 2024–25 school year, the Charter School entered into an uncollateralized \$1,500,000 direct borrowing promissory note with a related party. The note bears a fixed interest rate of 4.61%. The note requires quarterly interest payments commencing on October 1, 2024. Commencing on the later of July 1, 2028 or the first quarter after the conclusion of a fiscal year in which the Charter School does not need to request an additional advance, quarterly principal amounts shall be required over a ten year period. In the event of default, all indebtedness immediately will become due and payable. The Charter School borrowed \$500,000 against this note during the 2024–25 school year and the entire amount borrowed is outstanding as of June 30, 2026.

These direct borrowings are liquidated from the Debt Service Fund.

Future estimated maturities of the direct borrowing notes are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payments</u>
2027	\$ –	\$ 112,350	\$ 112,350
2028	219,505	98,464	317,969
2029	260,362	95,398	355,760
2030	264,304	91,458	355,762
2031	274,278	81,484	355,762
2032–2036	1,535,292	243,510	1,778,802
2037–2039	446,259	15,724	461,983
	<u>\$ 3,000,000</u>	<u>\$ 738,388</u>	<u>\$ 3,738,388</u>

**INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS**

NOTE 3 – LONG-TERM LIABILITIES – CONTINUED

The Charter School provides all full-time employees paid time off each fiscal year. Twelve-month employees can accrue up to ninety six hours of paid time off and may carry 48 hours forward into the next fiscal year, as well as any additional hours up to a lifetime maximum of 480 into their critical leave bank. Ten-month employees can accrue up to eighty hours of paid time off and may carry 40 hours forward into the next fiscal year, as well as any additional hours up to a lifetime maximum of 480 into their critical leave bank.

The lease liability is further described in Note 4 and is liquidated in the Capital Projects Fund.

Changes in long-term liabilities for fiscal year ended June 30, 2026, were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated absences	\$ 15,556	\$ 23,679 *	\$ –	\$ 39,235	\$ 39,235
Direct borrowings –					
Promissory notes	3,000,000	–	–	3,000,000.0	–
Lease liability	1,577,427	–	(32,717)	1,544,710.0	34,220
	<u>\$ 4,592,983</u>	<u>\$ 23,679</u>	<u>\$ (32,717)</u>	<u>\$ 4,583,945</u>	<u>\$ 73,455</u>

* Change in compensated absences is reported net.

NOTE 4 – FACILITY LEASE

The Charter School entered into a lease with a related party for the use of a school building effective July 1, 2022 through June 30, 2036, with an optional fifteen-year additional term. Lease payments are based on a percentage of the Charter School's FEFP. The rent expense for the year ended June 30, 2026 was as follows:

Lease expense	
Amortization expense by class of underlying asset	
Facility	\$ 57,706
Total amortization expense	57,706
Interest on lease liability	70,192
Total lease expense	<u>\$ 127,898</u>

INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
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NOTES TO FINANCIAL STATEMENTS

NOTE 4 – FACILITY LEASE – CONTINUED

Future minimum lease payments for this lease are as follows:

Year Ending June 30	Principal	Interest	Total Payments
2027	\$ 34,220	\$ 68,812	\$ 103,032
2028	35,792	67,240	103,032
2029	37,436	65,596	103,032
2030	39,156	63,876	103,032
2031	40,955	62,077	103,032
2032–2036	234,787	280,373	515,160
2037–2041	293,905	221,255	515,160
2042–2046	367,910	147,250	515,160
2047–2051	460,549	54,612	515,161
	<u>\$ 1,544,710</u>	<u>\$ 1,031,091</u>	<u>\$ 2,575,801</u>

NOTE 5 – SCHEDULE OF REVENUE SOURCES

The following is a schedule of revenue sources and amounts:

Federal through state	
National School Lunch Program (NSLP)	\$ 147,735
	<u>147,735</u>
State	
Florida Education Finance Program (FEFP)	4,580,678
Charter School Capital Outlay (CSCO)	385,909
School Recognition Funds	45,449
	<u>5,012,036</u>
Local	
Local Referendum	460,819
Local Capital Improvement	221,055
Half-Cent sales tax	450,699
Miscellaneous	621
	<u>1,133,194</u>
Other	
Field trips	44,023
Fundraising	14,202
Athletics	61,594
Before/Aftercare and tutoring	239,001
Food services	117,525
Interest	12,956
Other	25,160
	<u>514,461</u>
Total	<u>\$ 6,807,426</u>

**INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS**

NOTE 6 - RISK MANAGEMENT PROGRAMS

The Charter School is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and injuries to employees for which the Charter School has purchased commercial insurance. The Charter School has not had any reduction in insurance coverage and the amount of claims, if any, resulting from these risks have not exceeded insurance coverage.

NOTE 7 - EMPLOYEE BENEFIT PLAN

Effective August 1, 2022, the Charter School entered into a multi-employer, defined contribution retirement plan, for all full-time employees over 21 years of age. There are no minimum service requirements for Plan eligibility. The name of the Plan is the CoAdvantage Corporation Retirement Savings Plan ("CCRS Plan") which is administered by the CoAdvantage Corporation. The Trustee of the CCRS Plan is Reliance Trust Company.

Effective January 1, 2026, the Charter School transferred the assets from the CCRS Plan into another multi-employer, defined contribution retirement plan, for all full-time employees over 18 years of age who complete three months of eligible service. The name of the Plan is the HRD Retirement Savings Plan ("HRDS Plan") which is administered by HR Delivered LLC. The Trustee of the HRDS Plan is NestEggs Retirement Plan Services, Inc.

Benefit terms, including contribution requirements for each respective Plan are established by the plan administrator. Under both plans, employees become 100% vested after one year of service and receive no vested benefits prior to this date following their enrollment into the plan. Also, matching contributions are at the discretion of the Charter School and are not guaranteed.

Both plans require employees to contribute 1 percent of total plan compensation per pay period. For the year ended June 30, 2026, employee contributions totaled \$132,743 and Charter School contributions totaled \$81,495. No forfeitures were used to reduce Charter School contributions during the year ended June 30, 2026.

NOTE 8 - TAX STATUS

The Charter School is organized as a Limited Liability Company (LLC). For federal and state income tax purposes, the Charter School is a single member disregarded entity and does not file a separate tax return.

REQUIRED SUPPLEMENTARY INFORMATION

INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE MARION COUNTY DISTRICT SCHOOL BOARD
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND
GAAP BUDGET BASIS
FOR THE YEAR ENDED JUNE 30, 2026

GENERAL FUND					
	ORIGINAL BUDGET	FINAL BUDGET	VARIANCE WITH ORIGINAL BUDGET OVER (UNDER) FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER) ACTUAL AMOUNTS
REVENUES					
State	\$ 4,648,036	\$ 4,626,127	\$ (21,909)	\$ 4,626,127	\$ -
Local	423,230	461,440	38,210	461,440	-
Other	401,302	396,936	(4,366)	396,936	-
Total Revenues	5,472,568	5,484,503	11,935	5,484,503	-
EXPENDITURES					
Current					
Instruction	3,305,623	3,147,179	(158,444)	3,116,112	(31,067)
Exceptional instruction	375,265	267,518	(107,747)	267,065	(453)
Student personnel services	376,043	368,403	(7,640)	364,091	(4,312)
Instructional related technology	91,500	98,492	6,992	100,893	2,401
Board administration	188,786	105,146	(83,640)	105,146	-
School administration	573,401	592,299	18,898	586,852	(5,447)
Fiscal services	157,596	176,715	19,119	176,715	-
Operation of plant	1,410,225	887,615	(522,610)	891,618	4,003
Maintenance of plant	64,252	39,328	(24,924)	44,027	4,699
Community services	133,757	159,806	26,049	158,898	(908)
Athletic services	61,574	45,846	(15,728)	45,846	-
Total Expenditures	6,738,022	5,888,347	(849,675)	5,857,263	(31,084)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,265,454)	(403,844)	861,610	(372,760)	31,084
OTHER FINANCING SOURCES					
Transfers in (out)	1,292,298	177,113	(1,115,185)	(147,445)	(324,558)
NET CHANGE IN FUND BALANCE	26,844	(226,731)	(253,575)	(520,205)	(293,474)
FUND BALANCE – Beginning of year	661,764	661,764	-	661,764	-
FUND BALANCE – End of year	\$ 688,608	\$ 435,033	\$ (253,575)	\$ 141,559	\$ (293,474)

INA A. COLEN ACADEMY, LLC
 A CHARTER SCHOOL AND COMPONENT UNIT OF
 THE MARION COUNTY DISTRICT SCHOOL BOARD
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL – SPECIAL REVENUE FUND
 GAAP BUDGET BASIS
 FOR THE YEAR ENDED JUNE 30, 2026

	SPECIAL REVENUE FUND				
	ORIGINAL BUDGET	FINAL BUDGET	VARIANCE WITH ORIGINAL BUDGET OVER (UNDER) FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET OVER (UNDER) ACTUAL AMOUNTS
REVENUES					
Federal through state	\$ 141,869	\$ 147,735	\$ 5,866	\$ 147,735	\$ -
Other	100,975	117,525	16,550	117,525	-
Total Revenues	242,844	265,260	22,416	265,260	-
EXPENDITURES					
Current					
Food services	320,866	323,535	2,669	321,336	(2,199)
Total Expenditures	320,866	323,535	2,669	321,336	(2,199)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(78,022)	(58,275)	19,747	(56,076)	2,199
OTHER FINANCING SOURCES					
Transfers in (out)	78,022	58,275	(19,747)	56,076	(2,199)
NET CHANGE IN FUND BALANCE	-	-	-	-	-
FUND BALANCE – Beginning of year	-	-	-	-	-
FUND BALANCE – End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**INA A. COLEN ACADEMY, LLC
A CHARTER SCHOOL AND COMPONENT UNIT OF
THE MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – BUDGET**

NOTE 1 – BUDGETARY INFORMATION

An annual budget was adopted on the modified accrual basis of accounting for the General Fund and Special Revenue Fund in accordance with generally accepted accounting principles. Appropriations are controlled at the fund level. All annual appropriations lapse at fiscal year-end.

NOTE 2 – SIGNIFICANT VARIANCES BETWEEN ORIGINAL BUDGET AND FINAL BUDGET

The General Fund and Special Revenue Fund budgets are revised to adjust for significant changes from original assumptions used to prepare the original budget. The General Fund had significant variances which included a decrease of \$158,444 for instruction expenditures due to a decrease in anticipated computer equipment purchases and repairs, a decrease of \$107,747 of exceptional instruction expenditures due to teacher salary and benefits being originally higher than anticipated, as well as a decrease of \$522,610 of operation of plant expenditures due to a decrease in contracted custodial services, anticipated lease expenses, and a decrease in anticipated liability insurance. There were no significant variances between the original budget and final budget amounts for the Special Revenue Fund.

NOTE 3 – SIGNIFICANT VARIANCES BETWEEN FINAL BUDGET AND ACTUAL AMOUNTS

The General Fund and Special Revenue Fund final budgets were amended and approved on July 21, 2026. In the General Fund, variances between the final budget amounts and actual amounts were primarily due to the timing of certain year-end payables recorded subsequent to final budget approval, as well as an adjustment for prepaid insurance. These items resulted in actual expenditures being \$31,084 less than the final approved budget. There were no significant variances between the final budget and actual amounts for the Special Revenue Fund.

OTHER REPORTS

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

Board of Directors
Ina A. Colen Academy, LLC
Ocala, 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 Ina A. Colen Academy, LLC (the "Charter School") (a Charter School and component unit of the Marion County District School Board), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Charter School's basic financial statements, and have issued our report thereon dated August 14, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Charter School's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of the Charter 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 Charter School's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

CS&L CPAs

CS&L CPAs, P.A.

August 14, 2026
Bradenton, Florida

MANAGEMENT LETTER

Board of Directors
Ina A. Colen Academy, LLC
Ocala, Florida

Report on the Financial Statements

We have audited the financial statements of Ina A. Colen Academy, LLC (the Charter School) (a Charter School and component unit of the Marion County District School Board) as of and for the fiscal year ended June 30, 2026, and have issued our report thereon dated August 14, 2026.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated August 14, 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. There were no findings or recommendations made in the preceding annual financial audit report.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are Ina A. Colen Academy and 429645.

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 Charter 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 Charter School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

Transparency

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

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

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

CS&L CPAs

CS&L CPAs, P.A.

August 14, 2026
Bradenton, Florida