**AMANA ACADEMY, INC.**

Consolidated Financial Statements
and
Independent Auditors' Report

For the Year Ended June 30, 2025

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT ..... 1-3

REQUIRED SUPPLEMENTARY INFORMATION
Management's Discussion and Analysis (Unaudited) ..... 4-8

BASIC CONSOLIDATED FINANCIAL STATEMENTS:

GOVERNMENT-WIDE FINANCIAL STATEMENTS:
Statement of Net Position ..... 9
Statement of Activities ..... 10

FUND FINANCIAL STATEMENTS:
Governmental Funds:
Balance Sheet – Governmental Funds ..... 11
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position ..... 12
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds ..... 13
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities ..... 14
Statement of Net Position – Proprietary Funds ..... 15
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds ..... 16

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS ..... 17-34

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Governmental Funds (Unaudited) ..... 35
Schedule of Proportionate Share of the Net Pension Liability ..... 36
Schedule of Contributions ..... 37
Schedule of Proportionate Share of the Net OPEB Liability ..... 38
Schedule of Contributions ..... 39

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION ..... 40-41

CONSOLIDATED SUPPLEMENTARY INFORMATION
Consolidating Statement of Net Position ..... 42
Amana Fulton Statement of Activities ..... 43
Amana West Statement of Activities ..... 44
Amana Foundation Statement of Activities ..... 45
Consolidating Balance Sheet – Governmental Funds ..... 46
Reconciliation of the Consolidated Balance Sheet – Governmental Funds to the Consolidated Statement of Net Position ..... 47
Consolidating Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds ..... 48

(Continued)

CONSOLIDATED SUPPLEMENTARY INFORMATION (Continued)
Reconciliation of the Consolidated Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Consolidated Statement of Activities ..... 49
Consolidating Statement of Net Position – Proprietary Funds ..... 50
Consolidating Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds ..... 51

SUPPLEMENTARY INFORMATION
Independent Auditors' 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* ..... 52-53

30000 Mill Creek Ave, Ste 340
Alpharetta, GA 30022
www.marshalljones.com
404 231 2001

marshalljones
certified public accountants

# INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Amana Academy, Inc.

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of the governmental activities and each major fund of Amana Academy, Inc. (also known as comprising both Amana Fulton and Amana West schools), and Amana Academy Foundation (collectively as "the School"), as of and for the year ended June 30, 2025, and the related Notes to Consolidated Financial Statements, which comprise the School's basic consolidated financial statements as listed in the table of contents.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the School as of June 30, 2025, and the respective changes in financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America ("GAAP").

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated 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 opinion.

### Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with GAAP; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 one year after the date that the consolidated financial statements are issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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.

**Report on Other Legal and Regulatory Requirements**

Other Matters

*Required Supplementary Information*

GAAP require that the Management's Discussion, Analysis and the Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Governmental Fund, Schedule of Proportionate Share of the Net Pension Liability and Contributions, and Schedule of Proportionate Share of Net OPEB Liability and Contributions be presented to supplement the basic consolidated financial statements. Such information, although not a part of the basic consolidated 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 consolidated financial

statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 consolidated financial statements, and other knowledge we obtained during our audit of the basic consolidated 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.

Non-required Supplementary Information

The non-required consolidating supplementary information is presented to supplement the basic consolidated financial statements.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2025, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.

Marshall Jones

Alpharetta, Georgia
October 30, 2025

The Board of Directors of Amana Academy, Inc. ("the School"), offers readers of the School's financial statements this narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2025. The School encourages readers to consider the information presented here in conjunction with the School's consolidated financial statements.

Financial Highlights

- Total revenues for the year ended June 30, 2025 was $14,885,517. For financial reporting purposes, the Amana Foundation ("the Foundation") is consolidated with the School. The Foundation was established in 2024, as a 509(a)(3) Type 1 foundation to hold the real estate of the School.

- At the close of the current fiscal year, the School reports an ending fund balance of $1,443,325. The total fund balance decreased by $551,164 from the previous year end total fund balance and is presented as the result of the net change in fund balance for the year ended June 30, 2025.

- As of June 30, 2025, the School reported total days cash on hand of 56 days.

Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements as presented comprise three components: a) government-wide financial statements, b) fund financial statements, and c) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

**Government-Wide Financial Statements**

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

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

The Statement of Activities presents information showing how the School's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying events giving rise to the changes occur, regardless of the timing of related cash flows.

(Continued)

Overview of the Financial Statements (Continued)

**Government-Wide Financial Statements** (Continued)

Both of the government-wide financial statements distinguish functions of the School that are principally supported by district, state, and federal funding (governmental activities). Basic instruction, exception instruction, and school administration are examples of the School's governmental activities.

The consolidated government-wide financial statements include the School, which is a component unit of the Fulton County Board of Education ("the School System"). The School System includes the operations of the School in their operational results.

**Fund Financial Statements**

A *fund* is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or purposes. The School, like governmental type entities, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the operations of the School are presented in governmental funds only.

**Governmental Funds**

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The School maintains individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances. The general fund and debt service fund are considered to be major funds.

The School adopts an annual appropriated budget for its entire operations. Budgetary comparison schedules have been provided to demonstrate compliance with this budget and can be found as required supplementary information to the basic financial statements.

(Continued)

Overview of the Financial Statements (Continued)

**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.

Financial Summary and Detailed Analyses

**Government-Wide Financial Statement Analysis**

Net position may serve over time as a useful indicator of a government's financial position. In the case of the School, liabilities and deferred inflows exceeded assets and deferred outflows by $2,482,583 as of June 30, 2025.

| | |
|---|---|
| Total Assets and Deferred Outflows | $ 25,771,172 |
| Total Liabilities and Deferred Inflows | 28,253,775 |
| Total Net Position | $ (2,482,583) |

The School's revenues are predominantly from the Fulton County Board of Education and Georgia Department of Education, based on student enrollment and awards from state and federal sources.

| | |
|---|---|
| **Revenues** | |
| State sources | $ 13,295,500 |
| Federal sources | 597,993 |
| Other | 811,747 |
| **Total Revenues** | 14,705,240 |
| **Expenditures** | |
| Instruction | 7,949,895 |
| Support services | 5,805,532 |
| Non-instructional services | 348,424 |
| Interest and fiscal charges | 714,403 |
| Other non-cash | 510,195 |
| **Total Expenditures** | 15,328,449 |
| **General Revenues** | |
| Interfund transfers | 25,323 |
| **Total General Revenues** | 25,323 |
| **Change in Net Position** | $ (597,886) |

(Continued)

Financial Summary and Detailed Analyses (Continued)

## Financial Analysis of the Government's Funds

The focus of the School's *governmental fund* 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, *fund balance* serves as a useful measure of a government's net resources available for spending for program purposes at the end of the fiscal year.

The School's governmental funds ("the General Fund") reported an ending fund balance of $1,443,325. For the year ended June 30, 2025, the School's expenses and other financing uses ($16,864,596) exceeded the School's revenues and other financing sources ($16,313,432) by $(551,164).

General Fund Budgetary Highlights

Actual revenues exceeded budgeted revenue by $2,056,190 primarily due to under budgeted loan proceeds. Budgeted expenditures exceeded actual expenditures by $3,340,294 due to high budgeted expenditures in capital outlays.

Capital Assets

As of June 30, 2025, the School's net investment in capital assets for its governmental activities totaled $2,313,696 (net of accumulated depreciation and debt related to the acquisition of fixed assets). This investment in capital assets includes land, building and improvements, furniture and fixtures, and equipment.

Additional information on the School's capital assets can be found in Note 6 of this report.

Debt Administration

The School's long-term liabilities relating to the loans at June 30, 2025 totaled $13,535,672, $6,056,550 of which is currently due before June 30, 2026. Additional information on the School's long-term obligations can be found in Note 7 of this report.

Statements of Activities and Financial Position Excluding the School's Proportionate Share of Net Pension Liabilities

To provide a clear picture of the School's financial obligation to utilize the School's on hand resources to pay for long-term liabilities and/or expenditures, see the following Statements of Activities and Financial Position. Both statements exclude the proportionate share of net pension liabilities which is managed and paid by the Teacher Retirement System of Georgia. Annually the School must report its' proportionate share of net pension and OPEB liabilities and expenses on the audit report for the *Government Auditing Standards*' consolidated financial reporting.

(Continued)

Statements of Activities and Financial Position Excluding the School's Proportionate Share of Net Pension Liabilities (Continued)

| STATEMENT OF ACTIVITIES | |
|---|---|
| **Revenues** | |
| State sources | $ 13,295,500 |
| Federal sources | 597,993 |
| Other incomes | 811,747 |
| Enterprise fund | 179,997 |
| **Total Revenues** | 14,885,237 |
| | |
| **Expenditures** | |
| Instruction | 7,926,684 |
| Support services | 5,749,863 |
| Non-instructional services | 348,424 |
| Enterprise fund | 154,674 |
| Interest and fiscal charges | 733,828 |
| Other non-cash | 510,195 |
| **Total Expenditures** | 15,423,668 |
| | |
| **Change in Net Assets** | $ (538,431) |

| STATEMENT OF FINANCIAL POSITION | |
|---|---|
| **Assets** | |
| Cash and cash equivalents | $ 2,347,615 |
| Debt issuance cash restricted | 53,633 |
| Current assets | 432,985 |
| Net fixed assets | 15,849,368 |
| Other non-current asset | 19,425 |
| **Total Assets** | $ 18,703,026 |
| | |
| **Liabilities** | |
| Accounts payable and accrued expenses | $ 1,390,908 |
| Loan liabilities | 13,535,672 |
| **Total Liabilities** | 14,926,580 |
| | |
| **Net Assets** | |
| Without donor restrictions | 3,776,446 |
| **Total Net Assets** | 3,776,446 |
| | |
| **Total Liabilities and Net Assets** | $ 18,703,026 |

Economic Factors and Events Affecting Operations

A majority of the School's funding is determined by the number of enrolled students. The School is forecasting enrollment to remain steady for the 2025/2026 school year.

Contacting the School's Financial Management

This financial report is designed to provide interested parties a general overview of the School's finances. Questions regarding any of the information provided in this report should be addressed to Amana Academy, Inc. at 285 S. Main Street, Alpharetta, Georgia 30009.

**AMANA ACADEMY, INC.**
STATEMENT OF NET POSITION
June 30, 2025

| | Governmental Activities |
|---|---|
| **Assets** | |
| Cash and cash equivalents | **$ 2,347,615** |
| Capital reserve funds | **53,633** |
| Grants receivable | **283,012** |
| Prepaid expenditures | **149,973** |
| Capital assets, non-depreciable | **554,032** |
| Land held-for-sale, non-depreciable | **55,968** |
| Capital assets, depreciable, net | **15,239,368** |
| Other non-current assets | **19,425** |
| **Total Assets** | **18,703,026** |
| **Deferred Outflows of Resources** | |
| Deferred outflows related to pensions | **4,435,757** |
| Deferred outflows related to OPEB | **2,632,389** |
| **Total Deferred Outflows of Resources** | **7,068,146** |
| **Total Assets and Deferred Outflows of Resources** | **$ 25,771,172** |
| **Liabilities** | |
| Accounts payable and accrued expenses | **$ 1,390,908** |
| Loans, current | **6,056,550** |
| Long-term liabilities: | |
| Loans, net of current | **7,479,122** |
| Net pension liability | **10,088,781** |
| Net OPEB liability | **1,380,893** |
| **Total Liabilities** | **26,396,254** |
| **Deferred Inflows of Resources** | |
| Net difference between projected and actual earnings on pension plan investment | **1,462,482** |
| Net difference between projected and actual earnings on OPEB | **395,019** |
| **Total Deferred Inflows of Resources** | **1,857,501** |
| **Net Position** | |
| Unrestricted net position | **(4,849,912)** |
| Restricted net position | **53,633** |
| Net investment in capital assets | **2,313,696** |
| **Total Net Position** | **(2,482,583)** |
| **Total Liabilities, Deferred Inflows of Resources, and Net Position** | **$ 25,771,172** |

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC.**
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

| Functions | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Net Revenue (Expense) and Changes in Net Position: Primary Government: Governmental Activities | Net Revenue (Expense) and Changes in Net Position: Primary Government: Business-Type Activities | Total |
|---|---|---|---|---|---|---|
| **Governmental Activities:** | | | | | | |
| Instruction | $ 7,949,895 | $ - | $ 13,123,985 | $ 5,174,090 | $ - | **$ 5,174,090** |
| Support Services: | | | | | | |
| Pupil | 1,486,344 | - | 436,128 | (1,050,216) | - | **(1,050,216)** |
| Improvement of instructional staff | 312,101 | - | - | (312,101) | - | **(312,101)** |
| General administration | 1,111,309 | - | - | (1,111,309) | - | **(1,111,309)** |
| School administration | 817,599 | - | - | (817,599) | - | **(817,599)** |
| Business administration | 228,517 | - | - | (228,517) | - | **(228,517)** |
| Maintenance and operation | 1,765,882 | - | 235,864 | (1,530,018) | - | **(1,530,018)** |
| Transportation | 83,780 | - | - | (83,780) | - | **(83,780)** |
| Operations of Non-Instructional Services: | | | | | | |
| Food services | 348,424 | 43,729 | 304,961 | 266 | - | **266** |
| Depreciation | 510,195 | - | - | (510,195) | - | **(510,195)** |
| Interest and fiscal charges | 714,403 | - | - | (714,403) | - | **(714,403)** |
| **Total Governmental Activities** | 15,328,449 | 43,729 | 14,100,938 | (1,183,782) | - | **(1,183,782)** |
| **Business-Type Activities** | | | | | | |
| Enterprise fund | 154,674 | 179,997 | - | - | 25,323 | **25,323** |
| **Total Business-Type Activities** | 154,674 | 179,997 | - | - | 25,323 | **25,323** |
| **Total Primary Government** | $ 15,483,123 | $ 223,726 | $ 14,100,938 | (1,183,782) | 25,323 | **(1,158,459)** |
| **General Revenues** | | | | | | |
| Interfund transfer | | | | 25,323 | (25,323) | **-** |
| Contributions | | | | 456,633 | - | **456,633** |
| Other income | | | | 104,220 | - | **104,220** |
| **Total General Revenues** | | | | 586,176 | (25,323) | **560,853** |
| **Change in Net Position** | | | | (597,886) | - | **(597,886)** |
| Net position, beginning of year | | | | (1,884,697) | - | **(1,884,697)** |
| **Net Position, End of Year** | | | | $ (2,482,583) | $ - | **$ (2,482,583)** |

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC.**
BALANCE SHEET – GOVERNMENTAL FUNDS
June 30, 2025

| | General Fund |
|---|---|
| **Assets** | |
| Cash and cash equivalents | **$ 2,347,615** |
| Capital reserve funds | **53,633** |
| Grants receivable | **283,012** |
| Prepaid expenditures | **149,973** |
| **Total Assets** | **$ 2,834,233** |
| **Liabilities** | |
| Accounts payable and accrued expenses | **$ 1,390,908** |
| **Total Liabilities** | **1,390,908** |
| **Fund Balances** | |
| Nonspendable fund balance | **149,973** |
| Restricted fund balance | **53,633** |
| Unassigned fund balance | **1,239,719** |
| **Total Fund Balances** | **1,443,325** |
| **Total Liabilities and Fund Balances** | **$ 2,834,233** |

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC.**
RECONCILIATION OF THE
BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2025

| | |
|---|---|
| **Total Fund Balances for Governmental Funds** | **$ 1,443,325** |
| Total net position reported for governmental activities in the Statement of Net Position is different because: | |
| Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. Those assets consist of: | |
| Capital assets, net | **15,849,368** |
| Deferred inflows of resources related to pension | **(1,462,482)** |
| Deferred inflows of resources related to OPEB | **(395,019)** |
| Deferred outflows of resources related to pension | **4,435,757** |
| Deferred outflows of resources related to OPEB | **2,632,389** |
| Certain assets and liabilities are not reported in the fund financial statement because they are not due and payable, but they are presented in the Statement of Net Position as follows: | |
| Loans | **(13,535,672)** |
| Other non-current assets | **19,425** |
| Net pension liability | **(10,088,781)** |
| Net OPEB liability | **(1,380,893)** |
| **Total Net Position of Governmental Activities** | **$ (2,482,583)** |

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC.**
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended June 30, 2025

| | General Fund | Debt Service | **Total** |
|---|---|---|---|
| **Revenues** | | | |
| State funds | $13,295,500 | $ - | **$ 13,295,500** |
| Federal funds | 597,993 | - | **597,993** |
| Contributions | 456,633 | - | **456,633** |
| Loan proceeds | - | 1,582,869 | **1,582,869** |
| Other income | 355,114 | - | **355,114** |
| **Total Revenues** | 14,705,240 | 1,582,869 | **16,288,109** |
| **Expenditures** | | | |
| Instruction | 7,926,684 | - | **7,926,684** |
| Support services: | | | |
| Pupil | 1,470,537 | - | **1,470,537** |
| Improvement of instructional staff | 312,101 | - | **312,101** |
| General administration | 1,088,991 | - | **1,088,991** |
| School administration | 807,533 | - | **807,533** |
| Business administration | 228,010 | - | **228,010** |
| Maintenance and operation | 1,757,566 | - | **1,757,566** |
| Transportation | 85,125 | - | **85,125** |
| School nutrition | 348,424 | - | **348,424** |
| Capital outlays | 1,866,834 | - | **1,866,834** |
| Debt service: | | | |
| Principal retirement | - | 238,963 | **238,963** |
| Interest and fiscal charges | - | 733,828 | **733,828** |
| **Total Expenditures** | 15,891,805 | 972,791 | **16,864,596** |
| **Excess of Revenues Over Expenditures** | (1,186,565) | 610,078 | **(576,487)** |
| **Other Financing Sources and (Uses)** | | | |
| Operating transfers in | 1,203,795 | 568,394 | **1,772,189** |
| Operating transfers (out) | (568,394) | (1,178,472) | **(1,746,866)** |
| **Total Other Financing Sources and (Uses)** | 635,401 | (610,078) | **25,323** |
| **Net Change in Fund Balances** | (551,164) | - | **(551,164)** |
| Fund Balances, beginning of year | 1,994,489 | - | **1,994,489** |
| **Fund Balances, End of Year** | $ 1,443,325 | $ - | **$ 1,443,325** |

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC.**
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, 2025

| | |
|---|---|
| **Net Change in Fund Balances – Total Governmental Funds** | **$ (551,164)** |
| 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, assets are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense: | |
| Capital outlays | **1,866,834** |
| Depreciation expense | **(510,195)** |
| Payment of pension expenses is reported as an expenditure in governmental funds, but payments reduce long-term liabilities in the Statement of Activities: | |
| Pension and OPEB expenses | **(78,880)** |
| Repayment of long-term debt principal and loan fees are reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Activities: | |
| Principal retirement | **238,963** |
| Loan fees | **19,425** |
| Receipt of loan proceeds is reported as revenue in governmental funds, but the proceeds increase long-term liabilities in the Statement of Net Position: | |
| Loan proceeds | **(1,582,869)** |
| **Change in Net Position** | **$ (597,886)** |

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC**
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
June 30, 2025

| | Enterprise Fund |
|---|---|
| **ASSETS** | |
| Due from general fund | **$ -** |
| **Total Assets** | **$ -** |
| **LIABILITIES** | |
| Due to general fund | **$ -** |
| **Total Liabilities** | **-** |
| **NET POSITION** | |
| Unrestricted | **-** |
| **Total Net Position** | **-** |
| **Total Liabilities and Net Position** | **$ -** |

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC**
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION – PROPRIETARY FUNDS
For the Year Ended June 30, 2025

| | Enterprise Fund |
|---|---|
| **Operating Revenues** | |
| Charges for services | **$ 179,997** |
| **Total Operating Revenues** | **179,997** |
| **Operating Expenses** | |
| Instruction | **154,674** |
| **Total Operating Expenses** | **154,674** |
| **Operating Income** | **25,323** |
| **Interfund Transfer** | **(25,323)** |
| **Change in Net Position** | **-** |
| Net position, beginning of year | **-** |
| **Net Position, End of Year** | **$ -** |

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Reporting Entity

The Amana Academy, Inc. ("the Amana Fulton"), a Georgia not-for-profit organization, was established in 2004. Amana Fulton was granted a charter by the Fulton County Board of Education ("the School System") pursuant to O.C.G.A § 20-2-2060 *et seq*., the Charter Schools Act of 1998 to provide educational services to students in grades kindergarten through 8th grade. The term of the most recently authorized charter approved by the School System ends June 30, 2029.

In July 2022, Amana Fulton was approved with the Georgia Charter Schools Commission for the formation of Amana Academy West Atlanta ("Amana West"), which provided educational services to students in grades kindergarten through 5th grade during the 2024-2025 school year. Amana Fulton and Amana West operate within the same legal entity.

Amana Academy Foundation ("the Foundation") was established in 2024, as a 509(a)(3) Type 1 foundation to hold real estate. Governance was structured by four members from the board of directors of Amana Fulton and two additional members. Given the Foundation's operational dependency on Amana Fulton, and common board members, the Foundation is required to be consolidated with the Amana Fulton for financial reporting purposes.

Together, all consolidated operations are collectively referred to as "the School". All assets, liabilities and financial data for the School are consolidated in the financial statement. As such, all interorganizational transactions between Amana Fulton, Amana West and the Foundation are eliminated.

### Basis of Presentation

The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing government accounting and financial reporting principles. GASB has issued a codification of governmental accounting and financial reporting standards.

Government-Wide and Fund Financial Statements

The government-wide financial statements (Statement of Net Position and Statement of Activities) report on the School as a whole. The Statement of Activities demonstrates the degree to which the direct expenses of the School's function are offset by program revenues.

The fund financial statements (Balance Sheet – Governmental Funds and Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds) report on the School's General Fund and Debt Service Fund.

Fund Accounting

The School uses funds to maintain its financial records during the fiscal year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. All of the operations of the School are presented in governmental funds only.

(Continued)

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Basis of Presentation (Continued)

Governmental Funds

Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The School reports the difference between governmental fund assets and liabilities and deferred inflows of resources as fund balance. The School reports the following major governmental funds:

*General Fund*
The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund's balance is available to the School for any purpose provided it is expended or transferred according to the general laws of the State of Georgia.

*Debt Service Fund*
The debt service fund accounts for and reports financial resources that are restricted, committed or assigned to expenditures for general long-term debt principal and interest on the School's loan.

Proprietary Funds

*Enterprise Fund*
The enterprise fund accounts for operations which are financed and operated in a manner similar to private business enterprises. The costs of providing goods or services on a continuing basis are financed or recovered primarily through user charges. The School's enterprise fund results from its after-school child care operation.

### Measurement Focus

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities are prepared 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. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements

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 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 School considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

(Continued)

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unavailable revenue, and in the presentation of expenses versus expenditures.

#### Revenue

The School is primarily funded by the School System based on a rate per student calculated by the School System. Resources provided in this manner are considered to be non-exchange transactions and are recognized in the fiscal year when use of the funds is first permitted. Other funding obtained through the School System, such as Title I resources, or funding obtained directly from the federal government are also considered non-exchange transactions and are recognized in the fiscal year in which certain matching or expenditure requirements are met, such as resources obtained for a specific purpose or as a qualifying reimbursement, etc.

Certain charges for services, such as for food services, are considered exchange transactions and are recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available.

#### Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria is satisfied.

#### Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

### Assets, Liabilities, and Fund Equity

#### Cash and Cash Equivalents

The School considers all highly liquid investment instruments purchased with a maturity of three months or less to be cash equivalents. The School maintains its cash accounts at financial institutions in which amounts up to $250,000 per institution are insured by the Federal Deposit Insurance Corporation. As of June 30, 2025, the School held an uninsured cash balance of $1,756,661

#### Interfund Balances

The School sometimes advances resources to other funds that will not be repaid in the current period. The fund balance of the loaning governmental fund is reserved at the fund reporting level to indicate it is not available for expenditure.

(Continued)

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Assets, Liabilities, and Fund Equity** (Continued)

Grants Receivable

Grants receivable includes federal government and state grants, and is stated at face value with no allowance for doubtful accounts. The School evaluates receivables annually for bad debts using the direct write-off method. This method differs from GAAP which requires providing an allowance for expected credit losses. Variances caused by using the direct write-off method instead of the method prescribed by GAAP are not considered to be significant.

Capital Assets

Capital assets are stated at cost. Depreciation has been calculated on such assets using the straight-line method over the following estimated useful lives:

| Type of Asset | Useful Life |
|---|---|
| Building | 40 years |
| Leasehold improvements | 2-15 years |
| Equipment and computers | 3-7 years |
| Furniture and fixtures | 7-15 years |

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers Retirement System of Georgia ("TRS") and additions to/deductions from TRS's fiduciary net position have been determined on the same basis as they are reported to TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions ("OPEB")

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Georgia School Employees Postemployment Benefit Fund ("the School OPEB Fund") and additions to/deductions from the School OPEB Fund fiduciary net position have been determined on the same basis as they are reported by the School OPEB Fund. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Balances

Fund balances are divided into five categories as defined by GASB 54, as follows:

*Restricted*
Fund balances classified as restricted are legally restricted under legislation, bond authority, or grantor contract.

(Continued)

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Assets, Liabilities, and Fund Equity (Continued)

Fund Balances (Continued)

*Nonspendable*
Fund balances classified as nonspendable are permanently nonspendable by decree of the donor, such as an endowment, or funds that are not in a spendable form, such as prepaid expenses or inventory on hand.

*Committed*
Fund balances classified as committed are commitments of future funds for specific purposes passed by the Board of Directors.

*Assigned*
Fund balances classified as assigned are funds that are intended by management to be used for a specific purpose, including encumbrances.

*Unassigned*
Fund balances classified as unassigned are funds available for any purpose.

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the School's policy to use restricted amounts first and then unrestricted amounts as they are needed.

Net Position

Accounting standards require a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components – net investment in capital assets, restricted, and unrestricted. These calculations are defined as follows:

*Net Investment in Capital Assets*
This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation, and related long-term debt.

*Restricted*
This component of net position results from constraints placed on net position by creditors, grantors, contributors, and other external parties, including those constraints placed on net position by law through constitutional provisions of enabling legislation adopted by the School.

*Unrestricted*
This component of net position consists of those assets that do not meet the definition of net investment in capital assets and restricted net position.

### Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with GAAP for nongovernmental entities. An annual budget is adopted for the operations of the School.

(Continued)

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that may affect the financial statements. Accordingly, actual results could differ from those estimates.

### Income Taxes

The School is a not-for-profit organization exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). However, income from certain activities not directly related to the School's tax-exempt purpose is subject to taxation as unrelated business income.

The School only recognizes the tax benefit from an uncertain tax position taken or expected to be taken in a tax return if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Management has analyzed tax positions taken for filings with the Internal Revenue Service and all state jurisdictions where the School operates. Management believes that income tax filing positions would be sustained upon examination and does not anticipate that any adjustments would result in a material adverse effect on the School's financial condition, results of operations or cash flows. Accordingly, the School has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at June 30, 2025.

The School is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The School believes it is no longer subject to income tax examinations for years prior to 2022, or 2024 for the Foundation.

### Subsequent Events

The School has evaluated subsequent events and transactions that occurred between June 30, 2025 and the date of the audit report, which is the date the financial statements were available to be issued for possible recognition or disclosure in the financial statements.

## NOTE 2 – CAPITAL RESERVE FUNDS

Under the loan agreement (see Note 7), Amana Fulton was required to set aside an amount of $50,000 annually for facility improvements. On June 30, 2025, the balance was $53,633 and presented as Capital Reserve Funds on the Statement of Net Position.

## NOTE 3 – CONCENTRATIONS

Revenue

For the year ended June 30, 2025, Amana Fulton received a significant portion of its annual revenue from the Fulton County Board of Education as a part of its charter agreement which is paid to the School in monthly installments. Amana West received a large portion of its annual revenue through monthly payments from the Georgia Department of Education.

## NOTE 4 – RETIREMENT PLAN

Plan Description

All teachers of the School as defined is §47-3-60 of the *Official Code of Georgia Annotated* ("O.C.G.A.") and certain other support personnel as defined by §47-3-63 are provided a pension through TRS. TRS, a cost-sharing multiple-employer defined benefit pension plan, is administered by the TRS Board of Trustees ("TRS Board"). Title 47 of the *O.C.G.A.* assigns the authority to establish and amend the benefit provisions to the State Legislature. TRS issues a publicly available financial report that can be obtained at www.trsga.com/publications.

Benefits Provided

TRS provides service retirement, disability retirement, and death benefits. Normal retirement benefits are determined as 2% of the average of the employee's two highest paid consecutive years of service, multiplied by the number of years of creditable service up to 40 years. An employee is eligible for normal service retirement after 30 years of creditable service, regardless of age, or after 10 years of service and attainment of age 60. Ten years of service is required for disability and death benefits eligibility. Disability benefits are based on the employee's creditable service and compensation up to the time of disability. Death benefits equal the amount that would be payable to the employee's beneficiary had the employee retired on the date of death. Death benefits are based on the employee's creditable service and compensation up to the date of death.

Contributions

Per Title 47 of *O.C.G.A.*, contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Pursuant to *O.C.G.A.* §47-3-63, the employer contributions for certain full-time public school support personnel are funded on behalf of the employer by the State of Georgia. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6.00% of their annual pay during fiscal year 2025. The School's contractually required contribution rate for the year ended June 30, 2025 was 20.78% of the School's annual payroll. The School's contributions to TRS were $1,381,058 for the year ended June 30, 2025.

(Continued)

**NOTE 4 – RETIREMENT PLAN** (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

At June 30, 2025, the School reported a net pension liability of $10,088,781.

The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2023. An expected total pension liability as of June 30, 2024, was determined using standard roll-forward techniques. The School's proportion of the net pension liability was based on contributions to TRS during fiscal year ended June 30, 2024. At June 30, 2024, the School's proportion was 0.040139%, which was an increase of 0.003133% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the School recognized pension expense of $2,100,903. At June 30, 2025, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows Of Resources | Deferred Inflows Of Resources |
|---|---|---|
| Net difference between projected and actual earnings on pension plan investments | $ - | $ 1,406,594 |
| Difference between expected and actual experience | 1,141,616 | 30,153 |
| Changes of assumptions | 701,828 | - |
| Changes in proportion and differences between School contributions and proportionate share of contributions | 1,211,255 | 25,735 |
| School contributions subsequent to the measurement date | 1,381,058 | - |
| | $ 4,435,757 | $ 1,462,482 |

The School's contributions subsequent to the measurement date of $1,381,058 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Years ending June 30, | Amount |
|---|---|
| 2026 | $ 611,787 |
| 2027 | 1,718,965 |
| 2028 | (341,144) |
| 2029 | $ (397,391) |

(Continued)

**NOTE 4 – RETIREMENT PLAN** (Continued)

Actuarial Assumptions

The total pension liability as of June 30, 2024, was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---|---|
| Inflation | 2.50% |
| Salary increases | 3.00 – 8.75%, average, including inflation |
| Investment rate of return | 6.90%, net of pension plan investment expense, including inflation |
| Post-retirement benefit increases | 1.50% semi-annually |

Post-retirement mortality rates for service retirements and beneficiaries were based on the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree mortality table (ages set forward one year and adjust 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. Post-retirement mortality rates for disability retirements were based on the Pub-2010 Teachers Mortality Table for Disabled Retirees (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. The Pub-2010 Teachers Headcount Weighted Below Median Employee mortality table with ages set forward one year and adjusted 106% as used for death prior to retirement. Future improvement in mortality rates was assumed using the MP-2019 projection scale generationally. These rates of improvement were reduced by 20% for all years prior to the ultimate rate.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

(Continued)

**NOTE 4 – RETIREMENT PLAN** (Continued)

Actuarial Assumptions (Continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| Asset class | Target allocation | Long-term expected real rate of return* |
|---|---|---|
| Fixed income | 30.00% | 1.50% |
| Domestic large equities | 46.40% | 9.10% |
| Domestic small equities | 1.10% | 13.00% |
| International developed market equities | 13.60% | 9.10% |
| International emerging market equities | 3.90% | 11.10% |
| Alternatives | 5.00% | 10.60% |
| | 100.00% | |

* Rates are shown net of inflation.

Discount Rate

The discount rate used to measure the total net pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the School's proportionate share of the net pension liability calculated using the discount rate of 6.90%, as well as what the School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

| | 1% Decrease (5.90%) | Current Discount Rate (6.90%) | 1% Increase (7.90%) |
|---|---|---|---|
| School's proportionate share of the net pension liability | $ 17,364,812 | $ 10,088,781 | $ 4,149,313 |

(Continued)

**NOTE 4 – RETIREMENT PLAN** (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TRS financial report which is publicly available at www.trsga.com/publications.

**NOTE 5 – OPEB**

Plan Description

Certified teachers and non-certified public-school employees of the School as defined in §20-2-875 of the O.C.G.A. are provided OPEB through the School OPEB Fund - a cost-sharing multiple-employer defined benefit postemployment healthcare plan, reported as an employee trust fund and administered by a Board of Community Health. Title 20 of the O.C.G.A. assigns the authority to establish and amend the benefit terms of the group health plan to the Board of Directors.

Benefits Provided

The School OPEB Fund provides healthcare benefits for retirees and their dependents due under the group health plan for public school teachers, including librarians, other certified employees of public schools, regional educational service agencies and non-certified public school employees. Retiree medical eligibility is attained when an employee retires and is immediately eligible to draw a retirement annuity from Employees' Retirement System ("ERS"), Georgia Judicial Retirement System ("JRS"), Legislative Retirement System ("LRS"), Teachers Retirement System ("TRS") or Public School Employees Retirement System ("PSERS"). If elected, dependent coverage starts on the same day as retiree coverage. Medicare-eligible retirees are offered Standard and Premium Medicare Advantage plan options. Non-Medicare eligible retiree plan options include Health Reimbursement Arrangement ("HRA"), Health Maintenance Organization ("HMO") and a High Deductible Health Plan ("HDHP"). The School OPEB Fund also pays for administrative expenses of the fund. By law, no other use of the assets of the School OPEB Fund is permitted.

Contribution

As established by the Board, the School OPEB Fund is substantially funded on a pay-as-you-go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions to the School OPEB Fund from the School were $1,271,101 for the year ended June 30, 2025. Active employees are not required to contribute to the School OPEB Fund.

(Continued)

**NOTE 5 – OPEB** (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2025, the School reported a liability of $1,380,894 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2024. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2023. An expected total OPEB liability as of June 30, 2024, was determined using standard roll-forward techniques. The School's proportion of the net OPEB liability was actuarially determined based on employer contributions during the fiscal year ended June 30, 2024. At June 30, 2024, the School's proportion was 0.012117%, which was an increase of 0.001866% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the School recognized OPEB expense of $275,665. At June 30, 2025, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows Of Resources | Deferred Inflows Of Resources |
|---|---|---|
| Net difference between projected and actual earnings on OPEB plan investments | $ - | $ 8,989 |
| Difference between expected and actual experience | 67,717 | 249,339 |
| Changes of assumptions | 161,018 | 136,691 |
| Changes in proportion and differences between School contributions and proportionate share of contributions | 1,132,553 | - |
| School contributions subsequent to the measurement date | 1,271,101 | - |
| | $ 2,632,389 | $ 395,019 |

School contributions subsequent to the measurement date of $1,271,101 are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026.

(Continued)

**NOTE 5 – OPEB** (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Years ending June 30, | Amount |
|---|---|
| 2026 | $ 206,064 |
| 2027 | 189,526 |
| 2028 | 225,661 |
| 2029 | 265,418 |
| 2030 | 75,680 |
| Thereafter | $ 3,920 |

Actuarial Assumptions

The total OPEB liability as of June 30, 2024, was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions and other inputs, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024:

| | |
|---|---|
| Inflation | 2.50% |
| Salary increases | 3.00 – 8.75%, average, including inflation |
| Long-term expected rate of return | 7.00%, compounded annually, net of investment expense, and including inflation |
| Healthcare cost trend rate | 6.75% |
| Ultimate trend rate | 4.50% |
| Year of ultimate trend rate | 2032 |

The School OPEB Fund currently uses mortality tables that vary by age, gender, and health status (i.e. disabled or not disabled) as follows:

For TRS members: Post-retirement mortality rates for service retirements and beneficiaries were based on the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree Mortality Table (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. Post-retirement mortality rates for disability retirements were based on the Pub-2010 Teachers Mortality Table for Disabled Retirees (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. The Pub-2010 Teachers Headcount Weighted Below Median Employee Mortality Table with ages set forward one year and adjusted 106% was used for death prior to retirement. Future improvement in mortality rates was assumed using the MP-2019 projection scale generationally. These rates of improvement were reduced by 20% for all years prior to the ultimate rate.

(Continued)

**NOTE 5 – OPEB** (Continued)

Actuarial Assumptions (Continued)

For PSERS members: Pre-retirement mortality rates were based on the Pub-2010 General Employee Mortality Table, with no adjustment, with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for service retirements were based on the Pub-2010 General Healthy Annuitant Mortality Table (ages set forward two years and adjusted 101% for males and 103% for females) with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for disability retirements were based on the Pub-2010 General Disabled Mortality Table (ages set back three years for males and adjusted 103% for males and 106% for females) with the MP-2019 Projection scale applied generationally. Post-retirement mortality rates for beneficiaries were based on the Pub-2010 General Contingent Survivor Mortality Table (ages set forward two years and adjusted 104% for males and 99% for females) with the MP-2019 Projection scale applied generationally. Pre-retirement mortality rates were based on the Pub-2010 General Employee Mortality Table, with no adjustment, with the MP-2019 Projection scale applied generationally.

The actuarial assumptions used for TRS members in the June 30, 2023 valuation were based on the results of an actuarial experience study for the pension systems, which covered the five-year period ending June 30, 2018, with the exception of the assumed annual rate of inflation which was changed from 2.75% to 2.50%, effective with the June 30, 2018 valuation.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2023 valuation were based on a review of recent plan experience done concurrently with the June 30, 2023 valuation.

Projection of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculation.

(Continued)

**NOTE 5 – OPEB** (Continued)

Actuarial Assumptions (Continued)

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are Consolidated to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rate of return for the major asset class are summarized in the following table:

| Asset class | Target allocation | Long-term expected real rate of return* |
|---|---|---|
| Fixed income | 30.00% | 2.6% |
| Equities | 70.00% | 9.1% |
| | 100.00% | |

* Rates are shown net of inflation.

Discount Rate

In order to measure the total OPEB liability for the School OPEB Fund, a single equivalent interest rate of 3.98% was used as the discount rate, as compared with last year's rate of 3.68%. The plan's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate as used for the long-term rate of return was applied to all periods of projected benefit payments to determine total OPEB liability. This is comprised mainly of the yield or index rate for 20-year tax-exempt general obligation bonds with an average rating of AA or higher (3.93% per the Municipal Bond Index Rate). The projection of cashflows used to determine the discount rate assumed that contributions from members and from the employers will be made at the current level as averaged over the last five years, adjusted for annual projected changes in headcount. Projected future benefit payments for all current plan members were projected through 2123.

(Continued)

**NOTE 5 – OPEB** (Continued)

Sensitivity of the School's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the collective net OPEB liability of the participating employers calculated using the discount rate of 3.98%, as well as what the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.98%) or 1-percentage-point higher (4.98%) than the current discount rate (amounts in thousands):

| | 1% Decrease (2.98%) | Current Discount Rate (3.98%) | 1% Increase (4.98%) |
|---|---|---|---|
| School's proportionate share of the net OPEB liability | $ 1,562,302 | $ 1,380,894 | $ 1,227,910 |

Sensitivity of the School's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the collective net OPEB liability of the participating employers, as well as what the collective net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates (amounts in thousands):

| | 1% Decrease | Healthcare Cost Trend Rate | 1% Increase |
|---|---|---|---|
| School's proportionate share of the net OPEB liability | $ 1,193,172 | $ 1,380,894 | $ 1,611,584 |

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the 2024 State of Georgia Annual Comprehensive Financial Report which is publicly available at: https://sao.georgia.gov/statewide-reporting/acfr.

## NOTE 6 – CAPITAL ASSETS

Capital asset activity for Amana Fulton for the year ended June 30, 2025, is summarized below:

| Description | Balance June 30, 2024 | Additions | Transfers | Balance June 30, 2025 |
|---|---|---|---|---|
| Building and improvements | $ 8,817,141 | $ 377,484 | $ 1,988,006 | $ 11,182,631 |
| Land | 610,000 | - | - | 610,000 |
| Equipment and computers | 445,097 | - | - | 445,097 |
| Furniture and fixtures | 163,178 | - | - | 163,178 |
| Total | 10,035,416 | 377,484 | 1,988,006 | 12,400,906 |
| Less: Accumulated Depreciation | (2,857,203) | (325,745) | - | (3,182,948) |
| Capital Assets, net | $ 7,178,213 | $ 51,739 | $ 1,988,006 | $ 9,217,958 |

Capital asset activity for Amana West for the year ended June 30, 2025, is summarized below:

| Description | Balance June 30, 2024 | Additions | Transfers | Balance June 30, 2025 |
|---|---|---|---|---|
| Building and improvements | $ 993,815 | $ 23,600 | $ (414,304) | $ 603,111 |
| Capital work in progress | 945,744 | 390,756 | (558,692) | 777,808 |
| Total | 1,939,559 | 414,356 | (972,996) | 1,380,919 |
| Less: Accumulated Depreciation | (129,636) | (9,499) | - | (139,135) |
| Capital Assets, net | $ 1,809,923 | $ 404,857 | $ (972,996) | $ 1,241,784 |

Capital asset activity for the Foundation for the year ended June 30, 2025, is summarized below:

| Description | Balance June 30, 2024 | Additions | Transfers | Balance June 30, 2025 |
|---|---|---|---|---|
| Building and improvements | $ 5,504,594 | $1,018,896 | $ (1,169,961) | $ 5,353,529 |
| Capital work in progress | - | 56,097 | 154,951 | 211,048 |
| Total | 5,504,594 | 1,074,993 | (1,015,010) | 5,564,577 |
| Less: Accumulated Depreciation | - | (174,951) | - | (174,951) |
| Capital Assets, net | $ 5,504,594 | $ 900,042 | $ (1,015,010) | $ 5,389,626 |

Transfers consist of capital transfers among Amana Fulton, Amana West, and the Foundation.

## NOTE 7 – LOANS

On July 30, 2020, Amana Fulton refinanced its Series 2013A note payable. The new $8,796,000 facility loan is from the Low Income Investment Fund, bearing interest at 4.192%. Payments of $47,366 are due monthly through July 2045.

On June 14, 2024, the Foundation financed two construction loans for the school building with the Low Income Investment Fund totaling $5,090,000 and $730,000, both with an annual fixed interest rate of 6.95%. As of June 30, 2025, the Foundation has withdrawn $5,807,376. Interest only payments began on August 1, 2024 and continue on the first day of each subsequent month. The original maturity date of the loans was July 1, 2025. Subsequent to year end, in July 2025, the Foundation signed a loan amendment with the Low Income Investment Fund extending the maturity by six months, with the full balance due on January 1, 2026 and increased the interest rate to 7.64%, effective July 1, 2025.

These loans contain various financial reporting, and positive and negative debt covenants, and as of June 30, 2025 the School was in compliance.

Future maturities of the loans are:

| Years ending June 30, | Amana Fulton | Amana Foundation | Total |
|---|---|---|---|
| 2026 | $ 249,174 | $ 5,807,376 | $ 6,056,550 |
| 2027 | 259,823 | - | 259,823 |
| 2028 | 270,926 | - | 270,926 |
| 2029 | 282,504 | - | 282,504 |
| 2030 | 294,577 | - | 294,577 |
| Thereafter | 6,371,292 | - | 6,371,292 |
| | $ 7,728,296 | $ 5,807,376 | $ 13,535,672 |

**AMANA ACADEMY, INC.**
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – GOVERNMENTAL FUNDS – (UNAUDITED)
For the Year Ended June 30, 2025

| | Actual Amounts | Budgeted Amounts | **Over (Under) Budget** |
|---|---|---|---|
| **Revenues** | | | |
| State funds | $ 13,295,500 | $ 12,954,241 | **$ 341,259** |
| Federal funds | 597,993 | 743,348 | **(145,355)** |
| Contributions | 456,633 | 520,000 | **(63,367)** |
| Loan proceeds | 1,582,869 | - | **1,582,869** |
| Other income | 355,114 | 14,330 | **340,784** |
| **Total Revenues** | 16,288,109 | 14,231,919 | **2,056,190** |
| **Expenditures** | | | |
| Instruction | 7,926,684 | 7,671,609 | 255,075 |
| Support services: | | | |
| Pupil | 1,470,537 | 1,001,352 | 469,185 |
| Improvement of instructional staff | 312,101 | 389,635 | (77,534) |
| General administration | 1,088,991 | 1,493,361 | (404,370) |
| School administration | 807,533 | 749,516 | 58,017 |
| Business administration | 228,010 | 207,800 | 20,210 |
| Maintenance and operation | 1,757,566 | 1,195,635 | 561,931 |
| Transportation | 85,125 | 537,826 | (452,701) |
| School nutrition | 348,424 | 249,324 | 99,100 |
| Capital outlays | 1,866,834 | 5,424,063 | (3,557,229) |
| Debt service: | | | - |
| Principal retirement | 238,963 | - | 238,963 |
| Interest and fiscal charges | 733,828 | 1,284,769 | (550,941) |
| **Total Expenditures** | 16,864,596 | 20,204,890 | **(3,340,294)** |
| **Excess of Revenues Over Expenditures** | (576,487) | (5,972,971) | **5,396,484** |
| **Other Financing Sources and (Uses)** | | | |
| Operating transfers in | 1,772,189 | - | **1,772,189** |
| Operating transfers (out) | (1,746,866) | (89,927) | **(1,656,939)** |
| **Total Other Financing Sources and (Uses)** | 25,323 | (89,927) | **115,250** |
| **Net Change in Fund Balances** | (551,164) | $ (6,062,898) | **$ 5,511,734** |
| Fund Balances, beginning of year | 1,994,489 | | |
| **Fund Balances, End of Year** | $ 1,443,325 | | |

This supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC.**
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT SYSTEM OF GEORGIA
For the Years Ended June 30, 2018 through 2025

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|---|---|---|
| School's proportion of the net pension liability | .040139% | .037006% | .032243% | .030262% | .031122% | .031226% | .030577% | .028176% |
| School's proportionate share of the net pension liability | $10,088,781 | $10,925,761 | $10,469,925 | $2,676,472 | $7,538,967 | $6,714,434 | $5,675,746 | $5,236,596 |
| School's covered-employee payroll during the measurement period | $6,646,092 | $6,353,979 | $5,619,054 | $4,415,204 | $3,949,150 | $4,070,981 | $3,815,947 | $3,642,201 |
| School's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 151.80% | 171.95% | 186.33% | 60.6% | 190.9% | 166.0% | 148.7% | 143.8% |
| Plan fiduciary net position as a percentage of the total pension liability | 80.86% | 76.29% | 72.85% | 92.03% | 77.01% | 78.56% | 80.27% | 79.33% |

***Note:*** *Schedule is intended to show information for the last ten (10) fiscal years.*
*Additional years will be displayed as they become available.*

This supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC.**
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
TEACHERS RETIREMENT SYSTEM OF GEORGIA
For the Years Ended June 30, 2018 through 2025

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|---|---|---|
| Contractually required contributions | $1,381,058 | $ 1,269,525 | $1,122,687 | $ 874,652 | $ 752,708 | $ 854,906 | $ 797,533 | $ 612,254 |
| Contributions in relation to the contractually required contribution | 1,381,058 | 1,269,525 | 1,122,687 | 874,652 | 752,708 | 854,906 | 797,533 | 612,254 |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| School's covered-employee payroll | $6,646,092 | $ 6,353,979 | $5,619,054 | $4,415,204 | $3,949,150 | $4,044,021 | $3,815,947 | $3,642,201 |
| Contributions as a percentage of covered-employee payroll | 20.78% | 19.98% | 19.98% | 19.81% | 19.06% | 21.14% | 20.90% | 16.81% |

***Note:*** *Schedule is intended to show information for the last ten (10) fiscal years.*
*Additional years will be displayed as they become available.*

This supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC.**
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
SCHOOL OPEB FUND
For the Years Ended June 30, 2022 through June 30, 2025

| | 2025 | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| School's proportion of the net OPEB liability | .012117% | .010251% | .000745% | .000744% |
| School's proportionate share of the OPEB liability | $ 1,380,894 | $ 1,122,833 | $ 73,779 | $ 80,581 |
| School's covered-employee payroll during the measurement period | $ 6,646,092 | $ 1,395,050 | $ 1,483,352 | $ 4,415,204 |
| School's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll | 20.78% | 80.49% | 4.97% | 1.8251% |
| Plan fiduciary net position as a percentage of the total OPEB liability | 6.88% | 6.05% | 6.17% | 6.14% |

***Note:*** *Schedule is intended to show information for the last ten (10) fiscal years. Additional years will be displayed as they become available.*

DRAFT

This supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC.**
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
SCHOOL OPEB FUND
For the Years Ended June 30, 2022 through June 30, 2025

| | 2025 | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| Contractually required contributions | $ 1,271,101 | $ 384,989 | $ 214,109 | $ 13,230 |
| Contributions in relation to the contractually required contribution | 1,271,101 | 384,989 | 214,109 | 13,230 |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - |
| School's covered-employee payroll | $ 6,646,092 | $1,395,050 | $1,483,352 | $ 4,415,204 |
| Contributions as a percentage of covered-employee payroll | 19.13% | 27.60% | 14.43% | 0.30% |

***Note:*** *Schedule is intended to show information for the last ten (10) fiscal years. Additional years will be displayed as they become available.*

This supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC.**
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2025

## NOTE 1 – CHANGES OF ASSUMPTIONS IN OPEB

***Changes of benefit terms*:** There have been no changes in benefit terms.

***Changes in assumptions:***

- 6/30/2033 valuation: Medicare health care trend rates were updated
- 6/30/2022 valuation: The tobacco use assumption and aging factors were revised.
- 6/30/2020 valuation: Decremental assumptions were changed to reflect the Employees Retirement Systems experience study. Approximately 0.10% of employees are members of the Employees Retirement System.
- 6/30/2019 valuation: Decremental assumptions were changed to reflect the Teachers Retirement Systems experience study.
- 6/30/2018 valuation: The inflation assumption was lowered from 2.75% to 2.50%.
- 6/30/2017 valuation: The participation assumption, tobacco use assumption and morbidity factors were revised.
- 6/30/2015 valuation: Decremental and underlying inflation assumptions were changed to reflect the Retirement Systems' experience studies.
- 6/30/2012 valuation: A data audit was performed and data collection procedures and assumptions were changed.
- The discount rate was updated from 3.07% as of June 30, 2016 to 3.58% as of June 30, 2017, to 3.87% as of June 30, 2018, back to 3.58% as of June 30, 2019, to 2.22% as of June 30, 2020, to 2.20% as of June 30, 2021, to 3.57% as of June 30, 2022, to 3.68% as of June 30, 2023, and to 3.98% as of June 30, 2024.

## NOTE 2 – CHANGES OF ASSUMPTIONS IN PENSION

On November 18, 2015, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal and salary increases. The expectation of retired life mortality was changed from the RP-2000 tables to the RP-2000 White Collar Mortality Table with future mortality improvement projected to 2025 with the Society of Actuaries' projection scale BB (set forward one year for males).

On May 15, 2019, the Board adopted recommended changes from the smoothed valuation interest rate methodology that has been in effect since June 30, 2009, to a constant interest rate method. In conjunction with the methodology, the long-term assumed rate of return in assets (discount rate) has been changed from 7.50% to 7.25%, and the assumed annual rate of inflation has been reduced from 2.75% to 2.50%.

In 2019 and later, the expectation of retired life mortality was changed to the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree mortality table from the RP-2000 Mortality Tables. In 2019, rates of withdrawal, retirement, disability and mortality were adjusted to more closely reflect actual experience.

On May 11, 2022, the Board adopted recommended changes to the long-term assumed rate of return and payroll growth assumption utilized by the System. The long-term assumed rate of return was changed from 7.25% to 6.90%, and the payroll growth assumption was changed from 3.00% to 2.50%.

**AMANA ACADEMY, INC.**
CONSOLIDATED SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF NET POSITION
June 30, 2025

| | Amana Fulton Governmental Activities | Amana West Governmental Activities | Foundation Governmental Activities | Eliminating Entries | **Total Governmental activities** |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Cash and cash equivalents | $ 1,999,364 | $ 348,251 | $ - | $ - | **$ 2,347,615** |
| Capital reserve funds | 53,633 | - | - | - | **53,633** |
| Grants receivable | 42,324 | 240,688 | - | - | **283,012** |
| Due from related party | 339,215 | 1,470,235 | - | (1,809,450) | **-** |
| Prepaid expenditures | 124,544 | 25,429 | - | - | **149,973** |
| Capital assets, non-depreciable | 554,032 | - | - | - | **554,032** |
| Land held-for-sale, non-depreciable | 55,968 | - | - | - | **55,968** |
| Capital assets, depreciable, net | 8,607,958 | 1,241,784 | 5,389,626 | - | **15,239,368** |
| Other non-current assets | - | - | 19,425 | - | **19,425** |
| **Total Assets** | 11,777,038 | 3,326,387 | 5,409,051 | (1,809,450) | **18,703,026** |
| **Deferred Outflows of Resources** | | | | | |
| Deferred outflows related to pensions | 3,414,590 | 1,021,167 | - | - | **4,435,757** |
| Deferred outflows related to OPEB | 1,277,095 | 1,355,294 | - | - | **2,632,389** |
| **Total Deferred Outflows of Resources** | 4,691,685 | 2,376,461 | - | - | **7,068,146** |
| **Total Assets and Deferred Outflows of Resources** | $ 16,468,723 | $ 5,702,848 | $ 5,409,051 | $ (1,809,450) | **$ 25,771,172** |
| **Liabilities** | | | | | |
| Accounts payable and accrued expenses | $ 850,562 | $ 540,346 | $ - | $ - | **$ 1,390,908** |
| Due to related party | 1,470,235 | 339,215 | - | (1,809,450) | **-** |
| Loans, current | 249,174 | - | 5,807,376 | - | **6,056,550** |
| Long-term liabilities: | | | | | |
| Loans, net of current | 7,479,122 | - | - | - | **7,479,122** |
| Net pension liability | 7,769,115 | 2,319,666 | - | - | **10,088,781** |
| Net OPEB liability | 474,529 | 906,364 | - | - | **1,380,893** |
| **Total Liabilities** | 18,292,737 | 4,105,591 | 5,807,376 | (1,809,450) | **26,396,254** |
| **Deferred Inflows of Resources** | | | | | |
| Net difference between projected and actual earnings on pension plan investment | 1,124,893 | 337,589 | - | - | **1,462,482** |
| Net difference between projected and actual earnings on OPEB | 64,834 | 330,185 | - | - | **395,019** |
| **Total Deferred Inflows of Resources** | 1,189,727 | 667,774 | - | - | **1,857,501** |
| **Net Position** | | | | | |
| Unrestricted net position | (4,557,036) | (312,301) | 19,425 | - | **(4,849,912)** |
| Restricted net position | 53,633 | - | - | | **53,633** |
| Net investment in capital assets | 1,489,662 | 1,241,784 | (417,750) | - | **2,313,696** |
| **Total Net Position** | (3,013,741) | 929,483 | (398,325) | - | **(2,482,583)** |
| **Total Liabilities, Deferred Inflows of Resources, and Net Position** | $ 16,468,723 | $ 5,702,848 | $ 5,409,051 | $ (1,809,450) | **$ 25,771,172** |

This consolidated supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC.**
SUPPLEMENTARY INFORMATION
AMANA FULTON STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

| Functions | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Net Revenue (Expense) and Changes in Net Position: Primary Government: Governmental Activities | Net Revenue (Expense) and Changes in Net Position: Primary Government: Business-Type Activities | Total |
|---|---|---|---|---|---|---|
| **Governmental Activities:** | | | | | | |
| Instruction | $ 6,122,592 | $ - | $ 9,753,071 | $ 3,630,479 | $ - | **$ 3,630,479** |
| Support Services: | | | | | | |
| Pupil | 875,290 | - | 397,386 | (477,904) | - | **(477,904)** |
| Improvement of instructional staff | 233,562 | - | - | (233,562) | - | **(233,562)** |
| General administration | 635,147 | - | - | (635,147) | - | **(635,147)** |
| School administration | 424,770 | - | - | (424,770) | - | **(424,770)** |
| Business administration | 187,124 | - | - | (187,124) | - | **(187,124)** |
| Maintenance and operation | 1,092,973 | - | 148,040 | (944,933) | - | **(944,933)** |
| Transportation | 83,780 | - | - | (83,780) | - | **(83,780)** |
| Operations of Non-Instructional Services: | | | | | | |
| Food services | 272,338 | 331 | 276,269 | 4,262 | - | **4,262** |
| Depreciation | 325,745 | - | - | (325,745) | - | **(325,745)** |
| Interest and fiscal charges | 329,431 | - | - | (329,431) | - | **(329,431)** |
| **Total Governmental Activities** | 10,582,752 | 331 | 10,574,766 | (7,655) | - | **(7,655)** |
| **Business-Type Activities** | | | | | | |
| Enterprise fund | 154,674 | 179,997 | - | - | 25,323 | **25,323** |
| **Total Business-Type Activities** | 154,674 | 179,997 | - | - | 25,323 | **25,323** |
| **Total Primary Government** | $ 10,737,426 | $ 180,328 | $ 10,574,766 | (7,655) | 25,323 | **17,668** |
| **General Revenues** | | | | | | |
| Interfund transfer | | | | 25,323 | (25,323) | **-** |
| Contributions | | | | 303,241 | - | **303,241** |
| Other income | | | | 89,539 | - | **89,539** |
| **Total General Revenues** | | | | 418,103 | (25,323) | **392,780** |
| **Change in Net Position** | | | | 410,448 | - | **410,448** |
| Net position, beginning of year | | | | (3,424,189) | - | **(3,424,189)** |
| **Net Position, End of Year** | | | | $ (3,013,741) | $ - | **$ (3,013,741)** |

This consolidated supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC.**
SUPPLEMENTARY INFORMATION
AMANA WEST STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

| Functions | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Net Revenue (Expense) and Changes in Net Position: Primary Government: Governmental Activities | Net Revenue (Expense) and Changes in Net Position: Primary Government: Business-Type Activities | **Total** |
|---|---|---|---|---|---|---|
| **Governmental Activities:** | | | | | | |
| Instruction | $ 1,827,303 | $ - | $ 3,370,914 | $ 1,543,611 | $ - | **$ 1,543,611** |
| Support Services: | | | | | | |
| Pupil | 611,054 | - | 38,742 | (572,312) | - | **(572,312)** |
| Improvement of instructional staff | 78,539 | - | - | (78,539) | - | **(78,539)** |
| General administration | 476,162 | - | - | (476,162) | - | **(476,162)** |
| School administration | 392,829 | - | - | (392,829) | - | **(392,829)** |
| Business administration | 41,393 | - | - | (41,393) | - | **(41,393)** |
| Maintenance and operation * | 715,107 | - | 87,824 | (627,283) | - | **(627,283)** |
| Operations of Non-Instructional Services: | | | | | | |
| Food services | 76,086 | 43,398 | 28,692 | (3,996) | - | **(3,996)** |
| Depreciation | 9,499 | - | - | (9,499) | - | **(9,499)** |
| **Total Governmental Activities** | $ 4,227,972 | $ 43,398 | $ 3,526,172 | (658,402) | - | **(658,402)** |
| **General Revenues** | | | | | | |
| Contributions | | | | 153,392 | - | **153,392** |
| Other income | | | | 14,401 | - | **14,401** |
| **Total General Revenues** | | | | 167,793 | - | **167,793** |
| **Change in Net Position** | | | | (490,609) | - | **(490,609)** |
| Net position, beginning of year | | | | 1,420,092 | - | **1,420,092** |
| **Net Position, End of Year** | | | | $ 929,483 | $ - | **$ 929,483** |

*$89,421 of this transaction was eliminated during consolidation.

This consolidated supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC.**
SUPPLEMENTARY INFORMATION
AMANA FOUNDATION STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

| Functions | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Net Revenue (Expense) and Changes in Net Position: Primary Government: Governmental Activities | Net Revenue (Expense) and Changes in Net Position: Primary Government: Business-Type Activities | **Total** |
|---|---|---|---|---|---|---|
| **Governmental Activities:** | | | | | | |
| Support Services: | | | | | | |
| Maintenance and operation | $ 47,223 | $ - | $ - | $ (47,223) | $ - | **$ (47,223)** |
| Depreciation | 174,951 | - | - | (174,951) | - | **(174,951)** |
| Interest and fiscal charges | 384,972 | - | - | (384,972) | - | **(384,972)** |
| **Total Governmental Activities** | $ 607,146 | $ - | $ - | (607,146) | - | **(607,146)** |
| **General Revenues** | | | | | | |
| Rental income * | | | | 89,421 | - | **89,421** |
| **Total General Revenues** | | | | 89,421 | - | **89,421** |
| **Change in Net Position** | | | | (517,725) | - | **(517,725)** |
| Net position, beginning of year | | | | 119,400 | | **119,400** |
| **Net Position, End of Year** | | | | $ (398,325) | $ - | **$ (398,325)** |

*$89,421 of this transaction was eliminated during consolidation.

This consolidated supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC.**
CONSOLIDATED SUPPLEMENTARY INFORMATION
CONSOLIDATING BALANCE SHEET – GOVERNMENTAL FUNDS
June 30, 2025

| | Amana Fulton | Amana West | Eliminating Entries | **Total** |
|---|---|---|---|---|
| **Assets** | | | | |
| Cash and cash equivalents | $ 1,999,364 | $ 348,251 | $ - | **$ 2,347,615** |
| Capital reserve funds | 53,633 | - | - | **53,633** |
| Grants receivable | 42,324 | 240,688 | - | **283,012** |
| Due from related party | 339,215 | 1,470,235 | (1,809,450) | **-** |
| Prepaid expenditures | 124,544 | 25,429 | - | **149,973** |
| **Total Assets** | $ 2,559,080 | $ 2,084,603 | $ (1,809,450) | **$ 2,834,233** |
| **Liabilities** | | | | |
| Accounts payable and accrued expenses | $ 850,562 | $ 540,346 | $ - | **$ 1,390,908** |
| Due to related party | 1,470,235 | 339,215 | (1,809,450) | **-** |
| **Total Liabilities** | 2,320,797 | 879,561 | (1,809,450) | **1,390,908** |
| **Fund Balances** | | | | |
| Nonspendable fund balance | 124,544 | 25,429 | - | **149,973** |
| Restricted fund balance | 53,633 | - | - | **53,633** |
| Unassigned fund balance | 60,106 | 1,179,613 | - | **1,239,719** |
| **Total Fund Balances** | 238,283 | 1,205,042 | - | **1,443,325** |
| **Total Liabilities and Fund Balances** | $ 2,559,080 | $ 2,084,603 | $ (1,809,450) | **$ 2,834,233** |

This consolidated supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC.**
CONSOLIDATED SUPPLEMENTARY INFORMATION
RECONCILIATION OF THE CONSOLIDATED BALANCE SHEET – GOVERNMENTAL FUNDS TO THE CONSOLIDATED STATEMENT OF NET POSITION
June 30, 2025

| | Amana Fulton | Amana West | Foundation | **Total** |
|---|---|---|---|---|
| **Total Fund Balances for Governmental Funds** | $ 238,283 | $ 1,205,042 | $ - | **$ 1,443,325** |
| Total net position reported for governmental activities in the Consolidated Statement of Net Position is different because: | | | | |
| Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. Those assets consist of: | | | | |
| Capital assets, net | 9,217,958 | 1,241,784 | 5,389,626 | **15,849,368** |
| Deferred inflows of resources related to pension | (1,124,893) | (337,589) | - | **(1,462,482)** |
| Deferred inflows of resources related to OPEB | (64,834) | (330,185) | - | **(395,019)** |
| Deferred outflows of resources related to pension | 3,414,590 | 1,021,167 | - | **4,435,757** |
| Deferred outflows of resources related to OPEB | 1,277,095 | 1,355,294 | - | **2,632,389** |
| Certain liabilities and assets are not reported in the fund financial statement because they are not due and payable, but they are presented in the Consolidated Statement of Net Position as follows: | | | | |
| Loans | (7,728,296) | - | (5,807,376) | **(13,535,672)** |
| Non-current assets | - | - | 19,425 | **19,425** |
| Net pension liability | (7,769,115) | (2,319,666) | - | **(10,088,781)** |
| Net OPEB liability | (474,529) | (906,364) | - | **(1,380,893)** |
| **Total Net Position of Governmental Activities** | $ (3,013,741) | $ 929,483 | $ (398,325) | **$ (2,482,583)** |

This consolidated supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

# AMANA ACADEMY, INC.

## CONSOLIDATED SUPPLEMENTARY INFORMATION

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

For the Year Ended June 30, 2025

| | Amana Fulton | | | Amana West | | | Foundation | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | General Fund | Debt Service | **Total** | General Fund | Debt Service | **Total** | General Fund | Debt Service | **Total** | Eliminating Entries | **Total** |
| **Revenues** | | | | | | | | | | | |
| State funds | $ 9,836,762 | $ - | **$ 9,836,762** | $ 3,458,738 | $ - | **$ 3,458,738** | $ - | $ - | **$ -** | $ - | **$ 13,295,500** |
| Federal funds | 569,301 | - | **569,301** | 28,692 | - | **28,692** | - | - | **-** | - | **597,993** |
| Contributions | 303,241 | - | **303,241** | 153,392 | - | **153,392** | - | - | **-** | - | **456,633** |
| Loan proceeds | - | - | | | - | | - | 1,582,869 | **1,582,869** | - | **1,582,869** |
| Other income | 258,573 | - | **258,573** | 96,541 | - | **96,541** | 89,421 | - | **89,421** | (89,421) | **355,114** |
| **Total Revenues** | 10,967,877 | - | **10,967,877** | 3,737,363 | - | **3,737,363** | 89,421 | 1,582,869 | **1,672,290** | (89,421) | **16,288,109** |
| **Expenditures** | | | | | | | | | | | |
| Instruction | 6,220,905 | - | **6,220,905** | 1,705,779 | - | **1,705,779** | - | - | **-** | - | **7,926,684** |
| Support services: | | | | | | | | | | | |
| Pupil | 879,050 | - | **879,050** | 591,487 | - | **591,487** | - | - | **-** | - | **1,470,537** |
| Improvement of instructional staff | 233,562 | - | **233,562** | 78,539 | - | **78,539** | - | - | **-** | - | **312,101** |
| General administration | 643,037 | - | **643,037** | 445,954 | - | **445,954** | - | - | **-** | - | **1,088,991** |
| School administration | 431,591 | - | **431,591** | 375,942 | - | **375,942** | - | - | **-** | - | **807,533** |
| Business administration | 188,740 | - | **188,740** | 39,270 | - | **39,270** | - | - | **-** | - | **228,010** |
| Maintenance and operation | 1,092,973 | - | **1,092,973** | 706,791 | - | **706,791** | 47,223 | - | **47,223** | (89,421) | **1,757,566** |
| Transportation | 85,125 | - | **85,125** | - | - | **-** | - | - | **-** | - | **85,125** |
| School nutrition | 272,338 | - | **272,338** | 76,086 | - | **76,086** | - | - | **-** | - | **348,424** |
| Capital outlays | 377,484 | - | **377,484** | 414,357 | - | **414,357** | 1,074,993 | - | **1,074,993** | - | **1,866,834** |
| Capital transfers | 1,988,006 | - | **1,988,006** | (972,996) | - | **(972,996)** | (1,015,010) | - | **(1,015,010)** | - | |
| Debt service: | | | | | | | | | | | |
| Principal retirement | - | 238,963 | **238,963** | - | - | **-** | - | - | **-** | - | **238,963** |
| Interest and fiscal charges | - | 329,431 | **329,431** | - | - | **-** | - | 404,397 | **404,397** | - | **733,828** |
| **Total Expenditures** | 12,412,811 | 568,394 | **12,981,205** | 3,461,209 | | **3,461,209** | 107,206 | 404,397 | **511,603** | (89,421) | **16,864,596** |
| **Excess of Revenues Over Expenditures** | (1,444,934) | (568,394) | **(2,013,328)** | 276,154 | - | **276,154** | (17,785) | 1,178,472 | **1,160,687** | - | **(576,487)** |
| **Other Financing Sources and (Uses)** | | | | | | | | | | | |
| Operating transfers in | 25,323 | 568,394 | **593,717** | - | - | **-** | 1,178,472 | - | **1,178,472** | - | **1,772,489** |
| Operating transfers (out) | (568,394) | - | **(568,394)** | - | - | **-** | - | (1,178,472) | **(1,178,472)** | - | **(1,746,866)** |
| **Total Other Financing Sources and (Uses)** | (543,071) | 568,394 | **25,323** | - | - | **-** | 1,178,472 | (1,178,472) | **-** | - | **25,323** |
| **Net Change in Fund Balances** | (1,988,005) | - | **(1,988,005)** | 276,154 | - | **276,154** | 1,160,687 | - | **1,160,687** | - | **(551,164)** |
| Fund balance, beginning of year | 2,226,288 | - | **2,226,288** | 928,888 | - | **928,888** | (1,160,687) | - | **(1,160,687)** | - | **1,994,489** |
| **Fund Balances, End of Year** | $ 238,283 | $ - | **$ 238,283** | $ 1,205,042 | $ - | **$ 1,205,042** | $ - | $ - | **$ -** | $ - | **$ 1,443,325** |

This consolidated supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC.**
CONSOLIDATED SUPPLEMENTARY INFORMATION
RECONCILIATION OF THE CONSOLIDATED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS TO THE CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

| | Amana Fulton | Amana West | Foundation | **Total** |
|---|---|---|---|---|
| **Net Change in Fund Balances – Total Governmental Funds** | $ (1,988,005) | $ 276,154 | $ 1,160,687 | **$ (551,164)** |
| 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, assets are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense: | | | | |
| Capital outlays | 377,484 | 414,357 | 1,074,993 | **1,866,834** |
| Capital transfers | 1,988,006 | (972,996) | (1,015,010) | **-** |
| Depreciation expense | (325,745) | (9,499) | (174,951) | **(510,195)** |
| Payment of pension expenses is reported as an expenditure in governmental funds, but payments reduce long-term liabilities in the Statement of Activities: | | | | |
| Pension and OPEB expenses | 119,745 | (198,625) | - | **(78,880)** |
| Repayments of long-term debt principal and loan fees are reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Activities: | | | | |
| Principal retirement | 238,963 | - | - | **238,963** |
| Loan fees | - | - | 19,425 | **19,425** |
| Receipt of loan proceeds is reported as revenue in governmental funds, but the proceeds increase long-term liabilities in the Statement of Net Position: | | | | |
| Loan proceeds | - | - | (1,582,869) | **(1,582,869)** |
| **Change in Net Position** | $ 410,448 | $ (490,609) | $ (517,725) | **$ (597,886)** |

This consolidated supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC.**
CONSOLIDATED SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF NET POSITION – PROPRIETARY FUNDS
June 30, 2025

| | Amana Fulton | Amana West | Foundation | **Total Enterprise Fund** |
|---|---|---|---|---|
| **Assets** | | | | |
| Due from general fund | $ - | $ - | $ - | **$ -** |
| **Total Assets** | $ - | $ - | $ - | **$ -** |
| **Liabilities** | | | | |
| Due to general fund | $ - | $ - | $ - | **$ -** |
| **Total Liabilities** | - | - | - | **-** |
| **Net Position** | | | | |
| Unrestricted | - | - | - | **-** |
| **Total Net Position** | - | - | - | **-** |
| **Total Liabilities and Net Position** | $ - | $ - | $ - | **$ -** |

This consolidated supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

**AMANA ACADEMY, INC**
CONSOLIDATED SUPPLEMENTARY INFORMATION
CONSOLIDATING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PROPRIETARY FUNDS
For the Year Ended June 30, 2025

| | Amana Fulton | Amana West | Foundation | **Total Enterprise Fund** |
|---|---|---|---|---|
| **Operating Revenues** | | | | |
| Charges for services | $ 179,997 | $ - | $ - | **$ 179,997** |
| **Total Operating Revenues** | 179,997 | - | - | **179,997** |
| **Operating Expenses** | | | | |
| Instruction | 154,674 | - | - | **154,674** |
| **Total Operating Expenses** | 154,674 | - | - | **154,674** |
| **Operating Income** | 25,323 | - | - | **25,323** |
| **Interfund Transfer** | (25,323) | - | - | **(25,323)** |
| **Change in Net Position** | - | - | - | **-** |
| Net position, beginning of year | - | - | - | **-** |
| **Net Position, End of Year** | $ - | $ - | $ - | **$ -** |

This consolidated supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to consolidated financial statements.

30000 Mill Creek Ave, Ste 340
Alpharetta, GA 30022
www.marshalljones.com
404 231 2001

marshalljones
certified public accountants

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

To the Board of Directors
Amana Academy, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to consolidated financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of the governmental activities and each major fund of Amana Academy, Inc. ("the School"), as of and for the year ended June 30, 2025, and the related notes to the consolidated financial statements, which collectively comprise the School's basic consolidated financial statements as listed in the table of contents, and have issued our report thereon dated October 30, 2025.

## Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the School's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated 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 consolidated 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 may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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



Alpharetta, Georgia
October 30, 2025