

CENTENNIAL PLACE ACADEMY, INC.

FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023



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The report accompanying this deliverable was issued by Warren Averett, LLC.

**CENTENNIAL PLACE ACADEMY, INC.
TABLE OF CONTENTS
JUNE 30, 2024 AND 2023**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities	4
Statement of Functional Expenses – 2024	5
Statement of Functional Expenses – 2023	6
Statements of Cash Flows	7
Notes to the Financial Statements	8

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Centennial Place Academy, Inc.

Opinion

We have audited the accompanying financial statements of Centennial Place Academy, Inc. (the School), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the School as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Warren Averett, LLC

Atlanta, Georgia
October 28, 2024

**CENTENNIAL PLACE ACADEMY, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023**

	2024	2023
ASSETS		
Cash and cash equivalents	\$ 3,237,426	\$ 3,505,713
Accounts receivable – Title I Funds	433,306	165,490
Grants receivable	159,623	2,081,844
Investments	5,858,346	3,045,541
Prepaid expenses	337,314	59,968
Property and equipment, net	1,464,690	1,755,764
TOTAL ASSETS	\$ 11,490,705	\$ 10,614,320
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 225,449	\$ 234,405
Accrued payroll and benefits	593,433	425,748
TOTAL LIABILITIES	818,882	660,153
NET ASSETS		
Without donor restrictions		
Undesignated	9,671,823	9,054,167
Board designated reserves	1,000,000	900,000
TOTAL NET ASSETS	10,671,823	9,954,167
TOTAL LIABILITIES AND NET ASSETS	\$ 11,490,705	\$ 10,614,320

See notes to the financial statements.

**CENTENNIAL PLACE ACADEMY, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
SUPPORT AND REVENUE		
Atlanta Public Schools funding	\$ 15,281,068	\$ 13,894,906
Title I funding	640,070	329,580
Title II funding	35,000	20,000
Title IV funding	20,250	16,131
Grants	317,546	148,064
Federal ESSER funding	-	323,551
Contributions	147,403	25,282
In-kind contributions	2,041,792	2,041,792
Investment gain, net	273,048	119,889
Other income	159,772	83,909
TOTAL SUPPORT AND REVENUE	<u>18,915,949</u>	<u>17,003,104</u>
EXPENSES		
Program expenses		
Instructional expenses	10,961,365	9,936,776
Facilities expenses	3,667,823	3,661,336
Technology expenses	606,205	377,683
Support expenses		
Fundraising	49,748	56,282
Management and general	2,913,152	2,161,308
TOTAL EXPENSES	<u>18,198,293</u>	<u>16,193,385</u>
CHANGES IN NET ASSETS	717,656	809,719
NET ASSETS AT BEGINNING OF YEAR	<u>9,954,167</u>	<u>9,144,448</u>
NET ASSETS AT END OF YEAR	<u><u>\$ 10,671,823</u></u>	<u><u>\$ 9,954,167</u></u>

See notes to the financial statements.

CENTENNIAL PLACE ACADEMY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024
(with comparative totals for 2023)

	2024							2023
	Program				Management and General		Fundraising	
	Instructional	Facilities	Technology	Total	and General	Fundraising	Total	Total
Salaries and wages	\$ 6,894,855	\$ 335,829	\$ 313,568	\$ 7,544,252	\$ 1,794,521	\$ 27,014	\$ 9,365,787	\$ 7,472,899
Pension	1,190,049	67,241	15,179	1,272,469	300,171	12,774	1,585,414	1,363,385
Other employee benefits	1,034,125	52,429	11,835	1,098,389	144,166	9,960	1,252,515	1,099,548
Occupancy	-	2,711,558	-	2,711,558	-	-	2,711,558	3,057,397
Professional fees	-	-	-	-	456,063	-	456,063	406,725
Instructional materials and software	864,963	-	-	864,963	-	-	864,963	1,012,218
Depreciation expense	-	383,514	197,406	580,920	-	-	580,920	517,246
Training and staff development	357,341	-	-	357,341	7,822	-	365,163	445,046
Educational consulting	185,733	-	-	185,733	-	-	185,733	160,724
Insurance	-	117,252	-	117,252	11,607	-	128,859	117,759
Transportation	411,972	-	-	411,972	-	-	411,972	333,591
Supplies	-	-	68,217	68,217	27,135	-	95,352	110,990
Other	22,327	-	-	22,327	171,667	-	193,994	95,857
	<u>\$ 10,961,365</u>	<u>\$ 3,667,823</u>	<u>\$ 606,205</u>	<u>\$ 15,235,393</u>	<u>\$ 2,913,152</u>	<u>\$ 49,748</u>	<u>\$ 18,198,293</u>	<u>\$ 16,193,385</u>

See notes to the financial statements.

**CENTENNIAL PLACE ACADEMY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Program</u>				Management and General	Fundraising	Total
	Instructional	Facilities	Technology	Total			
Salaries and wages	\$ 6,011,123	\$ 75,657	\$ 104,741	\$ 6,191,521	\$ 1,238,567	\$ 42,811	\$ 7,472,899
Pension	1,080,070	34,259	18,820	1,133,149	222,544	7,692	1,363,385
Other employee benefits	897,377	25,742	14,138	937,257	156,512	5,779	1,099,548
Occupancy	-	3,057,397	-	3,057,397	-	-	3,057,397
Professional fees	-	-	-	-	406,725	-	406,725
Instructional materials and software	1,012,218	-	-	1,012,218	-	-	1,012,218
Depreciation expense	-	361,909	155,337	517,246	-	-	517,246
Training and staff development	437,292	-	-	437,292	7,754	-	445,046
Educational consulting	160,724	-	-	160,724	-	-	160,724
Insurance	-	106,372	-	106,372	11,387	-	117,759
Transportation	333,591	-	-	333,591	-	-	333,591
Supplies	-	-	84,647	84,647	26,343	-	110,990
Other	4,381	-	-	4,381	91,476	-	95,857
	<u>\$ 9,936,776</u>	<u>\$ 3,661,336</u>	<u>\$ 377,683</u>	<u>\$ 13,975,795</u>	<u>\$ 2,161,308</u>	<u>\$ 56,282</u>	<u>\$ 16,193,385</u>

See notes to the financial statements.

**CENTENNIAL PLACE ACADEMY, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 717,656	\$ 809,719
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation expense	580,920	517,246
Net gain on investments	(25,135)	(29,991)
(Increase) decrease in:		
Accounts receivable – Title I Funds	(267,816)	114,146
Grants receivable	1,922,221	465,867
Prepaid expenses	(277,346)	59,972
Increase in accounts payable and accrued expenses	<u>158,729</u>	<u>145,106</u>
Net cash provided by operating activities	<u>2,809,229</u>	<u>2,082,065</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Property and equipment purchases	(289,846)	(410,974)
Purchase of securities	(1,500,000)	(3,000,000)
Dividends and interest reinvested	<u>(1,287,670)</u>	<u>(15,550)</u>
Net cash used in investing activities	<u>(3,077,516)</u>	<u>(3,426,524)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(268,287)</u>	<u>(1,344,459)</u>
CASH AND CASH EQUIVALENTS AT: BEGINNING OF YEAR	<u>3,505,713</u>	<u>4,850,172</u>
END OF YEAR	<u><u>\$ 3,237,426</u></u>	<u><u>\$ 3,505,713</u></u>

See notes to the financial statements.

CENTENNIAL PLACE ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

1. ORGANIZATION AND BUSINESS

Centennial Place Academy, Inc. (the Company) is a 501(c)(3) Georgia not-for-profit corporation organized to operate Centennial Academy, a conversion charter school serving K through 8 (the School) located near downtown Atlanta. The Company was incorporated as Integral New Schools Atlanta, Inc. and changed its name to Centennial Place Academy, Inc. on December 2, 2014.

The School became the first conversion charter school in the Atlanta Public Schools (APS) District, having been granted an initial charter (Charter) by APS and the State of Georgia Department of Education (DOE) in February 2014. The Charter authorizes the School to operate as a Charter school under the APS system, provided the School operates within the guidelines of the Charter in the APS District in accordance with the terms and conditions of the Charter. The term of the initial charter was for five years, from July 1, 2014, through June 30, 2019. Pursuant to the charter, the School added grades 6, 7 and 8 in fiscal years 2015, 2016 and 2017, respectively. The Company, on behalf of the School, applied to APS and the DOE and was awarded an additional five-year term from July 1, 2019, to June 30, 2024. At the conclusion of the first additional five-year renewal, the Company, on behalf of the School, applied to APS and the DOE and was awarded a second additional five-year term from July 1, 2024 to June 30, 2029. The renewed and extended charter (Renewed Charter) requires the School to meet certain academic, operational and financial performance standards. As of June 30, 2024 and 2023, the School is in compliance with these financial performance standards.

The School receives its principal financial support from APS in the form of an allocation of Quality Basic Education (QBE) funding and supplemental local funding per the terms of the School's Renewed Charter. Under the Renewed Charter, APS is required to fund the School no less favorably than other local schools located within the school system unless otherwise provided by law. The per-pupil base funding amount in the petition budget is the school system's good-faith estimate for the Charter term. Based on these estimates, APS is required to fund the School at no less than a per-pupil base rate of \$13,688 as long as the school system receives state and local revenues upon which the approved school budget is based. The student count that is used in the allocation formula is initially based on the prior end of the year's enrollment and is adjusted to reflect actual enrollment numbers as of the first Tuesday of October and the first Thursday of March of each fiscal year. The primary attendance zone for the School is open to students residing within the specified boundaries of the School prior to conversion. The secondary attendance zone for the School is open to students residing in the APS District attendance zone. The School's actual student count fluctuates during the school year, given the make-up of its primary attendance zone, which includes three homeless shelters that serve families with children. The School receives QBE funding from APS for the school year in ten monthly installments from August to May.

To support the additions of grades 6, 7 and 8, discussed above, and the enhancement of the School's academic offerings and professional development opportunities to the educational staff, the Company's Board of Directors (the Board) launched a capital campaign, in fiscal year 2015, to raise \$3.5 million in order to lease the learning lofts and to build out the supportive infrastructure; renovate the existing building; enhance its academic offerings; and provide professional development opportunities to the educational staff. The School raised additional

CENTENNIAL PLACE ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

grant funds to augment its funding from APS and the total annual cost of the School's complete educational programs. Since its inception, the School has raised approximately \$4.8 million.

The School's vision is to be a learning community in which all scholars realize their full potential, graduating prepared and motivated for future success. As such, the mission of the School is to create a culture of opportunity and discovery in which scholars are developed into creative, critical thinkers with the vision and courage to impact a global society. The School's core values of Excellence, Integrity, Community, Collaboration, and Life-Long Learning supports its philosophy of "Whole Child Education." The curriculum is focused around STEAM (Science, Technology, Engineering, Arts and Mathematics) and project-based inquiry learning strategies that readily extend beyond the School's campus borders to engage the resources of its neighboring institutional partners.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Adoption of New Accounting Standards

In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Codification (ASC) 326, *Financial Instruments – Credit Losses*, which significantly changed how entities measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the School that are subject to the guidance in FASB ASC 326 were pledges receivable.

The School adopted the standard effective July 1, 2023. The impact of the adoption was not considered material to the financial statements.

Basis of Presentation

The financial statements of the School have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities at year end. Net assets, revenues, expenses, gains and losses are recorded based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the School and changes therein are classified and reported as follows:

Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions.

Board Designated – Net assets without donor restrictions designated by the Board to be held for specified purposes. The Board can elect to remove these designations in the future.

With Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the School and/or passage of time.

Contributions

The School records gifts of cash and other assets as without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions in the

CENTENNIAL PLACE ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

statement of activities as net assets released from restrictions. All contributions and unconditional promises to give which do not have donor restrictions as to purpose or time are classified as contributions without donor restrictions.

The School uses the allowance method to determine the uncollectible grants receivable. The allowance is based on management's analysis of specific promises made. No allowance was deemed necessary for the years ended June 30, 2024 and 2023.

Donated Goods and Services (In-kind Contributions)

The School utilizes gifts in-kind contributions to carry out its mission. All gifts in-kind contributions received during the years ended June 30, 2024 and 2023, were able to be used by the School as determined by the Board and management. Gifts in-kind contributions are included in support and revenues and facilities expenses in the accompanying statements of activities.

Contributed Services

Contributed services are recognized if the services received (1) create or enhance non-financial assets, or (2) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Many individuals volunteer their time and perform a variety of tasks that assist in the School's activities. The School receives numerous volunteer hours each year that are not valued in the financial statements because the services do not meet the criteria.

Contributed Use of Facilities

The School's building is provided by APS at no cost, per Georgia state law. The lease term with APS is for five years running concurrently with the Renewed Charter term, from July 1, 2024, to June 30, 2029. Contribution revenue and related program expense have been recognized in the accompanying statements of activities for the fair value which would be paid in a market-based transaction. The School recognized in-kind contributions and expense of \$2,041,792 for the years ended June 30, 2024 and 2023.

Revenue Recognition

Revenue from APS and program fees are recognized in the period the service is delivered. Revenue from reimbursement basis grants is recognized as related expenditures are made.

Property and Equipment

The School capitalizes all expenditures for furniture, fixtures and equipment in excess of \$1,000. Leasehold improvements are recorded at cost and are depreciated using straight-line methods over the life of the facilities lease. Furniture and equipment are recorded at cost or fair value, if donated, and are depreciated using straight-line methods over their estimated useful lives as follows:

Furniture and equipment	7 years
Leasehold improvements	6-14 years
Technology equipment	5 years

Tax Status

The School is exempt from income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code (IRC) and is classified as an organization, which is not a private foundation under Section 509(a) of the IRC. The School qualifies for the charitable contribution deduction.

CENTENNIAL PLACE ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain indirect costs have been allocated among the programs and supporting services benefited. Personnel costs have been allocated based on estimates of time and effort.

Concentrations of Credit and Market Risk

Financial instruments that potentially expose the School to concentrations of credit and market risk consist of cash and cash equivalents, investments and receivables. At times the School's cash balances exceed the federally insured limit; however, the School has not experienced any losses with respect to its bank balances in excess of the government provided insurance.

As of June 30, 2024, 96% of grants receivable is from one donor and 89% of the School's 2024 grants and contributions were attributable to three donors. As of June 30, 2023, 100% of grants receivable is from one donor and 62% of the School's 2023 grants and contributions were attributable to one donor.

Cash and Cash Equivalents

For the purpose of the statements of cash flows, the School considers all highly liquid investments purchased with an initial maturity of three months or less, not held in the investment account, to be cash equivalents.

Fair Values of Financial Instruments

The School estimates that the carrying amount for cash, accounts receivable and accounts payable approximates fair value because of the short-term nature of these instruments.

Investments

Investments are carried at fair value. Fair value is determined from quoted market prices or market prices of similar instruments. Realized and unrealized gains and losses are included in the statements of activities.

Generally accepted accounting principles (GAAP) establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy are described below:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.
- Level 2 – Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.
- Level 3 – Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. All of the School's investments are Level 1 investments.

CENTENNIAL PLACE ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

Right-of-Use Assets and Lease Liabilities

Effective July 1, 2022, the School adopted FASB ASC Topic 842, *Leases* (Topic 842). Under Topic 842, a lessee is required to recognize a lease liability and a right-of-use lease asset on the statements of financial position. There was no cumulative effect adjustment to the School's net assets as a result of the adoption of this standard. In connection with the adoption of Topic 842, the School elected to apply the following practical expedients:

- not to reassess whether a contract includes an embedded lease at adoption;
- not to reassess the previously determined classification of a lease as operating or capital;
- not to reassess previously recorded initial direct costs;
- election of an accounting policy that permits inclusion of both the lease and non-lease components as a single lease component;
- election of an accounting policy to exclude lease accounting requirements for leases that have terms of less than 12 months; and
- the use of hindsight in determining the lease term and in assessing impairment of right-of-use assets.

In accordance with Topic 842, at lease commencement, the School initially measures the lease liability at the present value of payments expected to be made during the lease term. The right-of-use lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs.

Key estimates and judgments related to leases include how the School determines: (1) the discount rate used to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The School uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the School generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancelable period of the lease, as well as expected renewal terms. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended.

The School monitors changes in circumstances that would require a remeasurement of its leases and will remeasure right-of-use lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of any lease liability.

The School has determined that its leases are insignificant to the financial statements and do not require recording right-of-use assets and lease liabilities under Topic 842.

Use of Estimates

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

CENTENNIAL PLACE ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

Reclassifications

Certain 2023 amounts have been reclassified to conform to the 2024 presentation. These reclassifications had no effect on net assets as previously reported.

Events Occurring After Report Date

Management has evaluated events and transactions that occurred between June 30, 2024, and October 28, 2024, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

3. INVESTMENTS

Investments consist of the follow as of June 30:

	<u>2024</u>	<u>2023</u>
U.S. Treasury and Agency Securities	<u>\$ 5,858,346</u>	<u>\$ 3,045,541</u>

The components of total investment return from investments are reflected for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Dividends and interest	\$ 247,913	\$ 89,898
Net realized and unrealized gain	<u>25,135</u>	<u>29,991</u>
Total return on investment	<u>\$ 273,048</u>	<u>\$ 119,889</u>

4. PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2024 and 2023, is composed of the following:

	<u>2024</u>	<u>2023</u>
Leasehold improvements	\$ 2,790,120	\$ 2,790,120
Technology equipment	1,514,717	1,319,759
Furniture and equipment	1,072,386	977,498
Less accumulated depreciation	<u>(3,912,533)</u>	<u>(3,331,613)</u>
Net property and equipment	<u>\$ 1,464,690</u>	<u>\$ 1,755,764</u>

Depreciation expense of \$580,920 and \$517,246 was recorded for the years ended June 30, 2024 and 2023, respectively.

CENTENNIAL PLACE ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

5. GRANTS RECEIVABLE

Grants receivable at June 30, 2024, are due to be received in the following year.

6. RESTRICTIONS AND DESIGNATIONS ON NET ASSETS

At June 30, 2024 and 2023, \$1,000,000 and \$900,000, respectively, of net assets without donor restrictions were designated by the Board for operating reserves.

There were no net assets with donor restrictions at June 30, 2024 and 2023.

7. COMMITMENTS

Lease Agreements

The School has a noncancelable lease for office equipment. The lease requires monthly lease payments totaling \$2,489. Rent expense for the years ended June 30, 2024 and 2023, amounted to approximately \$30,000. Future minimum lease payments for office equipment are as follows:

For the Year Ending June 30,

2025	\$ 24,893
	\$ 24,893

Contract with APS

The School has an annual operational service agreement with APS for the years ended June 30, 2024 and 2023. The terms of the agreement required APS to provide the following for the year:

1. Certain facilities maintenance and repair services for actual costs.
2. Nutrition services.
3. Certain technology supported services for cost as described in the Buyback Services Guide (a directory of goods and services available for direct purchase from APS and other vendors).

At June 30, 2024 and 2023, \$23,771 and \$0, respectively, was payable to APS for these services and are included in accounts payable and accrued expenses.

8. RETIREMENT PLAN

The School participates in the Teachers Retirement System of Georgia (TRS). TRS, a cost-sharing multiple employer defined benefit plan, is administered by the TRS Board of Trustees. Participation is available to all full-time public school employees as defined by the Plan. Participant employees contributed 6% of their annual salary in the years ended June 30, 2024 and 2023. The School contributed 19.98% of each participant's annual salary for the years

**CENTENNIAL PLACE ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

ended June 30, 2024 and 2023. Employer contributions totaled approximately \$1,585,000 and \$1,363,000 for the years ended June 30, 2024 and 2023, respectively.

9. GRANTS AND CONTRIBUTIONS

The School raised grants and contributions to fund capital costs, operating costs, as well as program enhancement and expansion as follows during the years ended June 30:

Purpose	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	Total
Capital campaign	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ 310,000	\$ 2,337,000	\$ 2,662,000
Science and technology	5,724	15,000	-	25,061	-	251,683	-	-	100,000	22,140	419,608
Staff development	-	-	-	-	-	15,000	20,570	85,000	-	-	120,570
Early learning	-	-	-	-	-	-	-	850,000	-	-	850,000
Other	175,019	50,282	101,473	87,362	115,021	27,878	88,976	85,378	250	3,000	734,639
	<u>\$ 180,743</u>	<u>\$ 65,282</u>	<u>\$ 101,473</u>	<u>\$ 112,423</u>	<u>\$ 115,021</u>	<u>\$ 294,561</u>	<u>\$ 124,546</u>	<u>\$ 1,020,378</u>	<u>\$ 410,250</u>	<u>\$ 2,362,140</u>	<u>\$ 4,786,817</u>

10. LIQUIDITY AND FUNDS AVAILABLE

The following table reflects the School's financial assets as of June 30, 2024 and 2023, reduced by amounts not available for expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year.

	<u>2024</u>	<u>2023</u>
Cash	\$ 3,237,426	\$ 3,505,713
Receivables	592,929	2,247,334
Investments	<u>5,858,346</u>	<u>3,045,541</u>
Financial assets, at year end	<u>9,688,701</u>	<u>8,798,588</u>
Less: assets unavailable for general expenditures within one year due to:		
Board designated	<u>1,000,000</u>	<u>900,000</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 8,688,701</u>	<u>\$ 7,898,588</u>

The School is supported in part by contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the School must maintain sufficient resources to meet those responsibilities to donors. Therefore, certain financial assets may not be available for general expenditures within one year. As part of the School's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. Board designated amounts could be made available if necessary.

CENTENNIAL PLACE ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

11. FEDERAL CORONAVIRUS AID AND RELIEF

In early 2020, an outbreak of a novel strain of coronavirus (COVID-19) emerged globally. As a result, there have been mandates from federal, state and local authorities resulting in an overall decline in economic activity. On March 27, 2020, in response to the pandemic, the President signed into law the Coronavirus Aid, Relief and Economic Security Act (CARES).

In May 2021, the School was allocated CARES funding through the Elementary and Secondary School Emergency Relief Fund (ESSER) totaling \$2,868,719. The funds are retroactive to March 13, 2020, and will be available through September 2024. As of June 30, 2024 and 2023, the School recognized \$0 and \$323,551, respectively, as revenue on the statements of activities.