

CENTENNIAL PLACE ACADEMY, INC.

FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

CENTENNIAL PLACE ACADEMY, INC.
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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, 2025 and 2024, 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, 2025 and 2024, 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 27, 2025

CENTENNIAL PLACE ACADEMY, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND 2024

	2025	2024
ASSETS		
Cash and cash equivalents	\$ 4,731,098	\$ 3,237,426
Accounts receivable – Title I Funds	191,500	433,306
Grants receivable	32,292	159,623
Investments	6,129,753	5,858,346
Prepaid expenses	168,765	337,314
Property and equipment, net	1,361,963	1,464,690
Operating lease right-of-use asset	223,609	-
TOTAL ASSETS	\$ 12,838,980	\$ 11,490,705
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 185,793	\$ 225,449
Accrued payroll and benefits	646,835	593,433
Operating lease liability	223,609	-
TOTAL LIABILITIES	1,056,237	818,882
NET ASSETS		
Without donor restrictions		
Undesignated	10,682,743	9,671,823
Board designated reserves	1,100,000	1,000,000
TOTAL NET ASSETS	11,782,743	10,671,823
TOTAL LIABILITIES AND NET ASSETS	\$ 12,838,980	\$ 11,490,705

See notes to the financial statements.

CENTENNIAL PLACE ACADEMY, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
SUPPORT AND REVENUE		
Atlanta Public Schools funding	\$ 17,993,225	\$ 15,281,068
Title I funding	407,835	640,070
Title II funding	29,000	35,000
Title IV funding	-	20,250
Grants	396,563	317,546
Contributions	27,578	147,403
In-kind contributions	1,467,538	2,041,792
Investment gain, net	271,407	273,048
Other income	273,594	159,772
TOTAL SUPPORT AND REVENUE	<u>20,866,740</u>	<u>18,915,949</u>
EXPENSES		
Program expenses		
Instructional expenses	14,151,896	11,768,196
Facilities expenses	3,100,557	3,550,571
Technology expenses	441,126	606,205
Support expenses		
Fundraising	26,813	49,748
Management and general	2,035,428	2,223,573
TOTAL EXPENSES	<u>19,755,820</u>	<u>18,198,293</u>
CHANGES IN NET ASSETS	1,110,920	717,656
NET ASSETS AT BEGINNING OF YEAR	<u>10,671,823</u>	<u>9,954,167</u>
NET ASSETS AT END OF YEAR	<u><u>\$ 11,782,743</u></u>	<u><u>\$ 10,671,823</u></u>

See notes to the financial statements.

CENTENNIAL PLACE ACADEMY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025
(with comparative totals for 2024)

	2025							
	Program				Management and General	Fundraising	Total	2024 Total
	Instructional	Facilities	Technology	Total				
Salaries and wages	\$ 9,087,763	\$ 439,301	\$ 118,373	\$ 9,645,437	\$ 832,795	\$ 20,146	\$ 10,498,378	\$ 9,365,787
Occupancy	-	2,250,756	-	2,250,756	-	-	2,250,756	2,711,558
Pension	1,680,048	82,849	22,324	1,785,221	191,100	3,799	1,980,120	1,585,414
Other employee benefits	1,296,655	62,549	16,854	1,376,058	118,577	2,868	1,497,503	1,252,515
Instructional materials and software	967,298	-	-	967,298	-	-	967,298	847,948
Depreciation expense	-	265,102	198,508	463,610	-	-	463,610	580,920
Professional fees	-	-	-	-	568,291	-	568,291	496,544
Training and staff development	399,591	-	-	399,591	2,525	-	402,116	365,163
Transportation	363,034	-	-	363,034	-	-	363,034	411,972
Educational consulting	290,395	-	-	290,395	-	-	290,395	145,252
Insurance	44,726	-	-	44,726	85,446	-	130,172	128,859
Supplies	-	-	85,067	85,067	18,665	-	103,732	95,352
Other	22,386	-	-	22,386	218,029	-	240,415	211,009
	\$ 14,151,896	\$ 3,100,557	\$ 441,126	\$ 17,693,579	\$ 2,035,428	\$ 26,813	\$ 19,755,820	\$ 18,198,293

See notes to the financial statements.

**CENTENNIAL PLACE ACADEMY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024**

	Program				Management and General	Fundraising	Total
	Instructional	Facilities	Technology	Total			
Salaries and wages	\$ 7,641,930	\$ 335,829	\$ 313,568	\$ 8,291,327	\$ 1,047,446	\$ 27,014	\$ 9,365,787
Occupancy	-	2,711,558	-	2,711,558	-	-	2,711,558
Pension	1,190,049	67,241	15,179	1,272,469	300,171	12,774	1,585,414
Other employee benefits	1,034,125	52,429	11,835	1,098,389	144,166	9,960	1,252,515
Instructional materials and software	847,948	-	-	847,948	-	-	847,948
Depreciation expense	-	383,514	197,406	580,920	-	-	580,920
Professional fees	-	-	-	-	496,544	-	496,544
Training and staff development	357,341	-	-	357,341	7,822	-	365,163
Transportation	411,972	-	-	411,972	-	-	411,972
Educational consulting	145,252	-	-	145,252	-	-	145,252
Insurance	117,252	-	-	117,252	11,607	-	128,859
Supplies	-	-	68,217	68,217	27,135	-	95,352
Other	22,327	-	-	22,327	188,682	-	211,009
	<u>\$ 11,768,196</u>	<u>\$ 3,550,571</u>	<u>\$ 606,205</u>	<u>\$ 15,924,972</u>	<u>\$ 2,223,573</u>	<u>\$ 49,748</u>	<u>\$ 18,198,293</u>

See notes to the financial statements.

CENTENNIAL PLACE ACADEMY, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 1,110,920	\$ 717,656
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation expense	463,610	580,920
Net gain on investments	(158,218)	(25,135)
Amortization of operating lease right-of-use asset	38,548	-
Decrease (increase) in:		
Accounts receivable – Title I Funds	241,806	(267,816)
Grants receivable	127,331	1,922,221
Prepaid expenses	168,549	(277,346)
Increase in accounts payable and accrued expenses	13,746	158,729
Payments on operating lease liability	(38,548)	-
Net cash provided by operating activities	<u>1,967,744</u>	<u>2,809,229</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Property and equipment purchases	(360,883)	(289,846)
Purchase of securities	-	(1,500,000)
Dividends and interest reinvested	(113,189)	(1,287,670)
Net cash used in investing activities	<u>(474,072)</u>	<u>(3,077,516)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,493,672	(268,287)
CASH AND CASH EQUIVALENTS AT:		
BEGINNING OF YEAR	<u>3,237,426</u>	<u>3,505,713</u>
END OF YEAR	<u><u>\$ 4,731,098</u></u>	<u><u>\$ 3,237,426</u></u>
SUPPLEMENTAL CASH FLOW DISCLOSURES		
Non-cash activity:		
Operating lease right-of-use assets in exchange for operating lease liabilities	<u><u>\$ 262,157</u></u>	<u><u>\$ -</u></u>

See notes to the financial statements.

CENTENNIAL PLACE ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

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, 2025 and 2024, 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 \$12,762 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 10 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 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.

CENTENNIAL PLACE ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

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 support 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

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 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, 2025 and 2024.

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, 2025 and 2024, 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.

**CENTENNIAL PLACE ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

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 \$1,467,538 and \$2,041,792 for the years ended June 30, 2025 and 2024, respectively.

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.

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.

CENTENNIAL PLACE ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

As of June 30, 2025, 100% of grants receivable are from one donor, and 99% of the School's 2025 grants and contributions were attributable to one donor. As of June 30, 2024, 96% of grants receivable are from one donor, and 89% of the School's 2024 grants and contributions were attributable to three donors.

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) establish 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.

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;

CENTENNIAL PLACE ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

- 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 uses the risk-free interest rate as the discount rate for leases.

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.

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.

Reclassifications

Certain 2024 amounts have been reclassified to conform to the 2025 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, 2025, and October 27, 2025, 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 following as of June 30:

	<u>2025</u>	<u>2024</u>
U.S. Treasury and Agency Securities	<u>\$ 6,129,753</u>	<u>\$ 5,858,346</u>

CENTENNIAL PLACE ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

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

	2025	2024
Dividends and interest	\$ 113,189	\$ 247,913
Net realized and unrealized gain	158,218	25,135
Total return on investment	<u>\$ 271,407</u>	<u>\$ 273,048</u>

4. PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2025 and 2024, is composed of the following:

	2025	2024
Leasehold improvements	\$ 2,975,308	\$ 2,790,120
Technology equipment	1,576,723	1,514,717
Furniture and equipment	1,136,075	1,072,386
Less accumulated depreciation	<u>(4,376,143)</u>	<u>(3,912,533)</u>
	1,311,963	1,464,690
Predevelopment costs	<u>50,000</u>	<u>-</u>
Net property and equipment	<u>\$ 1,361,963</u>	<u>\$ 1,464,690</u>

Depreciation expense of \$463,610 and \$580,920 was recorded for the years ended June 30, 2025 and 2024, respectively.

5. GRANTS RECEIVABLE

Grants receivable at June 30, 2025 and 2024, are due to be received in the following year.

6. RESTRICTIONS AND DESIGNATIONS ON NET ASSETS

At June 30, 2025 and 2024, \$1,100,000 and \$1,000,000, 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, 2025 and 2024.

**CENTENNIAL PLACE ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

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, 2025 and 2024, amounted to approximately \$25,000 and \$30,000, respectively.

Contract with APS

The School has an annual operational service agreement with APS for the years ended June 30, 2025 and 2024. 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, 2025 and 2024, \$21,800 and \$23,771, respectively, was payable to APS for these services and are included in accounts payable and accrued expenses.

8. RIGHT-OF-USE LEASE ASSET AND LEASE LIABILITY

On October 1, 2024, the School entered into a non-cancellable operating lease with a third party for administrative space. Rent is \$5,000 per month for five years. In accordance with Topic 842, the School recorded a right-of-use asset and lease liability.

Right-of-use asset and lease liability are classified as follows on the statements of financial position as of Jun 30, 2025:

Operating Leases

Operating lease right-of-use asset, net	<u>\$ 223,609</u>
Current portion of operating lease liability	\$ 48,511
Operating lease liability, net of current portion	<u>175,098</u>
Total operating lease liability	<u><u>\$ 223,609</u></u>

The following summarizes the weighted average remaining lease term and discount rate as of June 30, 2025:

Weighted Average Remaining Lease Term

Operating lease	4
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Weighted Average Discount Rate

Operating lease	3.51%
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CENTENNIAL PLACE ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

Future minimum lease payments for the years ending June 30 are as follows:

For the Year Ending June 30:

2026	\$ 60,000
2027	60,000
2028	60,000
2029	<u>60,000</u>
Total lease payments	240,000
Less interest	<u>(16,391)</u>
Present value of lease liability	<u><u>\$ 223,609</u></u>

9. RETIREMENT PLAN

The School participates in the Teachers Retirement System of Georgia (TRS). TRS, a cost-sharing multi-employer defined benefit plan (the 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, 2025 and 2024. The School contributed 20.78% and 19.98% of each participant's annual salary for the years ended June 30, 2025 and 2024, respectively. Employer contributions totaled approximately \$1,980,000 and \$1,585,000 for the years ended June 30, 2025 and 2024, respectively. None of the School's contributions to multi-employer plans represented more than five percent of total plan contributions according to those plan's most recently available annual reports. TRS issues a publicly available financial report that can be obtained at www.trsga.com/publications.

The School's required contributions to TRS are subject to change based on future actuarial valuations, changes in plan provisions, or changes in the funded status of the plan. Significant changes in economic, demographic or investment assumptions could affect the School's future contribution requirements and the funded status of the plan. Management is not aware of any conditions that would indicate a material increase in required contributions in the near term based on projected covered payroll and the current contribution rates.

**CENTENNIAL PLACE ACADEMY, INC.
NOTES TO THE FINANCIAL STATEMENTS
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10. LIQUIDITY AND FUNDS AVAILABLE

The following table reflects the School's financial assets as of June 30, 2025 and 2024, 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.

	2025	2024
Cash	\$ 4,731,098	\$ 3,237,426
Receivables	223,792	592,929
Investments	<u>6,129,753</u>	<u>5,858,346</u>
Financial assets, at year end	<u>11,084,643</u>	<u>9,688,701</u>
Less: assets unavailable for general expenditures within one year due to:		
Board designated reserves	<u>1,100,000</u>	<u>1,000,000</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 9,984,643</u></u>	<u><u>\$ 8,688,701</u></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.
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11. 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	2025	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	66,578	175,019	172,403	101,473	87,362	115,021	27,878	88,976	85,378	250	3,000	923,338
	<u>\$ 66,578</u>	<u>\$ 180,743</u>	<u>\$ 187,403</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>\$ 4,975,516</u>