

PREMIER CHARTER SCHOOL

**FINANCIAL STATEMENTS,
SUPPLEMENTAL INFORMATION,
AND INDEPENDENT AUDITORS' REPORT
WITH ACCOMPANYING SINGLE AUDIT
AND UNIFORM GUIDANCE REPORTS**

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

Premier Charter School

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Independent Auditors' Report

Board of Directors
Premier Charter School
St. Louis, Missouri

Report on the Audits of the Financial Statements

Opinion

We have audited the accompanying financial statements of Premier Charter School (a nonprofit organization), 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 present fairly, in all material respects, the financial position of Premier Charter School as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Premier Charter School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

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

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

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

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2025 on our consideration of Premier Charter School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Premier Charter School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Premier Charter School's internal control over financial reporting and compliance.

Schmersahl Treloar & Co.

St. Louis, Missouri
December 11, 2025

FINANCIAL STATEMENTS

Premier Charter School
STATEMENTS OF FINANCIAL POSITION

ASSETS		June 30,	
		2025	2024
CURRENT ASSETS			
Cash and cash equivalents	\$	7,501,074	\$ 4,331,848
Accounts receivable		257,430	652,323
Prepaid expenses and other current assets		165,505	227,679
Total Current Assets		7,924,009	5,211,850
PROPERTY AND EQUIPMENT, NET		8,851,231	9,416,854
INVESTMENTS		5,732,187	5,419,272
OTHER ASSETS			
Debt issuance costs, net		104,254	125,117
Total Assets	\$	22,611,681	\$ 20,173,093
LIABILITIES AND NET ASSETS			
LIABILITIES			
Accounts payable	\$	234,021	\$ 196,545
Accrued payroll and payroll taxes		869,030	776,299
Deferred revenue		766,039	-
Other accrued liabilities		489,695	207,154
Current portion of long-term debt		261,250	247,500
Total Current Liabilities		2,620,035	1,427,498
LONG-TERM DEBT		7,642,184	7,925,934
Total Liabilities		10,262,219	9,353,432
NET ASSETS			
Without donor restriction		12,349,462	10,819,661
Total Liabilities and Net Assets	\$	22,611,681	\$ 20,173,093

See accompanying notes to financial statements

Premier Charter School
STATEMENTS OF ACTIVITIES

	Years Ended June 30,	
	2025	2024
UNRESTRICTED NET ASSETS		
SUPPORT AND REVENUE		
Federal program revenue	\$ 1,429,400	\$ 2,413,323
State program revenue	15,358,322	12,363,118
Local program revenue	<u>2,772,723</u>	<u>2,546,894</u>
Total Support and Revenue	<u>19,560,445</u>	<u>17,323,335</u>
EXPENSES		
Program services		
Academic programs	15,852,864	15,083,833
Supporting services		
Management and general	<u>2,610,152</u>	<u>2,212,558</u>
Total Expenses	<u>18,463,016</u>	<u>17,296,391</u>
Change in Net Assets, from Operations	<u>1,097,429</u>	<u>26,944</u>
OTHER INCOME		
Investment gain, net of fees	<u>432,372</u>	<u>192,782</u>
Change in Net Assets	1,529,801	219,726
NET ASSETS, Beginning of year	<u>10,819,661</u>	<u>10,599,935</u>
NET ASSETS, End of year	<u>\$ 12,349,462</u>	<u>\$ 10,819,661</u>

See accompanying notes to financial statements

Premier Charter School
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2025

	Academic Programs	Management and General	Total Expenses
Academic instruction	\$ 5,835,800	\$ -	\$ 5,835,800
Attendance	-	75,598	75,598
Other support services	879,013	-	879,013
Special education	1,985,735	150,810	2,136,545
Instruction and curriculum development services	1,266,233	-	1,266,233
Professional development	326,664	1,127	327,791
Technology	231,721	35,228	266,949
Executive administration	-	1,030,356	1,030,356
Office of the principal services	717,077	179,269	896,346
Care and upkeep of building services	1,479,880	110,738	1,590,618
Pupil transportation	109,365	-	109,365
Food services	469,609	-	469,609
Central office and support services	216,023	516,813	732,836
Early childhood instruction	553,315	-	553,315
Custody and care of children services	274,544	-	274,544
Before and afterschool program	380,746	-	380,746
Business support services	-	384,976	384,976
Interest	395,562	43,951	439,513
Depreciation and amortization	731,577	81,286	812,863
	<u>\$ 15,852,864</u>	<u>\$ 2,610,152</u>	<u>\$ 18,463,016</u>

See accompanying notes to financial statements

Premier Charter School
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2024

	Academic Programs	Management and General	Total Expenses
Academic instruction	\$ 6,116,402	\$ -	\$ 6,116,402
Attendance	-	68,242	68,242
Other support services	904,295	8,310	912,605
Special education	1,923,813	154,399	2,078,212
Instruction and curriculum development services	1,228,180	-	1,228,180
Professional development	265,771	936	266,707
Technology	228,949	36,616	265,565
Executive administration	-	772,093	772,093
Office of the principal services	524,237	131,059	655,296
Care and upkeep of building services	969,283	111,962	1,081,245
Pupil transportation	74,781	-	74,781
Food services	457,849	-	457,849
Central office and support services	387,068	385,493	772,561
Early childhood instruction	314,888	-	314,888
Custody and care of children services	266,108	-	266,108
Before and afterschool program	245,229	-	245,229
Business support services	-	412,672	412,672
Interest	409,715	45,524	455,239
Depreciation and amortization	767,265	85,252	852,517
	<u>\$ 15,083,833</u>	<u>\$ 2,212,558</u>	<u>\$ 17,296,391</u>

See accompanying notes to financial statements

Premier Charter School
STATEMENTS OF CASH FLOWS

	Years Ended June 30,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,529,801	\$ 219,726
Adjustments to reconcile change in net assets to net change in cash from operating activities:		
Depreciation	792,000	831,654
Amortization of debt issuance costs	20,863	20,863
Unrealized (gain) loss on investments	(41,757)	13,817
(Increase) decrease in assets:		
Accounts receivable	394,893	(462,055)
Prepaid expenses and other current assets	62,174	48,999
Increase (decrease) in liabilities:		
Accounts payable	37,476	(96,150)
Accrued payroll and payroll taxes	92,731	20,054
Deferred revenue	766,039	-
Accrued interest	-	(2,523)
Other accrued liabilities	282,541	207,154
Net Change in Cash from Operating Activities	<u>3,936,761</u>	<u>801,539</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	2,462,080	252,945
Purchases of property and equipment	(226,377)	(584,537)
Purchase of investments	<u>(2,733,238)</u>	<u>(2,751,520)</u>
Net Change in Cash from Investing Activities	<u>(497,535)</u>	<u>(3,083,112)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on long-term debt	<u>(270,000)</u>	<u>(260,000)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	3,169,226	(2,541,573)
CASH AND CASH EQUIVALENTS, Beginning of year	<u>4,331,848</u>	<u>6,873,421</u>
CASH AND CASH EQUIVALENTS, End of year	<u>\$ 7,501,074</u>	<u>\$ 4,331,848</u>

See accompanying notes to financial statements

Premier Charter School
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Premier Charter School (the “School”) was organized on March 1, 2000, under Chapter 355 of the Missouri Revised Statutes to operate a charter school, which is sponsored by the University of Missouri – St. Louis (the “Charterholder”) and is governed by Senate Bill Number 781 of the 89th General Assembly of the Missouri Legislature. The School is exempt from most Missouri laws and statutes governing educational institutions. The governing body of the School is the Board of Directors, which is composed of eight members.

Effective September 11, 2023, the School changed its corporate name from St. Louis Charter School d/b/a Premier Charter School to Premier Charter School for clarity and efficiency.

Basis of Financial Statement Presentation

The financial statements of the School have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The School is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Net Assets without Donor Restrictions

Net assets available for use in general operations and not subject to donor or certain grantor restrictions.

Net Assets with Donor Restrictions

Net assets subject to donor or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that such assets be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. There were no net assets with donor restrictions at June 30, 2025 and 2024.

Concentration of Credit Risk

Financial instruments, which potentially subject the School to concentration of credit risk, consist principally of cash, investments, and accounts receivable. The School places its cash and investments with high credit quality financial institutions and, by policy, limits the amount of credit exposure to any one financial institution or investment type. Accounts receivable consists primarily of amounts owed from the State of Missouri.

Premier Charter School
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the School.

The School maintains cash deposits with financial institutions that are insured for all interest-bearing accounts up to \$250,000. Any non-interest-bearing accounts held are fully insured by FDIC. At this time, the School maintains cash deposits in excess of \$250,000. The School has not experienced any loss in such accounts and believes it is not exposed to any significant credit risk on cash.

Accounts Receivable

Accounts receivable are stated at unpaid balances and consist primarily of fees from program services. Upon reviewing the individual account balances, the School's management has determined that receivables are historically fully collectible. For the years ending June 30, 2025, 2024, and 2023 no allowance for credit losses was deemed necessary. Accounts receivable totaled \$257,430, \$652,323 and \$190,268 at June 30, 2025, June 30, 2024 and June 30, 2023, respectively.

Property and Equipment

Property and equipment are valued at cost or, if donated, at the approximate fair value at the date of donation. Expenditures for repairs and maintenance are charged to operations while renewals and betterments are capitalized.

Property and equipment of the School is depreciated using the straight-line method over the following estimated useful lives:

Buildings	15 years
Furniture, fixtures, and equipment	3 – 20 years

Investments

The School's investments are stated at fair value in the Statements of Financial Position, with all gains and losses included in the Statements of Activities. Donated investments are recorded at their fair value at the date of the gift. Investments are made according to the investment policies adopted by the School's Board of Directors. Investment return is reported in the Statements of Activities and consists of interest and dividend income, realized and unrealized gains and losses less external and direct internal investment expenses. Investments are exposed to various risks such as significant world events, interest rate, credit, and overall market volatility risks.

Premier Charter School
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Investments (Continued)

Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

Deferred Revenue

Deferred revenue consists of a conditional grant in which cash has been received but conditions of the grant have not been met as of June 30, 2025.

Deferred revenue also consists of state program revenues received during the year ended June 30, 2025 which are subject to potential recoupment. See Note M.

Long-Term Obligations

Long-term debt is reported as liabilities in the statement of financial position. Debt issuance costs are reported as deferred charges and amortized over the term of the related debt.

Use of Estimates

The process of preparing financial statements in conformity with U.S. Generally Accepted Accounting Principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Financial Instruments

The carrying amount of cash and cash equivalents, accounts receivable, prepaid expenses, other current assets, accounts payable, deferred revenue and accrued expenses approximates fair value due to the short-term maturities of these instruments.

Revenue Sources

The School is a Local Educational Agency which receives funds directly from the Missouri Department of Elementary and Secondary Education (DESE). In accordance with the funding provisions established through SB 287 in 2005, starting the 2006-07 school year (see Chapter 163, RSMo), the School reports the number of students and related data such as attendance rates to DESE.

Funding for the School is based upon the School's Weighted Average Daily Attendance (WADA) and the traditional local public school district's funding per pupil as established by HB 1552 in 2022.

Premier Charter School
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Revenue Sources (Continued)

The funding formula is designed to provide the School with equal funding per pupil compared to the traditional local public school district. WADA includes additional weightings for populations of students who cost more to educate (Free and reduced price lunch, individual education plan, and limited English proficiency students). The funding formula uses the School's highest WADA from the current year estimated WADA or the first or second preceding year's WADA multiplied by the traditional local public school district's funding per pupil. Funding can be adjusted during the year to reflect revised WADA data received by DESE as reported by the School and the traditional local public school district during designated data submission periods.

The School receives federal awards for the enhancement of various educational programs. This assistance is generally based on applications submitted to and approved by various granting agencies. These federal awards may have requirements whereby the issuance of grant funds is withheld until qualifying eligible expenditures are incurred. Revenues for these awards are recognized only to the extent that eligible expenditures have been incurred. Additionally, other revenues may be derived from certain other programs.

Income Taxes

The School qualifies as a nonprofit organization and is exempt from Federal and State income taxes under Section 501(c)(3) of the Internal Revenue Code. The School does not have unrelated business income, excise taxes, or activities that would threaten the School's tax-exempt status for the years ending June 30, 2025, and 2024. Accordingly, no provision for federal or state income taxes is provided. The School files an information return, IRS Form 990. The School's tax returns for tax years 2021 and later remain subject to examination by taxing authorities, generally for three years from the date filed. The School is unaware of any pending investigations. The School adopted the provisions relating to Accounting for Uncertainty in Income Taxes and management is not aware of any uncertain tax positions of the School related to the tax filings.

Functional Expense Allocation

The Statements of Functional Expenses report certain categories of expenses directly traceable to certain programs and expenses allocable to one or more programs or supporting functions of the School. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated on the basis of square footage include: interest, depreciation, and operation of plant. The remaining expenses are recorded on a direct cost basis to school operations and management and general categories.

Premier Charter School
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Subsequent Events

In preparing these financial statements, the School has evaluated events and transactions for potential recognition or disclosure through December 11, 2025, the date the financial statements were available to be issued.

B. **PROPERTY AND EQUIPMENT**

Property and equipment are comprised of the following:

	June 30,	
	2025	2024
Land	\$ 3,720,860	\$ 3,720,860
Buildings	13,579,446	13,511,238
Construction in progress	36,758	36,189
Furniture, fixtures, and equipment	2,109,839	1,952,239
	19,446,903	19,220,526
Less accumulated depreciation	10,595,672	9,803,672
Total Property and Equipment, Net	<u>\$ 8,851,231</u>	<u>\$ 9,416,854</u>

Depreciation expense was \$792,000 and \$831,654 for the years ended June 30, 2025 and 2024, respectively.

C. **DEBT ISSUANCE COST**

On June 29, 2023, the School issued Educational Facilities Refunding Revenue Bonds (St. Louis Charter School Project Series 2023) to refund the St. Louis Charter School Project Series 2017 Bonds. Legal fees, printing costs, and other expenses associated with the issuance of the refunding revenue bonds described in Note F will be amortized on the straight-line method over the term of the bonds. The total debt issuance cost to be amortized in association with the refunding revenue bonds is \$145,980. Amortization expense was \$20,863 for each of the years ended June 30, 2025 and 2024.

Premier Charter School
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

D. INVESTMENTS

Investments consist of the following at June 30:

	June 30,	
	2025	2024
Money Market Mutual Funds	\$ 258,915	\$ 870,994
Certificates of Deposit	4,178,017	2,466,752
Agency Bonds	1,295,255	2,081,526
Total Investments	<u>\$ 5,732,187</u>	<u>\$ 5,419,272</u>

Investment (loss) gain for the years ended June 30, 2025 and 2024 is summarized as follows:

	June 30,	
	2025	2024
Investment income, net of fees	\$ 390,615	\$ 206,599
Unrealized gain (loss)	41,757	(13,817)
Investment Gain, Net of Fees	<u>\$ 432,372</u>	<u>\$ 192,782</u>

E. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the School has the ability to access.

Level 2 Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Premier Charter School
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

E. **FAIR VALUE MEASUREMENTS** (Continued)

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at June 30, 2025 and 2024.

Certificates of deposit: Valued using pricing models maximizing the use of observable inputs for similar securities.

Agency bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flow approach that maximizes observable inputs, such as current yields or similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote if available.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the School are deemed to be actively traded.

Fair values of assets measured on a recurring basis for the year ended June 30, 2025 are as follows:

	Fair Value Measurements at Reporting Date Using			
	Fair Value	Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money Market Mutual Funds	\$ 258,915	\$ 258,915	\$ -	\$ -
Certificates of Deposit	4,178,017	4,178,017	-	-
Agency Bonds	1,295,255	-	1,295,255	-
Total	<u>\$ 5,732,187</u>	<u>\$ 4,436,932</u>	<u>\$ 1,295,255</u>	<u>\$ -</u>

Premier Charter School
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

E. FAIR VALUE MEASUREMENTS (Continued)

Fair values of assets measured on a recurring basis for the year ended June 30, 2024 are as follows:

	Fair Value Measurements at Reporting Date Using			
	Fair Value	Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money Market Mutual Funds	\$ 870,994	\$ 870,994	\$ -	\$ -
Certificates of Deposit	2,466,752	2,466,752	-	-
Agency Bonds	2,081,526	-	2,081,526	-
Total	<u>\$ 5,419,272</u>	<u>\$ 3,337,746</u>	<u>\$ 2,081,526</u>	<u>\$ -</u>

F. LONG-TERM DEBT

Long-term debt and obligations payable consist of the following at June 30:

	2025	2024
St. Louis Charter School Project Series 2023 Refunding Revenue Bonds: \$8,173,434 refunding revenue bonds due in monthly principal installments of \$21,667 to \$27,500 from 2023 through 2030 with a balloon payment of \$6,383,538 due June 30, 2030. Interest is at 5.46%, secured by property.	\$7,903,434	\$8,173,434
Less: current portion	<u>261,250</u>	<u>247,500</u>
Total Long-Term Debt	<u>\$7,642,184</u>	<u>\$7,925,934</u>

Total interest expense for the years ended June 30, 2025 and 2024 was \$439,513 and \$455,239, respectively.

The School's Project Series 2023 Refunding Revenue Bonds agreement contains various covenants. These covenants pertain to minimum debt services coverage and liquidity. At June 30, 2025 and 2024, the School was in compliance with these covenants.

Premier Charter School
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

F. **LONG-TERM DEBT** (Continued)

Future maturities of long-term debt at June 30, 2025 are as follows:

Year Ending June 30,	Total
2026	\$ 261,250
2027	298,750
2028	313,750
2029	328,750
2030	6,700,934
	<u>\$ 7,903,434</u>

G. **CONCENTRATIONS**

Funding

The School receives a substantial portion of its revenue from the State of Missouri. A significant reduction in the level of this support or any recoupment of previous funds received, if it were to occur, could have a significant effect on the School's programs and activities. However, the School has not received any indication from the State of Missouri of a planned decrease in future state government support.

H. **MULTI-EMPLOYER PENSION PLAN**

The School contributes to a multi-employer defined benefit pension plan, the Public School Retirement System of the City of St. Louis. The School does not directly manage this multiemployer plan, which is managed by a board of trustees. A majority of the School's employees are participants in the multiemployer plan as of June 30, 2025 and 2024, subject to eligibility requirements.

This plan is organized as a governmental employer sponsored multiemployer retirement plan, and therefore the plan is not subject to certain reporting requirements of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The plan's certified zone status is not available since the plans are not subject to ERISA reporting requirements.

Premier Charter School
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

H. MULTI-EMPLOYER PENSION PLAN (Continued)

The School contributes to a multi-employer pension plan under the agreement terms that covers its employees. The risks of participating in these multi-employer plans are different from single-employer plans in the following aspects:

- a.) Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers.
- b.) If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- c.) If the School chooses to stop participating in some of its multi-employer plans, the School may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The Retirement System has members and non-members. Members are employees who were part of the Retirement system on December 31, 2017, and non-members are employees hired on or after January 1, 2018. The Retirement System members are required to contribute 9.0% and 8.5% of their annual covered salary for the calendar years ending December 31, 2025 and 2024, respectively. The Retirement System non-members are required to contribute 9.0% for the plan years ending December 31, 2025 and 2024. The School was required to contribute 12.5% and 13.0% for the plan calendar years ending December 31, 2025 and 2024, respectively. The contribution requirements of members, non-members, and the School are established and may be amended by the Public School Retirement System Board of Trustees. The School did not contribute more than 5% of total contributions to the plan for the years ended December 31, 2024 and 2023.

The plan's status and the School's participation in the plan are as follows:

Name of Pension Fund	EIN, if Available	Plan Funded Status December 31, 2021		Contributions for the Year Ended June 30,		Total Plan Contributions for the Year Ended December 31,	
		Assets	Accumulated Benefit Obligation	2025	2024	2024	2023
Public School Retirement System of St. Louis	N/A	\$ 877,055,352	\$ 1,301,019,568	\$ 1,376,505	\$ 1,302,851	\$ 69,824,576	\$ 62,547,610

The plan's accumulated benefit obligations are determined annually by the plans' actuary. Significant actuarial assumptions utilized for the Lay Plan include a discount rate of 7.0%, an expected rate of investment return of 7.0%, and an expected rate of salary increase of 5.0% for the first five years of employment and 3.5% per year thereafter for the year ended December 31, 2024. Funded status information is not available as of June 30, 2025 as actuarial valuations were not performed as of that date. At December 31, 2024, the plan was 67.41% funded.

Premier Charter School
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

I. RISK MANAGEMENT

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the School carries commercial insurance. Settled claims resulting from the risks described above have not exceeded the insurance coverage for the current fiscal year-end.

J. HEALTH INSURANCE PLAN

Effective September 1, 2023, the School joined the Independent School Benefits Consortium ("ISBC"). The ISBC is a Captive Health Insurance Plan comprised of independent schools whose aim is to reduce the cost of employee medical insurance.

The School is self-funded up to \$50,000 per employee. Claims exceeding \$50,000 but less than \$500,000 are covered by the group captive. Claims exceeding \$500,000 are reinsured.

For the years ended June 30, 2025 and 2024, the School is required to fund the maximum cost each month. At June 30, 2025 and 2024, the School has estimated and recorded a liability for claims incurred but not yet processed by the insurance third party administrator. The liability totals \$489,695 and \$170,965 at June 30, 2025 and 2024, respectively, and is reflected in other accrued liabilities on the Statements of Financial Position.

The School utilizes a claims funding account to fund the plan and cover the cost of health insurance claims. The balance of the claims funding account totals \$489,695 and \$170,965 at June 30, 2025 and 2024, respectively and is reflected in cash and cash equivalents on the Statements of Financial Position.

K. SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Cash paid for interest during the year ended June 30, 2025 and 2024 was \$439,513 and \$457,762 respectively.

L. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The School regularly monitors liquidity required to meet its operating needs and other contractual commitments. The School maintains financial assets consisting of cash, accounts receivable, and investments, on hand to meet its normal operating expenses based on its annual budget. Operating expenses are compared to budgeted expenses on a monthly basis and financial assets on hand are adjusted, as necessary.

Premier Charter School
NOTES TO FINANCIAL STATEMENTS
June 30, 2025 and 2024
(Continued)

L. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (Continued)

The School's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 7,501,074	\$ 4,331,848
Accounts receivable	257,430	652,323
Investments	<u>5,732,187</u>	<u>5,419,272</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 13,490,691</u>	<u>\$ 10,403,443</u>

The School has a contractual agreement related to its debt covenant that requires a minimum amount of cash on hand to be in compliance.

M. SUBSEQUENT EVENTS

In October 2025, the School became aware of an issue with the Missouri Department of Elementary and Secondary Education (MO DESE) regarding overpayment of state program revenues which occurred during the year ended June 30, 2025. This overpayment resulted from an omission of enrollment and attendance data submitted by St. Louis Public Schools to MO DESE, for which the School's monthly state aid payments are based upon. As a result of this omission of enrollment and attendance data, the School received monthly state aid payments at an inflated per pupil funding rate during the year ended June 30, 2025.

The School has determined that uncertainty exists regarding the School's legal rights and obligations to a portion of monthly state aid payments collected during the year ended June 30, 2025. Consequently, the School has recorded the receipt of these funds as deferred revenue in the amount of \$657,816 and is reflected on the Statement of Financial Position at June 30, 2025.

Additionally, Missouri legislation (SB 727 in 2024) modified the definition of WADA to include a gradual shift toward using Weighted Membership (WM), which accounts for enrollment rather than just attendance, starting with the 2025-26 school year. The definition of Weighted Average Daily Attendance (WADA) changes as follows:

FY 2026 90.00% of WADA + 10.00% of WM
FY 2027 80.00% of WADA + 20.00% of WM
FY 2028 70.00% of WADA + 30.00% of WM
FY 2029 60.00% of WADA + 40.00% of WM
FY 2030 and subsequent years 50.00% of WADA + 50.00% of WM

**SUPPLEMENTAL
INFORMATION**

Premier Charter School
SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCES
For the Year Ended June 30, 2025

ASSETS

	Governmental Funds			Total
	General Fund	Special Revenue Fund	Capital Projects Fund	
ASSETS				
Cash and cash equivalents	\$ 7,501,074	\$ -	\$ -	\$ 7,501,074
Accounts receivable	257,430	-	-	257,430
Prepaid expenses and other assets	165,505	-	-	165,505
Investments	<u>5,594,406</u>	<u>-</u>	<u>-</u>	<u>5,594,406</u>
Total Assets	<u>\$ 13,518,415</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,518,415</u>

LIABILITIES AND FUND BALANCES

LIABILITIES				
Accounts payable	\$ 234,021	\$ -	\$ -	\$ 234,021
Deferred revenue	657,816	-	-	657,816
Other accrued liabilities	489,695	-	-	489,695
Accrued payroll and payroll taxes	<u>869,030</u>	<u>-</u>	<u>-</u>	<u>869,030</u>
Total Liabilities	<u>2,250,562</u>	<u>-</u>	<u>-</u>	<u>2,250,562</u>
FUND BALANCES				
Unreserved	<u>11,267,853</u>	<u>-</u>	<u>-</u>	<u>11,267,853</u>
Total Liabilities and Fund Balances	<u>\$ 13,518,415</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,518,415</u>

Premier Charter School
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
For the Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total
REVENUES				
Federal program	\$ 1,429,400	\$ -	\$ -	\$ 1,429,400
State program	5,534,320	9,824,002	-	15,358,322
Local program	2,598,352	564,986	-	3,163,338
Total Revenues	9,562,072	10,388,988	-	19,951,060
EXPENDITURES				
Academic instruction	1,118,481	4,821,268	59,491	5,999,240
Special education	786,324	828,779	-	1,615,103
Attendance	75,598	-	-	75,598
Counseling Services	6,108	440,463	-	446,571
Nursing Services	8,637	210,686	-	219,323
Psychological services	71,779	62,607	-	134,386
Occupational Therapy - Related Services	1,439	156,836	-	158,275
Other support services	685,118	543,885	-	1,229,003
Technology	266,949	-	66,549	333,498
Speech pathology services	5,193	223,587	-	228,780
Instruction and curriculum development services	4,563	1,261,672	-	1,266,235
Office of the principal services	12,188	617,424	-	629,612
Executive administration	614,018	708,344	-	1,322,362
Care and upkeep of building services	1,590,618	-	117,144	1,707,762
Pupil transportation	61,040	-	-	61,040
Food services	469,609	-	-	469,609
Central office and support services	296,159	-	-	296,159
Early childhood instruction	90,983	462,332	-	553,315
Welfare activities services	49,898	-	-	49,898
Custody and Care of Children Services	269,256	5,289	-	274,545
Afterschool Program	334,929	45,816	-	380,745
Parental Involvement	2,761	-	-	2,761
Debt service				
Net principal	-	-	270,000	270,000
Interest	-	-	439,513	439,513
Total Expenditures	6,821,648	10,388,988	952,697	18,163,333
Net Change in Fund Balance	2,740,424	-	(952,697)	1,787,727
FUND BALANCES, Beginning of Period	9,480,126	-	-	9,480,126
TRANSFER OF FUND BALANCE	(952,697)	-	952,697	-
FUND BALANCES, End of Period	\$ 11,267,853	\$ -	\$ -	\$ 11,267,853

Premier Charter School
SCHEDULE OF REVENUES COLLECTED BY SOURCE
For the Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total
LOCAL				
Food service	\$ 74,358	\$ -	\$ -	\$ 74,358
Admissions - Student Activities	168	-	-	168
Bookstore Sales	4,805	-	-	4,805
Community Services	451,141	-	-	451,141
School District Trust Fund (Prop C)	941,645	564,986	-	1,506,631
PK tuition from parents	76,700	-	-	76,700
Gifts	628,005	-	-	628,005
Miscellaneous local revenue	3,586	-	-	3,586
Sales to Adults for Adult Meals - Non-Program Food	-	-	-	-
Student Organization Membership Dues and Fees	11,316	-	-	11,316
Other Pupil Activity Income	16,013	-	-	16,013
Temporary Deposits - Investment Income	390,615	-	-	390,615
Total Local	2,598,352	564,986	-	3,163,338
STATE				
Basic formula	4,964,496	9,824,002	-	14,788,498
Transportation	22,733	-	-	22,733
Classroom trust fund	505,298	-	-	505,298
State food service	2,423	-	-	2,423
School safety grant	3,360	-	-	3,360
Other - state	36,010	-	-	36,010
Total State	5,534,320	9,824,002	-	15,358,322
FEDERAL				
Medicaid	47,521	-	-	47,521
ARP - ESSER III	7,600	-	-	7,600
ARPA-D Preschool Start-up Grant	50,000	-	-	50,000
IDEA Grants	992	-	-	992
IDEA Entitlement Funds, Part B IDEA	237,974	-	-	237,974
Early Childhood Special Education	13,448	-	-	13,448
ARP - Homeless Children and Youth II	14,938	-	-	14,938
National School Lunch Program	238,594	-	-	238,594
School Breakfast Program	65,752	-	-	65,752
After School Snack Program	19,273	-	-	19,273
Title I - ESEA	600,032	-	-	600,032
Title IV.A Student Support and Academic Enrichment	46,118	-	-	46,118
Title III, ESEA - English Language Acquisition	33,989	-	-	33,989
Title II, Part A&B, ESEA - Teacher & Principal	45,669	-	-	45,669
Other Federal	7,500	-	-	7,500
Total Federal	1,429,400	-	-	1,429,400
TOTAL REVENUES	\$ 9,562,072	\$ 10,388,988	\$ -	\$ 19,951,060

Premier Charter School
SCHEDULE OF EXPENDITURES PAID BY OBJECT
For the Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Total
Salaries	\$ 2,564,234	\$ 7,781,273	\$ -	\$ 10,345,507
Employee benefits	783,977	2,600,513	-	3,384,490
Purchased services	2,555,680	7,202	-	2,562,882
Supplies	917,757	-	-	917,757
Capital outlay	-	-	243,184	243,184
Other objects	-	-	709,513	709,513
Total Expenditures	<u>\$ 6,821,648</u>	<u>\$ 10,388,988</u>	<u>\$ 952,697</u>	<u>\$ 18,163,333</u>

Premier Charter School
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2025

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Pass-through Entity Identifying Number Contract Number	Federal Expenditures 2025
U.S. Department of Agriculture:			
Passed-through the Missouri Department of Elementary and Secondary Education (DESE):			
Child Nutrition Cluster			
National School Lunch Program	10.555	20242N109943 20252N109943	\$ 238,594 *
National School Snack Program	10.555	20242N109943 20252N109943	19,273 *
School Breakfast Program	10.553	20242N109943 20252N109943	65,752 *
Total Child Nutrition Cluster			323,619
Total U.S. Department of Agriculture			323,619
U.S. Department of Health and Human Services:			
Passed-through the Missouri Department of Elementary and Secondary Education (DESE):			
Child Care and Development Block Grant	93.575D	N/A	57,500
Total U.S. Department of Health and Human Services			57,500
U.S. Department of Education			
Passed-through the Missouri Department of Elementary and Secondary Education (DESE):			
Title I - Grants to Local Educational Agencies	84.010A	S010A230025	600,032
Title II - Supporting Effective Instruction State Grant	84.367A	S367A230024 S367A240024	45,669
Title III - English Language Acquisition Grant	84.365A	S365A230025	33,989
Title IV - Student support and Academic Enrichment Grants	84.424A	S424A230026 S424A240026	46,118
ARP Elementary and Secondary School Emergency Relief Fund (ESSER) III	84.425U	S425U210021	7,600
ARP-HCY II	84.425W	S425W210026	14,938
Special Education Cluster (IDEA)			
Special Education Grants to States (IDEA Part B)	84.027A	H027A220040 H027A240040	238,966
Early Childhood Special Education	84.173A	H173A230103 H173A240103	13,448
Total Special Education Cluster (IDEA)			252,414
Total U.S. Department of Education			1,000,760
Total Expenditures of Federal Awards:			\$ 1,381,879

* Tested as a major program

Premier Charter School
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2025

A. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards, for the year ended June 30, 2025, includes the federal grant activity of Premier Charter School and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of operations of Premier Charter School, it is not intended to and does not present the financial position or changes in net assets of Premier Charter School.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reporting on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

C. OTHER UNIFORM GUIDANCE INFORMATION

For the year ended June 30, 2025, the School had no expenditures in the form of noncash assistance, had no sub recipients, and had no loans or loan guarantees outstanding. The School has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**ADDITIONAL
INDEPENDENT
AUDITORS'
REPORTS**



**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***

Board of Directors
Premier Charter School
St. Louis, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Premier Charter School (a nonprofit organization) (the "School"), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated December 11, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of 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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Schmersahl Treloar & Co.

St. Louis, Missouri
December 11, 2025



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE**

To the Board of Directors
Premier Charter School
St. Louis, Missouri

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Premier Charter School's ("the School") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the School's major federal programs for the year ended June 30, 2025. The School's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the School's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 School's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Schmersahl Treloar & Co.

St. Louis, Missouri
December 11, 2025

Premier Charter School
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Section 1 – Summary of Auditors’ Results

Financial Statements:

Type of auditors’ report issued: unmodified

Internal control over financial reporting:

Are any material weaknesses identified?	☐ Yes	☒ No
Are any significant deficiencies identified?	☐ Yes	☒ None reported
Is any noncompliance material to financial statements noted?	☐ Yes	☒ No

Federal Awards:

Internal control over major federal programs:

Are any material weaknesses identified?	☐ Yes	☒ No
Are any significant deficiencies identified?	☐ Yes	☒ None reported
Type of auditor's report issued on compliance for major federal programs: unmodified		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	☐ Yes	☒ No
Identification of major federal programs:		
<u>Assistance Listing Number(s)</u>	<u>Name of federal program or cluster</u>	
10.553 & 10.555	Child Nutrition Cluster	
Dollar threshold used to distinguish between type A and type B programs:	\$750,000	
Auditee qualified as a low-risk auditee?	☒ Yes	☐ No

Premier Charter School
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2025
(Continued)

Section 2 – Financial Statement Findings

Financial Statement Findings Required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

Summary Schedule of Current Audit Findings:

None

Summary Schedule of Prior Audit Findings:

None

Premier Charter School
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2025
(Continued)

Section 3 – Federal Award Findings and Questioned Costs

Federal Award Findings Required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

Summary Schedule of Current Audit Findings:

None

Summary Schedule of Prior Audit Findings:

None

Premier Charter School
CORRECTIVE ACTION PLAN
Year Ended June 30, 2025

Current Finding Number	Comment	Corrective Action Plan	Anticipated Date of Completion
None			