Georgia Cyber Academy, Inc
Audited Financial Statements
June 30, 2026

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Georgia Cyber Academy, Inc
Atlanta, Georgia

Opinion

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Georgia Cyber Academy, Inc, ("the School") as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

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

Basis for Opinion

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

Responsibility 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 for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government

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

In performing our audit in accordance with GAAS and GAS we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement on 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 statement.
- 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 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 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 we identified during the audit.

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the supplementary information, such as management's discussion and analysis, the schedules of proportionate share of net pension liability and schedules of contributions to retirement systems, and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management‘s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards
In accordance with Government Auditing Standards, we have also issued our report dated September 11, 2026 on our consideration of 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 School's internal control over financial reporting or on compliance. That report is an

integral part of an audit performed in accordance with Government Auditing Standards in considering the School's internal control over financial reporting and compliance.

Bambo Sonaike CPA, LLC

September 11, 2026

Introduction

As management of Georgia Cyber Academy, Inc (the "School"), we offer readers of the School's financial statement this narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2026 to (a) assist the reader in focusing on significant financial issues, (b) provide an overview and analysis of the School's financial activities, (c) identify changes in the School's financial position, (d) identify material deviations from the approved budget, and (e) highlight significant issues in individual funds.

Because the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transaction, events, and conditions, it should be considered in conjunction with the Basic Financial Statements.

Overview of the Financial Statements

The School's basic financial statements consist of three components: 1) School-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains required supplementary information (RSI) in addition to the basic financial statements.

- School-wide Statements: Provide both short-term and long-term information about the School's overall financial status using the accrual basis of accounting.
- Fund Financial Statements: Focus on individual parts of the School's reporting operations in more detail than the School-wide statements using modified accrual accounting.
- Notes to Financial Statements: Provide detailed data and explanations essential to a full understanding of the information in the statements.

The following tables show the financial summary of the School:

	Governmental Activities		
	2026	2025	Variance
ASSETS			
Current and other assets	$ 29,188,074	$ 32,791,583	$ (3,603,509)
Capital assets (net)	536,714	1,069,352	(532,638)
Total assets	29,724,788	33,860,935	(4,136,147)
DEFERRED OUTFLOW OF RESOURCES	34,436,556	39,534,262	(5,097,706)
Total assets and deferred outflow of resources	64,161,344	73,395,197	(9,233,853)
LIABILITIES			
Current and other liabilities	3,311,161	6,536,586	(3,225,425)
Long term liabilities	77,292,185	91,803,067	(14,510,882)
Total liabilities	80,603,346	98,339,653	(17,736,307)
DEFERRED INFLOW OF RESOURCES	29,869,899	21,693,121	8,176,778
Total liabilities and deferred inflow of resources	110,473,245	120,032,774	(9,559,529)
NET POSITION			
Investment in capital assets (net)	(20,681)	(8,518)	(12,163)
Restricted	-	-	-
Unrestricted (deficit)	(46,291,220)	(46,629,059)	337,839
Total net position (deficit)	$ (46,311,901)	$ (46,637,577)	$ 325,676

	Governmental Activities		
	2026	2025	Variance
REVENUES			
State passed through State Charter School Commission	$ 115,834,970	$ 107,360,075	$ 8,474,895
Operating grants and contributions	11,188,062	11,279,311	(91,249)
Other revenues	505,678	199,649	306,029
Total revenues	127,528,710	118,839,035	8,689,675
EXPENSES			
Instruction	98,347,157	99,984,197	(1,637,040)
Pupil services	16,752,745	14,689,460	2,063,285
Instructional staff training	2,840,223	2,784,528	55,695
Improvement of instructional services	605,711	137,726	467,985
General administration	392,447	259,745	132,702
Support services - business	196,689	1,865,802	(1,669,113)
Support services - central	1,200,747	-	1,200,747
School administration	5,465,723	3,483,684	1,982,039
Operation of school	647,354	1,439,891	(792,537)
Student transportation services	1,113	20,036	(18,923)
Interest expense	31,619	58,748	(27,129)
Total expenses	126,481,528	124,723,817	1,757,711
Change in net position	$ 1,047,182	$ (5,884,782)	$ 6,931,964

Detailed Analyses

- State passed through revenue: QBE revenue increased by $8,474,895, a 7.9% change due to increased student enrollment.
- Other revenue: The 60.5% increase in other revenue is due to additional investment income.
- Operating expenses - pupil services, improvement of instructional services, school administration and general administration costs all increased due to increased student enrollment.

Significant Capital Asset and Long-Term Financing Activity

- Capital Assets: The School did not have any capital outlay during the current year.

- Long-Term Debt: The School did not issue any new long-term debt during the current year.

Currently Known Facts, Decisions, or Conditions

- Enrollment Trends: Certified enrollment for the upcoming 2026–2027 school year indicates a stable student FTE count. Under the state funding formula, this is expected to maintain the school's annual QBE revenue for next fiscal year.
- Teachers Retirement Contribution – The Teacher Retirement Contribution rate for fiscal year 2027 is expected to increase by 1.87% which will increase the school's expenditure by approximately $262,000.

Georgia Cyber Academy, Inc.
Statement of Net Position
As of June 30, 2026

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 15,850,213
Prepaid expenses	697,575
Accounts receivable	1,956,798
Investments	10,530,103
Capital assets (net)	536,714
Other assets	153,385
Total assets	29,724,788
DEFERRED OUTFLOW OF RESOURCES	
Related to defined benefit pension plans	34,436,556
Total deferred outflow of resources	34,436,556
LIABILITIES	
Accounts payable & accrued expenses	2,753,766
Lease liabilities due within one year	557,395
Net pension liability	77,292,185
Total liabilities	80,603,346
DEFERRED INFLOW OF RESOURCES	
Related to defined benefit pension plans	29,869,899
Total deferred inflow of resources	29,869,899
NET POSITION	
Investment in capital assets, net of related debt	(20,681)
Restricted	-
Unrestricted (deficit)	(46,291,220)
Total net position (deficit)	$ (46,311,901)

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

Georgia Cyber Academy, Inc.
Statement of Activities
For the period ended June 30, 2026

Governmental Activities	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets
Instruction	$ 98,347,157	$ -	$ 56,211,670	$ -	$ (42,135,487)
Pupil services	16,752,745	-	20,000	-	(16,732,745)
Instructional staff training	2,840,223	-	-	-	(2,840,223)
Improvement of instructional services	605,711	-	266,209	-	(339,502)
General administration	392,447	-	-	-	(392,447)
Support services - business	196,689	-	-	-	(196,689)
Support services - central	1,200,747	-	1,244,888	-	44,141
School administration	5,465,723	-	1,703,465	-	(3,762,258)
Operation of school	647,354	-	2,474,562	-	1,827,208
Media services	-	-	1,265,503	-	1,265,503
Student transportation services	1,113	-	-	-	(1,113)
Interest expense	31,619	-	-	-	(31,619)
Total governmental activities	$ 126,481,528	$ -	$ 63,186,297	$ -	$ (63,295,231)

General revenues:	
State passed through State Charter School Commission	52,648,673
Operating grants and contributions	11,188,062
Other revenues	505,678
Total general revenues	64,342,413
Change in net position	1,047,182
Net position (deficit) - beginning of year	(46,637,576)
Prior period adjustment	(721,507)
Net position (deficit) - end of the year	$ (46,311,901)

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

Georgia Cyber Academy, Inc
Balance Sheet - Governmental Funds
As of June 30, 2026

	General Fund
ASSETS	
Cash and cash equivalents	$ 15,850,213
Prepaid expenses	697,575
Accounts receivable	1,956,798
Investments	10,530,103
Other assets	153,385
Total assets	29,188,074
LIABILITIES AND FUND BALANCES	
LIABILITIES	
Accounts payable & accrued expenses	2,753,766
Total liabilities	2,753,766
FUND BALANCES	
Non-spendable	850,960
Committed	-
Unassigned	25,583,348
Total fund balances	26,434,308
Total liabilities and fund balances	$ 29,188,074

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

Georgia Cyber Academy, Inc.
Reconciliation of Balance Sheet – Governmental Funds to Statement of Net Position
As of June 30, 2026

Total Fund balances - Governmental funds	$ 26,434,308
The amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. Those assets consist of:	
Computer and equipment	18,696
Furniture and fixtures	59,194
Right to use lease assets	5,997,755
Accumulated depreciation and amortization	(5,538,931)
Total capital assets	536,714
Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds.	
Lease liability	(557,395)
Net pension liability	(77,292,185)
Total long term	(77,849,580)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds	
Deferred outflows of resources	34,436,556
Deferred inflows of resources	(29,869,899)
Net flow of resources	4,566,657
Total Net position (deficit) - Governmental activities	$ (46,311,901)

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

Georgia Cyber Academy, Inc.
Statement of Revenue, Expenditures, and Changes in Fund Balances
For the period ended June 30, 2026

REVENUES	
State passed through State Charter School Commission	$ 115,834,970
Operating grants and contributions	11,188,062
Other revenues	505,678
Total revenues	127,528,710
EXPENDITURES	
Instruction	98,975,060
Pupil services	16,785,224
Instructional staff training	2,855,483
Improvement of instructional services	605,711
General administration	392,447
Support services - business	196,689
Support services - central	1,200,747
School administration	5,469,084
Operation of school	114,716
Student transportation services	1,113
Interest expense	31,619
Total expenditures	126,627,893
Excess (deficiency) of revenue over (under) expenditures	900,817
OTHER FINANCING SOURCES (USES)	
Payment of lease liabilities	(520,475)
Total other financing sources and (uses)	(520,475)
Net change in fund balance	380,342
Fund balances at beginning of the year	26,775,473
Prior period adjustment	(721,507)
Fund balances at end of the year	$ 26,434,308

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

Georgia Cyber Academy, Inc.
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances
For the period ended June 30, 2026

Total net change in fund balances- Government funds	$	380,342
The amounts reported for governmental activities in the statement of activities are different because:		
Capital assets are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets are allocated over their estimated useful lives and reported as depreciation expense.		
Depreciation and amortization expense		(532,638)
Total		(532,638)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Payment of lease liabilities		520,475
Total		520,475
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in pension related accounts		679,003
Total change in net position- Governmental activities	$	1,047,182

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

1. Operations

Georgia Cyber Academy, Inc (a Georgia 501 (c) (3) Corporation) (the School), provides online educational services to students in grades K-12.

The governing body of the School is the Board of Directors, which is currently comprised of seven members. Information presented in these financial statements only reflects the financial position and activities of the School.

The general operating authority of the School is contained in O.C.G.A. (Official Code of Georgia Annotated) 20-2-2060 and 20-2-2084 (Charter Schools Act), Georgia Statutes. The School operates under a 5-year charter sponsored by State Charter Schools Commission (the "Commission"). The current charter is effective until June 30, 2029. At the end of the charter's term, the Charter may be renewed by agreement of the School and the Commission following the procedures set forth in the Charter Schools Act and accompanying Commissions' rules.

During the term of charter, the Commission may terminate the charter following the procedures set forth in the Charter School Act and rule of the State Board of Education.

2. Significant accounting policies

The accompanying financial statements of the School have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for governmental accounting and financial reporting principles. The most significant of the School's accounting policies are described below.

Basis of presentation

The School's basic financial statements are collectively comprised of the government-wide financial statements, fund financial statements, and notes to the basic financial statements of the Georgia Cyber Academy, Inc

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the financial activities of the overall School, except for fiduciary activities. As part of the consolidation process, all interfold activities are eliminated from these statements. Both statements report only governmental activities as the School does not engage in any business type activities.

The Statement of Net Position presents the School's non-fiduciary assets and liabilities, with the difference reported as net position. Net position is reported in three categories as follows:

- Net investment in capital assets consists of the School District's total investment in capital assets, net of accumulated depreciation, and reduced by outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

- Restricted net position consists of resources for which the School District is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties or imposed by law through constitutional provisions or enabling legislation.

- Unrestricted net position consists of resources not meeting the definition of the two preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the School's governmental activities.

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses (expenses of the School related to the administration and support of the School's programs, such as office and maintenance personnel and accounting) are not allocated to programs.

- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements
The fund financial statements provide information about the School's funds. Eliminations have been made to minimize the double counting of internal activities. Separate financial statements) are presented for governmental funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The School reports the following major governmental funds:

- General Fund is the School's primary operating fund. It accounts for and reports all financial resources not accounted for and reported in another fund.

Basis of accounting
The basis of accounting determines when transactions are reported on the financial statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, with the exception of the School's proportionate share of the Net Pension Liability. These collective amounts have been allocated by the pension plan based on actual contributions made to the plan during the measurement period to actuarially determine the proportionate share to each participating employer. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The School uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by

segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The School considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under capital leases are reported as other financing sources.

The School funds certain programs by a combination of specific cost-reimbursement grants, categorical grants, and general revenues. Thus, when program costs are incurred, both restricted and unrestricted resources are available to finance the program. It is the School's policy to first apply grant resources to such programs, followed by cost-reimbursement grants, then general revenues.

Net position
The School's net position in the Government-wide Financial Statements is classified as follows:

Net investment in capital assets
This represents the School's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

Restricted net position
This represents resources for which the School is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

Unrestricted net position
Unrestricted net position represents resources derived from grants and contributions not restricted to specific programs, charges for services, and miscellaneous revenues. These resources are used for transactions relating to the educational and general operations of the School, and may be used at the discretion of the Board to meet current expenses for those purposes.

Fund balances
The School's fund balances are classified as follows:

Non-spendable
These are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted
These are amounts with limitations imposed on their use by external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Committed
These are amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School's highest level of decision-making authority.

Assigned
These are amounts that are constrained by the School's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned
These are amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund. This is the residual classification for the general fund.

Cash and cash equivalent
Cash and cash equivalents consist of cash on hand, demand deposits, investments in the State of Georgia local government investment pool and short-term investments with original maturities of three months or less from the date of acquisition in authorized financial institutions. Official Code of Georgia Annotated (O.C.G.A.) §45-8-14 authorizes the School to deposit its funds in one or more solvent banks, insured federal savings and loan associations or insured chartered building and loan associations.

Receivables
Receivables consist of amounts due on grant reimbursements on federal, state or other grants for expenditures made but not reimbursed. Receivables are recorded when either the asset or revenue recognition criteria has been met. Receivables recorded on the basic financial statements do not include any amounts which would necessitate the need for an allowance for uncollectible receivables.

Custodial credit risk
Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the School will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than Federal or State government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2026, the School's cash and cash equivalent accounts were insured or collateralized as required by State statutes.

Collateralization of Deposits
Official Code of Georgia Annotated (OCGA) Section 45-8-12 provides that there shall not be a deposit at any time in any depository for a time longer than ten days a sum of money which has not been secured by surety bond, by guarantee of insurance, or by collateral. The aggregate of the face value of such surety bond and the market value of securities pledged shall be equal to not less than 110 percent of the public funds being secured after the deduction of the amount of deposit insurance. If a depository elects the pooled method (OCGA 45-8-13.1), the

aggregate of the market value of the securities pledged to secure a pool of public funds shall be not less than 110 percent of the daily pool balance. Acceptable security for deposits consists of any one of or any combination of the following:

1. Surety bond signed by a surety company duly qualified and authorized to transact business within the State of Georgia
2. Insurance on accounts provided by the Federal Deposit Insurance Corporation
3. Bonds, bills, notes, certificates of indebtedness or other direct obligations of the United States or of the State of Georgia
4. Bonds, bills, notes, certificates of indebtedness or other obligations of the counties or municipalities of the State of Georgia
5. Bonds of any public authority created by the laws of the State of Georgia, providing that the statute that created the authority authorized the use of the bonds for this purpose
6. Industrial revenue bonds and bonds of development authorities created by the laws of the State of Georgia
7. Bonds, bills, notes, certificates of indebtedness, or other obligations of a subsidiary corporation of the United States government, which are fully guaranteed by the United States government both as to principal and interest or debt obligations issued by the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank, the Central Bank for Cooperatives, the Farm Credit Banks, the Federal Home Loan Mortgage Association, and the Federal National Mortgage Association.

Stewardship, Compliance, and Accountability
The School adopts an annual budget for its General Fund. The budget is prepared in accordance with provisions of the Quality Basic Education Act, OCGA Section 20-2-167. After the School has tentatively adopted the budget, such budget is advertised at least one time in a local newspaper of general circulation. At the next regular meeting of the Board after advertisement, the budget is revised as necessary and adopted as the final budget. The detail of the fiscal year budget is outlined in the supplemental section of the financial statement.

Capital assets
Capital assets purchased, including capital outlay costs, are recorded as expenditures in the fund financial statements at the time of purchase. Capital assets are defined by the School as assets with an initial individual cost of more than $5,000 and an estimated useful life of more than 1 year. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value on the date donated. Disposals are deleted at depreciated recorded cost.

The cost of normal maintenance and repairs that do not add to the value of assets or materially extend the useful lives of the assets are not capitalized. Depreciation is computed using the straight-line method. During the fiscal year under review, no events or changes in circumstances affecting a capital asset that may indicate impairment were known to the School.

The estimated useful lives of capital assets reported in the government-wide statements are as follows:

Asset Class	Estimated Useful Life (years)
Furniture, fixtures and equipment	3 - 5
Right to use lease asset - building	3.25
Right to use lease asset - equipment	4

Leases
The determination of whether an arrangement is a lease is made at the lease's inception. Under Statement No. GASB 87, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed. Right to use lease assets and the related lease liabilities are recorded on the statement of financial position.

The School recognizes right to use lessee asset and related lease liability at the commencement of the lease term, unless the lease is a short-term lease or it transfers ownership of the underlying asset. The lease liability is measured at the present value of payments expected to be made during the lease term (less any lease incentives). The right to use lease asset is measured at the amount of the initial measurement of the related lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

The School reduces the lease liability as payments are made and recognize interest on the lease liability. The School amortizes the right to use lease asset over the shorter of the lease term or the useful life of the underlying asset.

The School monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and lease liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Subscription Based Information Technology Arrangements
The determination of whether an arrangement is a Subscription Based Information Technology Arrangements is made at the arrangement inception. Under GASB 96, a arrangement is (or contains) a Subscription Based Information Technology Arrangements if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the arrangement are changed. Right to use Subscription Based Information Technology assets and the related liabilities are recorded on the statement of financial position.

The School recognizes right to use Subscription Based Information Technology asset and related liability at the commencement of the arrangement term, unless the arrangement is a short-term arrangement or it transfers ownership of the underlying asset. The Subscription Based Information Technology liability is measured at the present value of payments expected

to be made during the arrangement term (less any related incentives). The right to use Subscription Based Information Technology asset is measured at the amount of the initial measurement of the related liability, plus any payments made to the vendor at or before the commencement of the arrangement term and certain direct costs.

The School reduces the Subscription Based Information Technology liability as payments are made and recognize interest on the liability. The School amortizes the right to use Subscription Based Information Technology asset over the shorter of the arrangement term or the useful life of the underlying asset.

Investments
The School can invest its funds as permitted by O.C.G.A. §36-83-4. In selecting among options for investment or among institutional bids for deposits, the highest rate of return shall be the objective, given equivalent conditions of safety and liquidity. Investments made by the School in nonparticipating interest-earning contracts (such as certificates of deposit) and repurchase agreements are reported at cost. Participating interest-earning contracts and money market investments with a maturity at purchase of one year or less are reported at amortized cost. All other investments are reported at fair value. For accounting purposes, certificates of deposit are classified as investments if they have an original maturity greater than three months when acquired.

Fair value
Fair Value Measurement and Disclosures, defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels as follows:

Level 1 – inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly or indirectly.

Level 3 – are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability.

Fair value is a market-based measure, based on assumptions of prices and inputs considered from the perspective of a market participant that are current as of the measurement date, rather than an entity-specific measure. Therefore, even when observable inputs are not readily available, the School's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date.

The availability of valuation techniques and observable inputs can vary from investment to investment and are affected by a wide variety of factors, including the type of investment, whether the investment is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the investments existed. Accordingly, the degree of judgment exercised by the School in determining fair value is greatest for investments categorized in Level 3. In some cases, the inputs used to measure fair value might be categorized within different levels of the fair value hierarchy. In such cases, the fair value measurement is generally categorized in its entirety in the fair value hierarchy based on the lowest level input that is significant to the fair value measurement.

As of June 30, 2026, the School's financial statements presented these following assets in accordance with the level of fair value described above:

Description	Level 1	Level 2	Level 3	Total
Investments	$ 10,530,103	$ -	$ -	$ 10,530,103
Total	$ 10,530,103	$ -	$ -	$ 10,530,103

Long-term obligations
In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. In the fund financial statements, governmental funds report the face amount of debt issued as other financing sources and payments of debt principal as other financing uses.

Revenue sources and recognition
Revenues for current operations are received primarily from the State of Georgia through the District pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 20-2-2060, Georgia Statutes, the School reports the number of full-time equivalent (FTE) students and related data to the District. Under the provisions of Section 20-2-2060, Georgia Statutes, the District reports the number of FTE students and related data to the Georgia Department of Education (GDOE) for funding. Funding for the School is adjusted during the year to reflect revised calculations by the GDOE under the Georgia Education Finance Program and actual weighted FTE students reported by the School during designated FTE student survey 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 eligibility requirements whereby the issuance of grant funds is withheld until qualifying 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 various fundraising activities and certain other programs.

Deferred outflows/inflows of resources
In addition to assets, the statement of net position and/or the balance sheet will report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of resources that applies to a future period(s) and therefore will not be recognized as an outflow of resources (expense/expenditure) until then. Under the full accrual method of accounting, the School has reported the contributions to the cost sharing benefit pension plans subsequent to the measurement date and prior to the fiscal year end as deferred outflows of resources. The School has also reported the actuarial changes in the School's proportionate share of the governmental non-employer cost sharing benefit pension plan, as discussed in note below.

In addition to liabilities, the statement of net position and/or the balance sheet will report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of resources that applies to a future period(s) and therefore will not be recognized as an inflow of resources (revenue) until that time. Under the full accrual method of accounting, the School has reported the actuarial changes in the School's proportionate share of the governmental non-employer cost sharing benefit pension plan, as discussed in note below. This item is reported only in the Statement of Net Position.

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

Use of estimates
The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial states and the reported amounts of revenues and expenses during the reporting period The School considers critical accounting policies to be those that require more significant judgements and estimates in the preparation of its financial statements. Management bases its estimates on historical experience and various other assumptions that it believes are reasonable under the particular facts and circumstances. Actual results could differ from those estimates.

New Accounting Pronouncements
In fiscal year 2026, the School adopted Governmental Accounting Standards Board (GASB) Statement No. 103, Financial Reporting Model Improvements. The objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. The adoption of this statement did not have a material impact on the School's financial statements. This statement will be applied prospectively.

In fiscal year 2026, the School adopted Governmental Accounting Standards Board (GASB) Statement No. 104, Disclosure of Certain Capital Assets. The objective of this statement is to provide users of government financial statements with essential information about certain types of capital assets through enhanced disclosures. The adoption of this statement did not have a material impact on the School's financial statements. This statement will be applied prospectively.

Income Tax
The School is exempt from federal income taxes under Section 501(C) (3) of the Internal Revenue Code. The School is also exempt from Georgia income taxes and, therefore, has made no provision for federal or Georgia income taxes. In addition, the Internal Revenue Services has determined that the Organization is not a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code.

Budgetary Data
The budget is a complete financial plan for the School's fiscal year, and is based upon careful estimates of expenditures together with probable funding sources. The budget is legally adopted each year for the general, special revenue, debt service, and capital projects funds. There is no statutory prohibition regarding over expenditure of the budget at any level. The budget for all governmental funds, except the various school activity (principal) accounts, is prepared and adopted by fund, function and object. The legal level of budgetary control was established by the Board at the aggregate fund level. The budget for the general fund was prepared in accordance with accounting principles generally accepted in the United States of America.

The budgetary process begins with the School's administration presenting an initial budget for the Board's review. The administration makes revisions as necessary based on the Board's guidelines, and a tentative budget is approved. After approval of this tentative budget by the Board, such budget is advertised at least once in a newspaper of general circulation in the locality, as well as the School's website. At the next regularly scheduled meeting of the Board after advertisement, the Board receives comments on the tentative budget, makes revisions as necessary and adopts a final budget. The approved budget is then submitted, in accordance with provisions of O.C.G.A. §20-2-167(c), to the Georgia Department of Education. The Board may increase or decrease the budget at any time during the year. All unexpended budget authority lapses at fiscal year-end.

See the General Fund Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual in the Supplementary Information Section for a detail of any over/under expenditures during the fiscal year under review.

3. Capital assets

Capital assets activity for the year ended June 30, 2026 was as follows:

	Balance at July 1, 2025	Additions	Dispositions	Balance at June 30, 2026
Right-to-use assets amortized				
Right-to-use asset - building	$ 2,981,653	$ -	$ -	$ 2,981,653
Right-to-use asset - equipment	3,016,102	-	-	3,016,102
Total assets amortized	5,997,755	-	-	5,997,755
Capital assets depreciated:				
Computer and equipment	18,696	-	-	18,696
Furniture and fixtures	59,194	-	-	59,194
Total assets depreciated	77,890	-	-	77,890
Less accumulated depreciation and amortization:				
Right-to-use asset - building	(1,924,004)	(520,936)	-	(2,444,940)
Right-to-use asset - equipment	(3,016,102)	-	-	(3,016,102)
Computer and equipment	(18,696)	-	-	(18,696)
Furniture and fixtures	(47,491)	(11,702)	-	(59,193)
Total accumulated depreciation	(5,006,293)	(532,638)	-	(5,538,931)
Total governmental activities				
Capital assets, net	$ 1,069,352			$ 536,714

Depreciation expense was recorded in the statements of activities as follows:

Depreciation and amortization by functions:	
Operation of School	$ 532,638
Total depreciation and amortization expense	$ 532,638

4. Accounts receivable

As of June 30, 2026, accounts receivable consisted of the following:

Pass-through from Georgia Department of Education:	
Special Education Cluster (IDEA)	$ 543,074
Title I Grant to Local Educational Agencies	1,409,030
Others	4,694
Total accounts receivable	$ 1,956,798

5. Concentrations - Revenue sources

As stated in Note 2, the School receives revenues for current operations primarily from the State of Georgia through the State Charter School Commission. The following is a schedule of revenue sources and amounts:

Sources	
State passed through State Charter School Commission - Quality Basic Education	$ 115,834,970
Total QBE funds	115,834,970
Operating grants:	
Title I Grant to Local Educational Agencies	5,058,118
Special Education Cluster (IDEA)	2,387,617
Title II Grant - Supporting Effective Instruction State Grants	559,535
Title III language Instruction for English Learners	26,124
Title IV-A - Student Support and Academic Enrichment Program	333,875
Education for Homeless Children and Youth	66,214
Other state grants	2,756,579
Total operating grants	11,188,062
Other revenues:	
Fundraising, donations and other revenue	505,678
Total revenues	$ 127,528,710

6. Commitments and contingencies

Federal and state grants

The School participates in federal and state grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the School has not complied with the rules and regulations governing grants, refunds of any money

received may be required and the collectability of any related receivable at June 30, 2026 may be impaired. In the opinion of the School, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore no provision has been recorded in the accompanying financial statements for such contingencies.

Facilities
The School provides the majority of its educational services in a virtual environment and from time to time it enters into temporary lease arrangements for student testing, teacher training and other situations requiring a physical space. Due to the state-wide attendance zone of the charter school these arrangements are made to facilitate local and regional meetings. These arrangements are short-term in nature.

7. Lease arrangements

The School entered into a lease agreement for the school's facility located on 1745 Phoenix Boulevard, Atlanta Georgia, 30349 in addition to various lease agreements for equipment usage.

As of June 30, 2026 details of the lease liabilities are as follows:

Purpose	Interest rates	Issue Date	Maturity Date	Amount issued	Amount outstanding
Office building	3.76%	6/1/2024	6/30/2027	$ 1,656,964	$ 557,395
Total				$ 1,656,964	$ 557,395

As of June 30, 2026 in accordance with GASB Statement No. 87 – Leases, the Right-To-Use Lease asset estimated future liabilities are as follows:

Year End	Principal	Interest	Payment
2027	$ 557,395	$ 11,417	$ 568,812
Thereafter	-	-	-
Total	$ 557,395	$ 11,417	$ 568,812

8. Prepaid expenses

As of June 30, 2026, prepaids consisted of the following:

License, subscription, curriculum, educational materials and books	$ 362,486
Insurance	226,264
Teachers retirement plan	108,825
Total prepaid expenses	$ 697,575

9. Retirement plan

The School participates in the Teachers Retirement System of Georgia (TRS) retirement plan administered by the State of Georgia. TRS issue separate publicly available financial reports that include the applicable financial statements and required supplementary information. The reports may be obtained from the respective administrative offices.

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

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

Contributions: Per Title 47 of the O.C.G.A., contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6.00 % of their annual pay during fiscal year 2026. The school school's contractually required contribution rate for the year ended June 30, 2026 was 21.91 % of annual school payroll. School contributions to TRS were $14,027,273 for the year ended June 30, 2026.

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

At June 30, 2026, the School reported a liability of $77,292,185 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2025. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2024. An expected total pension liability as of June 30, 2025 was determined using standard roll-forward techniques. The School's proportion of the net pension liability was based on contributions to TRS during the fiscal year ended June 30, 2025. At June 30, 2025, the School's proportion was 0.365002%, which was an increase of 0.001974% from its proportion measured as of June 30, 2024. For the year ended June 30, 2026, the School recognized pension expense of $13,418,945. At June 30, 2026, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 13,416,554	$ 102,825
Changes of assumptions	2,393,267	1,027,769
Net difference between projected and actual earnings on pension plan investments	-	22,598,982
Changes in proportion and differences between School District contributions and proportionate share of contributions	4,599,462	6,140,323
School contributions subsequent to the measurement date	14,027,273	-
Total	$ 34,436,556	$ 29,869,899

School contributions subsequent to the measurement date of $14,027,273 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	(Outflow) / Inflow of resources
2027	$ 10,683,606
2028	$ (9,560,534)
2029	$ (7,346,016)
2030	$ (3,237,672)
2031	$ -
Thereafter	$ -

Actuarial assumptions: The total pension liability as of June 30, 2025 was determined by an actuarial valuation as of June 30, 2024 using the following actuarial assumptions, applied to all periods included in the measurement:

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

The Mortality rates are as follows: The Pub-2010 Teachers Headcount Weighted Below Median Employee Table, with ages set forward one year and adjusted 106%, projected generationally with the MP-2021 Projection Scale is used for both males and females while in active service.

Rates of improvement have been reduced by 20% for all years prior to the ultimate rate. For those not in active service, the Pub-2010 Benefit Weighted Family of Tables projected generationally with the MP-2021 Projection Scale are used. Rates of improvement have been reduced by 20% for all years prior to the ultimate rate. Further adjustments are used for post-retirement mortality assumptions as follows:

Participant Type	Membership Table	Set Forward(+)/ Setback (-)	Adjustment To Rates
Service Retirees	Teachers Healthy Below-Median Annuitant	Male +1; Female: +1	Male: 105%; Female: 110%
Disability Retirees	Teachers Disabled	Male +3; Female: +3	Male: 106%; Female: 106%
Beneficiaries	Teachers Below-Median Contingent Survivors	Male +1; Female: -1	Male: 100%; Female: 102%

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2018 – June 30, 2023.

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

Asset Class	Target Allocation	Long-term expected real rate of return*
Fixed income	30.00%	1.90%
Domestic large equities	43.20%	9.30%
Domestic small equities	4.30%	13.00%
International developed market equities	12.30%	9.30%
International emerging market equities	5.20%	11.30%
Alternatives	5.00%	11.40%
Total	100.00%	

* Rates shown are net of inflation.

Discount rate: The discount rate used to measure the collective total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and non employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the System's

fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate: The following presents the School's proportionate share of the net pension liability calculated using the discount rate of 6.90 %, as well as what the School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate at June 30, 2025:

	1% Decrease (5.90%)	Current discount rate (6.90%)	1% Increase (7.90%)
School's proportion of the net pension liability	$ 146,308,008	$ 77,292,185	$ 20,825,164

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

10. Prior period adjustments

As of June 30, 2026, prior period adjustments consisted of the following:

	Governmental Activities	General Funds
Net Position / Fund Balance (deficit) as of July 1, 2025 as previously reported	$ (46,637,577)	$ 26,775,472
Prior period adjustments:		
Operating grants and contributions	(721,507)	(721,507)
Total prior period adjustments	(721,507)	(721,507)
Net Position / Fund Balance (deficit) as of July 1, 2025 as restated	$ (47,359,084)	$ 26,053,965

11. Concentration of risk and uncertainty

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; job related illness or injuries to employees; and acts of God. The School has obtained commercial insurance for risk of loss associated with torts, assets, errors or omissions, job related illness or injuries to employees and acts of God.

The School elects to pay unemployment insurance taxes using the contributory method. Taxes are paid quarterly to the Georgia Department of Labor using a set rate based on historical experience.

12. Inherent limitation in evaluating the entity's ability to continue as a going concern

The potential effects of inherent limitations on the ability to detect material misstatements are greater for future events or conditions, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time. Predictions cannot be made about such future conditions or events. Accordingly, the absence of any reference to substantial doubts about the entity's ability to continue as a going concern for a reasonable period of time in the accompanying financial statements cannot be viewed as a guarantee of the entity's ability to continue as a going concern for a reasonable period of time.

13. Subsequent events

The School evaluated subsequent events through the date the financial statements were available to be issued. The School is not aware of any subsequent events which would require recognition or disclosure in the accompanying financial statements.

Georgia Cyber Academy, Inc.
Required Supplementary Disclosure
Schedule of Proportionate Share of the Net Pension Liability- Teachers' Retirement System of Georgia
For the period June 30, 2026

Year Ended	School District's proportion of the net pension liability	School District's proportionate share of the net pension liability	School District's covered payroll	School District's proportionate share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2026	0.365002%	$ 77,292,185	$ 64,022,240	120.73%	84.65%
2025	0.363028%	$ 91,245,672	$ 60,310,491	151.29%	80.86%
2024	0.411902%	$ 121,611,162	$ 56,248,979	216.20%	76.29%
2023	0.381897%	$ 124,009,338	$ 60,009,871	206.65%	72.85%
2022	0.286754%	$ 25,361,479	$ 50,313,632	50.41%	92.03%
2021	0.251732%	$ 60,979,343	$ 36,800,778	165.70%	77.01%
2020	0.218795%	$ 47,046,841	$ 31,897,687	147.49%	78.56%
2019	0.199439%	$ 37,020,150	$ 26,166,548	141.48%	80.27%
2018	0.188479%	$ 35,029,403	$ 23,726,977	147.64%	79.33%
2017	0.172216%	$ 35,530,081	$ 21,503,611	165.23%	76.06%
2016	0.156234%	$ 23,785,075	$ 18,890,343	125.91%	81.44%
2015	0.188267%	$ 23,785,075	$ 17,453,673	136.28%	84.03%

Georgia Cyber Academy, Inc.
Required Supplementary Disclosure
Schedule of Contributions - Teachers' Retirement System of Georgia
For the period June 30, 2026

Year Ended	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	School District's covered payroll	Contribution as a percentage of covered payroll
2026	$ 14,027,273	$ 14,027,273	$ -	$ 64,022,240	21.91%
2025	$ 12,532,520	$ 12,532,520	$ -	$ 60,310,491	20.78%
2024	$ 11,238,546	$ 11,238,546	$ -	$ 56,248,979	19.98%
2023	$ 11,989,972	$ 11,989,972	$ -	$ 60,009,871	19.98%
2022	$ 9,967,130	$ 9,967,130	$ -	$ 50,313,632	19.81%
2021	$ 7,014,228	$ 7,014,228	$ -	$ 36,800,778	19.06%
2020	$ 6,743,171	$ 6,743,171	$ -	$ 31,897,687	21.14%
2019	$ 5,468,809	$ 5,468,809	$ -	$ 26,166,548	20.90%
2018	$ 3,988,505	$ 3,988,505	$ -	$ 23,726,977	16.81%
2017	$ 3,068,565	$ 3,068,565	$ -	$ 21,503,611	14.27%
2016	$ 2,695,652	$ 2,695,652	$ -	$ 18,890,343	14.27%
2015	$ 2,295,158	$ 2,295,158	$ -	$ 17,453,673	13.15%

Teachers Retirement System

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

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

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

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

On January 22, 2025, the Board adopted recommended changes to various assumptions and methods utilized by the System. Primary among the changes were updates on rates of mortality, retirement, disability, and withdrawal.

Georgia Cyber Academy, Inc.

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund

For the period ended June 30, 2026

	Budget	Actual	Variance
REVENUES			
State passed through State Charter School Commission	$115,788,478	$115,834,970	$ 46,492
Supplemental revenue	8,490,044	11,693,740	3,203,696
Total revenue	124,278,522	127,528,710	3,250,188
EXPENDITURES			
Instruction	97,167,823	98,975,060	1,807,237
Pupil services	15,447,503	16,785,224	1,337,722
Instructional staff training	165,370	2,855,483	2,690,113
Improvement of instructional services	3,060,984	605,711	(2,455,273)
General administration	275,497	392,447	116,950
Support services - business	340,000	196,689	(143,311)
Support services - central	1,140,000	1,200,747	60,747
School administration	4,714,000	5,469,084	755,084
Operation of school	771,000	114,716	(656,284)
Federal grant administration	5,243	-	(5,243)
Student transportation services	15,117	1,113	(14,004)
Interest expense	-	31,619	31,619
Total expenditures	123,102,536	126,627,893	3,525,357
Excess (deficiency) of revenue over (under) expenditures	1,175,986	900,817	(275,169)
OTHER FINANCING SOURCES (USES)			
Payment of lease liabilities	-	(520,475)	(520,475)
Total other financing sources and (uses)	-	(520,475)	(520,475)
Net change in fund balance	1,175,986	380,342	(795,644)
Fund balances at beginning of the year	26,775,473	26,775,473	-
Prior period adjustment	-	(721,507)	(721,507)
Fund balances at end of the year	$ 27,951,459	$ 26,434,308	$ (795,644)

Georgia Cyber Academy, Inc.
Note to the Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund
For the period ended June 30, 2026

1. **Budgetary Information**

   Budgetary basis of accounting
   Annual budgets are adopted for the entire operations at the combined governmental level and may be amended by the board of directors (the "Board"). The budgets presented for the fiscal year ended June 30, 2026 have been amended according to Board procedures. Budgets are adopted in full accrual basis accounting. The legal level of budgetary control is the fund level.

Georgia Cyber Academy, Inc.
Schedule of State Revenue
June 30, 2026

Grants		
Education, Georgia Department of		
Quality Basic Education		
Direct Instructional Cost		
Kindergarten Program	$	1,377,331
Kindergarten Program - Early Intervention Program		899,100
Primary Grades (1-3) Program		4,030,930
Primary Grades - Early Intervention (1-3) Program		3,225,377
Upper Elementary Grades (4-5) Program		2,480,493
Upper Elementary Grades - Early Intervention (4-5) Program		3,503,697
Middle School (6-8) Program		9,885,386
High School General Education (9-12) Program		7,324,406
CTAE(9-12) PGM		2,331,328
Gifted Student - Category I		3,943,890
Gifted Student - Category II		1,532,641
Gifted Student - Category III		8,800,239
Gifted Student - Category IV		2,159,341
Gifted Student - Category V		67,715
Gifted Student - Category VI		2,331,888
Remedial Education Program		778,645
Alternative Education Program		646,843
English Speakers of Other Languages (ESOL)		362,504
Spec Ed. Supplemental Speech		138,989
Media Center Program		1,265,503
20 Days Additional Instruction		390,927
Staff and Professional Development		265,542
Principal Staff and Professional Development		667
Indirect Cost		
Central Administration		1,244,888
School Administration		1,703,465
Facility Maintenance and Operations		2,474,562
Categorical Grants		
Nursing Services		20,000
State Commission Charter Supplement		52,628,673
Student Mental/Behavioral Health Services		20,000
Total state revenue	$	115,834,970

Georgia Cyber Academy, Inc.
Schedule of Expenditure of Federal Awards
For the period ended June 30, 2026

Federal Grantor/ Pass-through Grantor/ Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures	Pass-through to Subrecipients
U.S. Department of Education:				
Pass-through from Georgia Department of Education:				
Title I Grant to Local Educational Agencies	84.010	S010A210010, S010A220010	5,058,118	$ -
Title II Grant - Supporting Effective Instruction State Grants	84.367	S367A220001, S367A210001	559,535	-
Title III language Instruction for English Learners	84.365	S365A210010, S365A220010	26,124	-
Title IV-A - Student Support and Academic Enrichment Program	84.424	S424A210011, S424A220011	333,875	-
Education for Homeless Children and Youth	84.196	S196A210011, S196A220011	66,214	-
Special Education Cluster (IDEA)				
Special Education - Grants to States	84.027	H027A210073, H027A220073	2,324,288	-
Special Education - Preschool Grants	84.173	H323A210010, H173A220081	63,329	-
Total Special Education Cluster (IDEA)			2,387,617	-
Total U.S. Department of Education			8,431,483	-
Total Federal Awards			$ 8,431,483	$ -

The accompanying notes are an integral part of this schedule.

1. **Basis of Presentation**
   The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Georgia Cyber Academy, Inc (the "School") under programs of the federal government for the year ended June 30, 2026. The information in this Schedule is presented in accordance with requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, change in net assets, or cash flows of the Organization.

2. **Summary of Significant Accounting Policies**
   Expenditures reported on the Schedule are reported 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 are limited as to reimbursement.

3. **Indirect Cost Rate**
   The Organization has not elected to use the 10-percent de minimis cost rate allowed under the Uniform Guidance.

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH THE GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Georgia Cyber Academy, Inc
Atlanta, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Georgia Cyber Academy, Inc ("the School"), as of and for the year ended June 30, 2026, and related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated September 11, 2026.

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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

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

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

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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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

Bambo Sonaike CPA, LLC

September 11, 2026

Georgia Cyber Academy, Inc.
Schedule of Expenditure of State Awards
For the period ended June 30, 2026

State Grantor/ Pass-through Grantor/ Program Title	Revenues	Expenditures	Amount (due to) / from Agency
Georgia Department of Education			
Title I Grant to Local Educational Agencies	$ 5,058,118	$ 5,058,118	$ -
Title II Grant - Supporting Effective Instruction State Grants	559,535	559,535	-
Title III language Instruction for English Learners	26,124	26,124	-
Title IV-A - Student Support and Academic Enrichment Program	333,875	333,875	-
Special Education - Grants to States	2,324,288	2,324,288	-
Special Education - Preschool Grants	63,329	63,329	-
Education for Homeless Children and Youth	66,214	66,214	-
Computer Science Grant	12,975	12,975	-
State Charter Schools Commission Administrative Fee Reduction	898,553	898,553	-
Math and Science Supplement	100,145	100,145	-
Graduate Ready to Attain Success in Postsecondary	106,988	106,988	-
One Time QBE Adjustment	1,636,356	1,636,356	-
Total Georgia Department of Education	11,186,500	11,186,500	-
Total State Awards	$ 11,186,500	$ 11,186,500	$ -

–End of Report–