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State Examiner

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February 18, 2025

Charter School Board
Renaissance Academy, Inc.
LaPorte County, Indiana

We have reviewed the audit report of Renaissance Academy, Inc. which was opined upon by CliftonLarsonAllen LLP, Independent Public Accountants, for the period July 1, 2023 to June 30, 2024. Per the *Independent Auditors' Report* the financial statements included in the report present fairly the financial condition of Renaissance Academy, Inc. as of June 30, 2024 and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, CliftonLarsonAllen LLP prepared the audit report in accordance with guidelines established by the Indiana State Board of Accounts.

In addition to the report presented herein, a Supplemental Audit Report for Renaissance Academy, Inc., was prepared in accordance with the guidelines established by the Indiana State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.

Tammy R. White, CPA
Deputy State Examiner

RENAISSANCE ACADEMY, INC.
**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**
YEARS ENDED JUNE 30, 2024 AND 2023



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**RENAISSANCE ACADEMY, INC.
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YEARS ENDED JUNE 30, 2024 AND 2023**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Renaissance Academy, Inc.
La Porte, Indiana

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the School and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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.

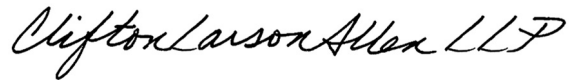
In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information 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 GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



CliftonLarsonAllen LLP

Indianapolis, Indiana
December 30, 2024

RENAISSANCE ACADEMY, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,615,437	\$ 1,052,156
Grants Receivable	10,900	167,250
Other Receivables, Net of Allowance for Doubtful Accounts	36,265	50,630
Prepaid Expenses and Other Assets	-	14,812
Total Current Assets	1,662,602	1,284,848
PROPERTY AND EQUIPMENT		
Land	436,820	396,113
Buildings and Improvements	804,881	804,881
Leasehold Improvements	693,314	681,064
Furniture and Equipment	185,389	174,472
Vehicles	61,876	76,065
Textbooks	33,712	33,712
Less: Accumulated Depreciation	(1,049,990)	(996,261)
Property and Equipment, Net	1,166,002	1,170,046
RIGHT-OF-USE ASSET, NET	286,738	378,690
Total Assets	\$ 3,115,342	\$ 2,833,584
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current Portion of Notes Payable	\$ 557,220	\$ 42,553
Accounts Payable and Accrued Expenses	121,627	109,631
Deferred Revenue	19,560	104,220
Right of Use Liability, Current	93,742	98,292
Total Current Liabilities	792,149	354,696
LONG-TERM LIABILITIES		
Notes Payable, Net of Current Portion	-	557,216
Right-of-Use Liability, Net of Current Portion	192,996	280,398
Total Long-Term Liabilities	192,996	837,614
Total Liabilities	985,145	1,192,310
NET ASSETS WITHOUT DONOR RESTRICTIONS	2,130,197	1,641,274
Total Liabilities and Net Assets	\$ 3,115,342	\$ 2,833,584

See accompanying Notes to Financial Statements.

RENAISSANCE ACADEMY, INC.
STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS
YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
REVENUE AND SUPPORT, WITHOUT DONOR RESTRICTIONS		
State Education Support	\$ 1,981,757	\$ 1,761,633
Grant Revenue	796,258	636,531
Student Fees	248,621	258,190
Fundraising and Other Income	26,346	15,366
Other Income	17,748	48,590
Total Revenue and Support, Without Donor Restrictions	3,070,730	2,720,310
EXPENSES		
Program Services	1,719,058	1,711,596
Management and General	862,749	859,067
Total Expenses	2,581,807	2,570,663
CHANGE IN NET ASSETS, WITHOUT DONOR RESTRICTIONS	488,923	149,647
Net Assets Without Donor Restrictions - Beginning of Year	1,641,274	1,491,627
NET ASSETS WITHOUT DONOR RESTRICTIONS - END OF YEAR	\$ 2,130,197	\$ 1,641,274

See accompanying Notes to Financial Statements.

RENAISSANCE ACADEMY, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2024 AND 2023

	2024			2023		
	Program Services	Management and General	Total	Program Services	Management and General	Total
Salaries and Wages	\$ 856,830	\$ 494,130	\$ 1,350,960	\$ 830,128	\$ 492,092	\$ 1,322,220
Employee Benefits	214,040	158,402	372,442	200,768	166,790	367,558
Professional Services	12,397	30,212	42,609	7,300	27,167	34,467
Staff Development and Recruitment	22,340	-	22,340	43,233	-	43,233
Authorizer Oversight Fees	-	38,043	38,043	-	33,929	33,929
Food Costs	27,205	-	27,205	25,691	-	25,691
Classroom, Kitchen, and Office Supplies	96,619	14,819	111,438	119,568	30,526	150,094
Field Trips and Events	49,439	-	49,439	45,889	-	45,889
Occupancy	287,761	-	287,761	285,108	-	285,108
Repairs and Maintenance	57,209	-	57,209	57,974	-	57,974
Information Technology	-	16,344	16,344	-	18,181	18,181
Depreciation	67,918	-	67,918	75,496	-	75,496
Insurance	-	36,574	36,574	-	42,299	42,299
Interest	-	24,611	24,611	-	26,305	26,305
Transportation	25,554	-	25,554	19,816	-	19,816
Bad Debt	-	19,000	19,000	-	5,000	5,000
Other	1,746	30,614	32,360	625	16,778	17,403
Total Functional Expenses	<u>\$ 1,719,058</u>	<u>\$ 862,749</u>	<u>\$ 2,581,807</u>	<u>\$ 1,711,596</u>	<u>\$ 859,067</u>	<u>\$ 2,570,663</u>

See accompanying Notes to Financial Statements.

**RENAISSANCE ACADEMY, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 488,923	\$ 149,647
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	67,918	75,496
Provision for (Recovery from) Bad Debts	(3,029)	(3,304)
Changes in Operating Assets and Liabilities:		
Grants Receivable	156,350	62,450
Other Receivables	17,394	(8,912)
Prepaid Expenses	14,812	70
Accounts Payable and Accrued Expenses	11,996	(8,572)
Deferred Revenue	(84,660)	20,318
Net Cash Provided by Operating Activities	669,704	287,193
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(63,874)	(88,602)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Payments of Notes Payable	(42,549)	(40,856)
NET CHANGE IN CASH	563,281	157,735
Cash - Beginning of Year	1,052,156	894,421
CASH - END OF YEAR	\$ 1,615,437	\$ 1,052,156
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid for Interest	\$ 24,611	\$ 26,305

See accompanying Notes to Financial Statements.

RENAISSANCE ACADEMY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Renaissance Academy, Inc. (the School) is a public benefit nonprofit organization incorporated under the laws of the state of Indiana. The School operates a public charter school established under Indiana Code 20-24 and is sponsored by Ball State University. The School served approximately 267 students in grades kindergarten to eight during the 2023-2024 school year. The School also provides an early childhood education program for children ages three and four on a fee basis.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Revenue Recognition

Revenues generally come from resources provided under the Indiana Charter Schools Act (the Act). Under the Act, the School receives an amount per student in relation to the funding received by other public schools in the same geographic area. Funding from the state of Indiana is based on enrollment and is paid in monthly installments in July through June coinciding with the academic School year. Revenue is recognized in the year in which the educational services are rendered.

A portion of the School's revenue is the product of cost reimbursement grants. Accordingly, the School recognizes revenue under these grants in the amount of costs and expenses at the time they are incurred. Amounts received prior to incurring qualifying expenditures are reported as deferred revenues in the statement of financial position. As of June 30, 2024 and 2023, the School does not have any conditional grants that have not been recognized as revenue in the statement of activities because conditions have not been met.

Revenue from student fees is recognized when the control of the promised good or service is transferred to the student, in an amount that reflects the consideration expected to be entitled in exchange for those goods or services. Amounts unpaid after the service is performed are reported as accounts receivable in the statement of financial position. As of June 30, 2024, 2023, and 2022, the School has \$32,265, \$50,630, and \$38,414, respectively, of accounts receivable from student fees, net of allowance for credit losses. Amounts received prior to service is performed are reported as deferred revenues in the statement of financial position. As of June 30, 2024, 2023 and 2022, the School has \$19,560, \$104,220, and \$83,902, respectively, of deferred revenue from student fees.

RENAISSANCE ACADEMY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grant, Contribution, and Fundraising Revenue

The School receives income from grants, contributions, and fundraising that support certain school activities. Such revenue received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The School reports gifts of cash and other assets and grants as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as Net Assets Released from Restrictions.

Cash and Cash Equivalents

Cash consists of cash held in bank accounts and cash equivalents consists of short-term, highly liquid investments with original maturities of three months or less. There were no cash equivalents at June 30, 2024 and 2023.

Grants and Other Receivables

Grants receivable relate primarily to activities funded under federal grants and legislation enacted by the state of Indiana. The School believes that it is operating in compliance with regulatory requirements and as such, no allowance for credit losses is deemed necessary under Current Expected Credit Losses (CECL) with regard to such receivables. Other receivables include student and preschool fees and are reviewed for collectability on an annual basis. The accompanying statements of financial position reflect allowances for credit losses of \$16,180 and \$18,988 as of June 30, 2024 and 2023, respectively.

Property and Equipment

Purchases of assets and expenditures that materially increase value or extend useful lives are capitalized and are included in the accounts at cost. Routine maintenance and repairs and minor replacement costs are charged to expense as incurred.

Depreciation is provided over the estimated useful lives of the respective assets using the straight-line method. The estimated useful lives generally are as follows:

Buildings and Improvements	39 Years
Leasehold Improvements	5 to 15 Years
Furniture and Equipment	3 to 7 Years
Vehicles	5 Years
Textbooks	3 Years

Impairment of Long-Lived Assets

On an ongoing basis, the School reviews its long-lived assets for impairment whenever events or circumstances indicate that the carrying amount may be overstated. The School recognizes impairment losses if the undiscounted cash flows expected to be generated are less than the carrying value of the related asset. If impaired, the assets are adjusted to fair value based on the undiscounted cash flows.

RENAISSANCE ACADEMY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Revenue

Deferred revenue consists of enrollment fees and materials and supplies fees received as part of the enrollment process for the subsequent academic School year.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Taxes on Income

Renaissance Academy, Inc. has received a determination from the U.S. Treasury Department stating that it qualifies under the provisions of Section 501(c)(3) of the Internal Revenue Code as a tax-exempt organization; however, the School would be subject to tax on income unrelated to its tax-exempt purpose. For the years ended June 30, 2024 and 2023, no accounting for federal and state income taxes was required to be included in the accompanying financial statements.

Professional accounting standards require the School to recognize a tax liability only if it is more likely than not the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax liability that is greater than 50% likely of being realized on examination. For tax positions not meeting the more likely than not test, no tax liability is recorded. The School has examined this issue and has determined that there are no material contingent tax liabilities or questionable tax positions. Tax years ending after 2021 are open to audit for both federal and state purposes.

Adoption of New Accounting Standard

During the year ended June 30, 2024, the School adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, as amended*, which modifies the measurement of expected credit losses. The School adopted this new guidance utilizing the modified retrospective transition method. The adoption of this standard did not have a material impact on the School's financial statements but did change how the allowance for credit losses is determined.

Leases

The School adopted the requirements of the guidance effective July 1, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption, while continuing to present the comparative period in accordance with the guidance under the lease standard in effect during that period.

The School has elected to adopt the package of practical expedients available in the year of adoption. The School has also elected to adopt the available practical expedient to use hindsight in determining the lease term and in assessing impairment of the School's ROU assets.

RENAISSANCE ACADEMY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

The School determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases are included in right-of-use (ROU) assets – financing and lease liability – financing in the balance sheet.

ROU assets represent the School's right to use an underlying asset for the lease term and lease liabilities represent the School's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the School will exercise that option. The School has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the balance sheet.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the School has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of all lease liabilities. Additional detail regarding leases is provided in Note 3, Related Party Lease. At June 30, 2024 and 2023, respectively, the School had a right-of-use asset – operating, net, and a right-of-use liability – operating of \$286,738 and \$378,690.

Subsequent Events

The School evaluated subsequent events through December 30, 2024, the date these financial statements were available to be issued. Events occurring through that date have been evaluated to determine whether a change in the financial statements or related disclosures would be required.

RENAISSANCE ACADEMY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 NOTES PAYABLE

Notes payable were comprised of the following at June 30:

<u>Description</u>	<u>2024</u>	<u>2023</u>
Mortgage note payable to 1st Source Bank, payable in monthly installments of \$4,532, including interest at 5.55% per annum through September 2019. The note was refinanced with 1st Source Bank in October 2019, monthly installments of \$5,597, including interest at 4.17% per annum through September 2024. The School drew additional proceeds of \$327,681 to be used for loan closing costs, facility and grounds improvements, and operations.	\$ 557,220	\$ 599,769
Less: Current Portion	<u>(557,220)</u>	<u>(42,553)</u>
Long-Term Portion	<u>\$ -</u>	<u>\$ 557,216</u>

Principal maturities of notes payable, after the October 2019 refinancing and including the additional loan proceeds, are as follows for the years ending June 30:

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	<u>\$ 557,220</u>

NOTE 3 RELATED PARTY LEASE

The School leases a portion of the School facilities from V&K, LLC under a 10-year lease that ends June 30, 2027. The lease is accounted for as an operating lease. V&K, LLC is owned by Kieran McHugh and Vicki McHugh, both of whom are employees of the School. Under the lease agreement, monthly base rent is \$8,191 (adjusted annually by the rate of inflation, as defined) and the School is responsible for all utilities and insurance on the contents. Expense under this lease was \$121,299 and \$108,352 for the years ended June 30, 2024 and 2023, respectively.

RENAISSANCE ACADEMY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 3 RELATED PARTY LEASE (CONTINUED)

Lease Cost:	<u>2024</u>	<u>2023</u>
Operating Lease Cost:	\$ 98,292	\$ 98,292
Other Information:		
Operating Cash Flows from Operating Leases	\$ 98,292	\$ 98,292
Right-of-Use Assets Obtained in Exchange for New		
Operating Lease Liabilities:	\$ 468,886	\$ 468,886
Weighted-Average Remaining Lease Term -		
Operating Leases:	3.0 Years	4.0 Years
Weighted-Average Discount Rate - Operating Leases	1.93%	1.93%

A maturity analysis of annual discounted cash flows for lease liabilities as of June 30, 2024 is as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 98,292
2026	98,292
2027	98,292
Undiscounted Cash Flows	294,876
Less: Imputed Interest	(8,138)
Total Present Value	<u>\$ 286,738</u>
Short-Term Lease Liabilities	\$ 93,742
Long-Term Lease Liabilities	192,996
Total	<u>\$ 286,738</u>

NOTE 4 COMMITMENTS

The School operates under a charter granted by Ball State University. As the sponsoring organization, Ball State University exercises certain oversight responsibilities. Under this charter, the School has agreed to pay to Ball State University an annual administrative fee equal to 3% of state tuition payments received. Expense under this charter agreement was \$38,043 and \$33,929 for the years ended June 30, 2024 and 2023, respectively. The charter remains in effect until June 30, 2024 and is renewable thereafter by mutual consent.

NOTE 5 RETIREMENT PLANS

Retirement benefits for School employees are provided by the Indiana State Teachers' Retirement Fund (TRF) and the Indiana Public Employees' Retirement Fund (PERF), both of which are cost-sharing multiple-employer defined benefit retirement plans governed by the state of Indiana and administered by the Indiana Public Retirement System (INPRS) Board.

RENAISSANCE ACADEMY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 5 RETIREMENT PLANS (CONTINUED)

Contribution requirements of plan members are determined by the INPRS Board. Under the plans, for both years ended June 30, 2024 and 2023, the School contributed 6.5% of compensation for eligible teaching faculty to TRF and 11.2% of compensation for other eligible employees to PERF. Should the School elect to withdraw from TRF or PERF, the School could be subject to a withdrawal fee. The School's contributions represent an insignificant percentage of the total contributions received by TRF or PERF. As of June 30, 2023 (the latest year reported), TRF and PERF were approximately 85% and 95% funded, respectively.

In addition, the School has a 401k program for eligible employees. Under the plan, the School matches 100% of employee contributions up to 4%.

Total retirement plan expense was \$125,237 and \$108,347 for the years ended June 30, 2024 and 2023, respectively.

NOTE 6 RISKS AND UNCERTAINTIES

The School provides educational instruction services to families residing in LaPorte and surrounding counties in Indiana and is subject to the risks of economic and competitive forces at work within this geographic area.

The majority of revenues relate to legislation enacted by the state of Indiana and grants awarded under federal programs. Changes in state or federal legislation could significantly affect the School. Additionally, the School is subject to monitoring and audit by state and federal agencies. Those examinations may result in additional liability to be imposed on the School.

Financial instruments that potentially subject the School to concentrations of credit risk consist principally of receivables from the state of Indiana. At June 30, 2024 and 2023, substantially all of the grants receivable balance was due from the state of Indiana. All cash deposits are maintained at 1st Source Bank and are insured up to the Federal Deposit Insurance Corporation (FDIC) insurance up to the legal limit.

RENAISSANCE ACADEMY, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 7 LIQUIDITY

Under ASU 2016-14, the School is required to disclose the assets it has available at June 30, 2024 to meet its cash needs for general expenditures within one year of the date of the statement of financial position. The School's financial assets include cash, grants receivable, and other receivables, net of allowance for credit losses. Financial assets at June 30, 2024 and 2023 total \$1,662,602 and \$1,270,036, respectively, all of which are available to meet cash needs for general expenditures within a year.

From time to time, the School receives donor-restricted contributions. Because donor restrictions require resources to be used in a particular manner or in a future period, the School must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the School's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 8 FUNCTIONAL EXPENSE REPORTING

The costs of providing the educational activities have been summarized on a functional basis in the statement of activities and changes in net assets. Management of the School has categorized expenses as program services or management and general according to the underlying nature of the expense. As such, no allocation of specific transactions between these categories was required.

RENAISSANCE ACADEMY, INC.
COMBINING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024
(SEE INDEPENDENT AUDITORS' REPORT)

	Renaissance Academy Charter	Renaissance Academy Pre-K	Total
ASSETS			
CURRENT ASSETS			
Cash	\$ 1,447,630	\$ 167,807	\$ 1,615,437
Grants Receivable	10,900	-	10,900
Other Receivables, Net of Allowance for Credit Losses	23,930	12,335	36,265
Total Current Assets	1,482,460	180,142	1,662,602
PROPERTY AND EQUIPMENT			
Land	436,820	-	436,820
Buildings and Improvements	804,881	-	804,881
Leasehold Improvements	693,314	-	693,314
Furniture and Equipment	185,389	-	185,389
Vehicles	-	61,876	61,876
Textbooks	33,712	-	33,712
Less: Accumulated Depreciation Property and Equipment, Net	(1,018,563)	(31,427)	(1,049,990)
	1,135,553	30,449	1,166,002
RIGHT-OF-USE ASSET, NET			
	286,738	-	286,738
Total Assets	\$ 2,904,751	\$ 210,591	\$ 3,115,342
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Current Portion of Notes Payable	\$ 557,220	\$ -	\$ 557,220
Accounts Payable and Accrued Expenses	113,517	8,110	121,627
Deferred Revenue	19,560	-	19,560
Right-of-Use Liability, Current	93,742	-	93,742
Total Current Liabilities	784,039	8,110	792,149
LONG-TERM LIABILITIES			
Right of Use Liability, Net of Current Portion	192,996	-	192,996
Total Long-Term Liabilities	192,996	-	192,996
Total Liabilities	977,035	8,110	985,145
NET ASSETS WITHOUT DONOR RESTRICTIONS			
	1,927,716	202,481	2,130,197
Total Liabilities and Net Assets	\$ 2,904,751	\$ 210,591	\$ 3,115,342

RENAISSANCE ACADEMY, INC.
COMBINING STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
YEAR ENDED JUNE 30, 2024
(SEE INDEPENDENT AUDITORS' REPORT)

	Renaissance Academy Charter	Renaissance Academy Pre-K	Total
REVENUE AND SUPPORT			
State Education Support	\$ 1,981,757	\$ -	\$ 1,981,757
Grant Revenue	796,258	-	796,258
Student Fees	113,129	135,492	248,621
Fundraising and Other Income	26,346	-	26,346
Other Income	17,748	-	17,748
Total Revenue and Support	<u>2,935,238</u>	<u>135,492</u>	<u>3,070,730</u>
EXPENSES			
Program Services	1,603,174	115,884	1,719,058
Management and General	846,740	16,009	862,749
Total Expenses	<u>2,449,914</u>	<u>131,893</u>	<u>2,581,807</u>
CHANGE IN NET ASSETS	485,324	3,599	488,923
Net Assets - Beginning of Year	<u>1,442,392</u>	<u>198,882</u>	<u>1,641,274</u>
NET ASSETS - END OF YEAR	<u>\$ 1,927,716</u>	<u>\$ 202,481</u>	<u>\$ 2,130,197</u>

**RENAISSANCE ACADEMY, INC.
OTHER REPORT
YEAR ENDED JUNE 30, 2024**

The reports presented herein were prepared in addition to another official report prepared for the Corporation as listed below:

Supplemental Audit Report of Renaissance Academy, Inc.

The Supplemental Audit Report contains the results of compliance testing required by the Indiana State Board of Accounts under its *Guidelines for the Audits of Charter Schools Performed by Private Examiners* pertaining to matters addressed in its *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*.



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