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STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

June 15, 2023

Charter School Board  
Renaissance Academy, Inc.  
4093 West US 20  
LaPorte, IN 46350

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, 2021 to June 30, 2022. 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, 2022 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 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 State Board of Accounts.

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

A handwritten signature in cursive script that reads "Tammy R. White".

Tammy R. White, CPA  
Deputy State Examiner

**RENAISSANCE ACADEMY, INC.**  
**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**  
**YEARS ENDED JUNE 30, 2022 AND 2021**



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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., which comprise the statements of financial position as of June 30, 2022 and 2021, 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 Renaissance Academy, Inc. as of June 30, 2022 and 2021, 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 Renaissance Academy, Inc. 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 Renaissance Academy, Inc.'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 Renaissance Academy, Inc.'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 Renaissance Academy, Inc.'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.

Board of Directors  
Renaissance Academy, Inc.

***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*

**CliftonLarsonAllen LLP**

Indianapolis, Indiana  
March 10, 2023

**RENAISSANCE ACADEMY, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2022 AND 2021**

<b>ASSETS</b>	<u>2022</u>	<u>2021</u>
<b>CURRENT ASSETS</b>		
Cash	\$ 894,421	\$ 673,627
Grants Receivable	229,700	204,875
Other Receivables, Net of Allowance for Doubtful Accounts	38,414	59,669
Prepaid Expenses and Other Assets	14,882	300
Total Current Assets	<u>1,177,417</u>	<u>938,471</u>
<b>PROPERTY AND EQUIPMENT</b>		
Land	355,346	355,346
Buildings and Improvements	784,541	777,541
Leasehold Improvements	682,060	649,329
Furniture and Equipment	174,472	174,472
Vehicles	72,622	57,916
Textbooks	33,712	33,712
Less: Accumulated Depreciation	(945,813)	(894,217)
Property and Equipment, Net	<u>1,156,940</u>	<u>1,154,099</u>
Total Assets	<u>\$ 2,334,357</u>	<u>\$ 2,092,570</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Current Portion of Notes Payable	\$ 40,859	\$ 39,170
Accounts Payable and Accrued Expenses	118,203	95,975
Deferred Revenue	83,902	83,924
Total Current Liabilities	<u>242,964</u>	<u>219,069</u>
<b>LONG-TERM LIABILITIES</b>		
Notes Payable, Net of Current Portion	<u>599,766</u>	<u>640,622</u>
Total Liabilities	842,730	859,691
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
	<u>1,491,627</u>	<u>1,232,879</u>
Total Liabilities and Net Assets	<u>\$ 2,334,357</u>	<u>\$ 2,092,570</u>

See accompanying Notes to Financial Statements.

**RENAISSANCE ACADEMY, INC.**  
**STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS**  
**YEARS ENDED JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>REVENUE AND SUPPORT, WITHOUT DONOR RESTRICTIONS</b>		
State Education Support	\$ 1,768,119	\$ 1,561,202
Grant Revenue	786,535	542,007
Student Fees	233,645	98,664
Fundraising and Other Income	11,233	5,539
Other Income	50,651	22,656
Total Revenue and Support, Without Donor Restrictions	<u>2,850,183</u>	<u>2,230,068</u>
<b>EXPENSES</b>		
Program Services	1,637,081	1,319,556
Management and General	954,354	788,191
Total Expenses	<u>2,591,435</u>	<u>2,107,747</u>
<b>CHANGE IN NET ASSETS, WITHOUT DONOR RESTRICTIONS</b>	258,748	122,321
Net Assets Without Donor Restrictions - Beginning of Year	<u>1,232,879</u>	<u>1,110,558</u>
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS - END OF YEAR</b>	<u>\$ 1,491,627</u>	<u>\$ 1,232,879</u>

See accompanying Notes to Financial Statements.

**RENAISSANCE ACADEMY, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**YEARS ENDED JUNE 30, 2022 AND 2021**

	2022			2021		
	Program Services	Management and General	Total	Program Services	Management and General	Total
Salaries and Wages	\$ 859,563	\$ 489,126	\$ 1,348,689	\$ 727,454	\$ 415,601	\$ 1,143,055
Employee Benefits	233,604	174,805	408,409	214,212	139,651	353,863
Professional Services	6,444	54,508	60,952	3,223	25,024	28,247
Staff Development and Recruitment	21,225	-	21,225	543	-	543
Authorizer Oversight Fees	-	51,191	51,191	-	45,036	45,036
Food Costs	19,390	-	19,390	4,951	-	4,951
Classroom, Kitchen, and Office Supplies	92,361	33,400	125,761	67,553	23,840	91,393
Field Trips and Events	48,808	-	48,808	4,260	-	4,260
Occupancy	211,322	-	211,322	176,854	-	176,854
Repairs and Maintenance	48,098	-	48,098	41,870	-	41,870
Information Technology	-	29,482	29,482	-	32,203	32,203
Depreciation	70,275	-	70,275	77,956	-	77,956
Insurance	-	44,290	44,290	-	38,627	38,627
Interest	-	27,992	27,992	-	29,611	29,611
Transportation	23,693	-	23,693	680	-	680
Bad Debt	-	22,000	22,000	-	20,000	20,000
Other	2,298	27,560	29,858	-	18,598	18,598
	<u>2,298</u>	<u>27,560</u>	<u>29,858</u>	<u>-</u>	<u>18,598</u>	<u>18,598</u>
Total Functional Expenses	<u>\$ 1,637,081</u>	<u>\$ 954,354</u>	<u>\$ 2,591,435</u>	<u>\$ 1,319,556</u>	<u>\$ 788,191</u>	<u>\$ 2,107,747</u>

See accompanying Notes to Financial Statements.

**RENAISSANCE ACADEMY, INC.  
STATEMENTS OF CASH FLOWS  
YEARS ENDED JUNE 30, 2022 AND 2021**

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 258,748	\$ 122,321
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	70,275	77,956
Provision for (Recovery from) Bad Debts	(10,432)	10,000
Changes in Operating Assets and Liabilities:		
Grants Receivable	(24,825)	(25,606)
Other Receivables	31,687	22,586
Prepaid Expenses	(14,582)	1,465
Accounts Payable and Accrued Expenses	22,228	8,204
Deferred Revenue	(22)	11,743
Net Cash Provided by Operating Activities	333,077	228,669
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Property and Equipment	(73,116)	(10,260)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal Payments of Notes Payable	(39,167)	(37,549)
<b>NET CHANGE IN CASH</b>	220,794	180,860
Cash - Beginning of Year	673,627	492,767
<b>CASH - END OF YEAR</b>	\$ 894,421	\$ 673,627
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash Paid for Interest	\$ 27,992	\$ 29,611

See accompanying Notes to Financial Statements.

**RENAISSANCE ACADEMY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**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 260 students in grades kindergarten to eight during the 2021-2022 school year. The School also provides an early childhood education program for children ages three and four on a fee basis.

**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, 2022 and 2021, 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, 2022, 2021, and 2020, the School has \$38,414, \$59,669, and \$92,255, respectively, of accounts receivable from student fees, net of allowance for doubtful accounts. Amounts received prior to service is performed are reported as deferred revenues in the statement of financial position. As of June 30, 2022, 2021 and 2020, the School has \$83,902, \$83,924, and \$72,181, respectively, of deferred revenue from student fees.

**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 change in net assets as net assets released from restrictions.

**RENAISSANCE ACADEMY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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, 2022 and 2021.

**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 doubtful accounts is deemed necessary 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 doubtful accounts of \$31,443 and \$41,875 as of June 30, 2022 and 2021, 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.

**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.

**RENAISSANCE ACADEMY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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, 2022 and 2021, 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 2017 are open to audit for both federal and state purposes.

**Recently Issued Accounting Pronouncements**

In February 2016, FASB issued ASU 2016-02, *Leases*. The standard requires all leases with lease terms over 12 months to be capitalized as a right-of-use asset and lease liability on the balance sheet at the date of lease commencement. Leases will be classified as either finance or operating. This distinction will be relevant for the pattern of expense recognition in the income statement. ASU 2016-02 is effective for annual reporting periods beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. The School is currently in the process of evaluating the impact of adoption of this ASU on the financial statements.

**Reclassifications**

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

**Subsequent Events**

The School evaluated subsequent events through March 10, 2023, 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, 2022 AND 2021**

**NOTE 2 NOTES PAYABLE**

Notes payable were comprised of the following at June:

<u>Description</u>	<u>2022</u>	<u>2021</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.	\$ 640,625	\$ 679,792
Less: Current Portion	<u>(40,859)</u>	<u>(39,170)</u>
Long-Term Portion	<u>\$ 599,766</u>	<u>\$ 640,622</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>
2023	\$ 40,859
2024	42,553
2025	<u>557,213</u>
Total	<u>\$ 640,625</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 \$108,352 and \$102,531 for the years ended June 30, 2022 and 2021, respectively.

**RENAISSANCE ACADEMY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 3 RELATED PARTY LEASE (CONTINUED)**

Future minimum lease obligations under this lease (ignoring the annual rate of inflation adjustment) are as follows for the years ending June 30:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 98,292
2024	98,292
2025	98,292
2026	98,292
2027	98,292
Thereafter	98,292
Total	<u>\$ 589,752</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 \$51,191 and \$45,036 for the years ended June 30, 2022 and 2021, respectively. The charter remains in effect until June 30, 2022 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.

Contribution requirements of plan members are determined by the INPRS Board. Under the plans, for both years ended June 30, 2022 and 2021, the School contributed 5.5% 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, 2021 (the latest year reported), TRF and PERF were approximately 95% and 83% 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 \$112,930 and \$90,322 for the years ended June 30, 2022 and 2021, respectively.

**RENAISSANCE ACADEMY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**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, 2022 and 2021, substantially all of the grants receivable balance was due from the state of Indiana. All cash deposits are maintained at 1<sup>st</sup> Source Bank and are insured up to the Federal Deposit Insurance Corporation (FDIC) insurance up to the legal limit.

The Coronavirus Disease (COVID-19) pandemic continues to have significant effects on global markets, supply chains, business, and communities. Specific to the School, COVID-19 has impacted various parts of its operations and financial results, including operating virtually for some periods of time and additional grant revenues. Management believes the School is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are ongoing and are still developing.

**NOTE 7 LIQUIDITY**

Under ASU 2016-14, the School is required to disclose the assets it has available at June 30, 2022 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 doubtful accounts. Financial assets at June 30, 2022 and 2021 total \$1,162,535 and \$938,171, 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.

**RENAISSANCE ACADEMY, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**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 change 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, 2022**  
(SEE INDEPENDENT AUDITORS' REPORT)

<b>ASSETS</b>	Renaissance Academy Charter	Renaissance Academy Pre-K	Eliminations	Total
<b>CURRENT ASSETS</b>				
Cash	\$ 712,032	\$ 182,389	\$ -	\$ 894,421
Grants Receivable	229,700	-	-	229,700
Other Receivables, Net of Allowance for Doubtful Accounts	23,475	14,939	-	38,414
Prepaid Expenses	14,882	-	-	14,882
Total Current Assets	<u>980,089</u>	<u>197,328</u>	-	<u>1,177,417</u>
<b>PROPERTY AND EQUIPMENT</b>				
Land	355,346	-	-	355,346
Buildings and Improvements	784,541	-	-	784,541
Leasehold Improvements	682,060	-	-	682,060
Furniture and Equipment	174,472	-	-	174,472
Vehicles	-	72,622	-	72,622
Textbooks	33,712	-	-	33,712
Less: Accumulated Depreciation	(899,899)	(45,914)	-	(945,813)
Property and Equipment, Net	<u>1,130,232</u>	<u>26,708</u>	-	<u>1,156,940</u>
Total Assets	<u>\$ 2,110,321</u>	<u>\$ 224,036</u>	<u>\$ -</u>	<u>\$ 2,334,357</u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT LIABILITIES</b>				
Current Portion of Notes Payable	\$ 40,859	\$ -	\$ -	\$ 40,859
Accounts Payable and Accrued Expenses	118,203	-	-	118,203
Deferred Revenue	64,340	19,562	-	83,902
Total Current Liabilities	<u>223,402</u>	<u>19,562</u>	-	<u>242,964</u>
<b>LONG-TERM LIABILITIES</b>				
Notes Payable, Net of Current Portion	<u>599,766</u>	-	-	<u>599,766</u>
Total Liabilities	823,168	19,562	-	842,730
<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	<u>1,287,153</u>	<u>204,474</u>	-	<u>1,491,627</u>
Total Liabilities and Net Assets	<u>\$ 2,110,321</u>	<u>\$ 224,036</u>	<u>\$ -</u>	<u>\$ 2,334,357</u>

**RENAISSANCE ACADEMY, INC.**  
**COMBINING STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS**  
**YEAR ENDED JUNE 30, 2022**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Renaissance Academy Charter	Renaissance Academy Pre-K	Total
<b>REVENUE AND SUPPORT</b>			
State Education Support	\$ 1,768,119	\$ -	\$ 1,768,119
Grant Revenue	786,535	-	786,535
Student Fees	121,239	112,406	233,645
Fundraising and Other Income	11,233	-	11,233
Other Income	50,586	65	50,651
Total Revenue and Support	<u>2,737,712</u>	<u>112,471</u>	<u>2,850,183</u>
<b>EXPENSES</b>			
Program Services	1,576,114	60,967	1,637,081
Management and General	913,287	41,067	954,354
Total Expenses	<u>2,489,401</u>	<u>102,034</u>	<u>2,591,435</u>
<b>CHANGE IN NET ASSETS</b>	248,311	10,437	258,748
Net Assets - Beginning of Year	<u>1,038,842</u>	<u>194,037</u>	<u>1,232,879</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 1,287,153</u>	<u>\$ 204,474</u>	<u>\$ 1,491,627</u>

**RENAISSANCE ACADEMY, INC.  
OTHER REPORT  
YEAR ENDED JUNE 30, 2022**

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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