

**BROOKSVILLE ENGINEERING,
SCIENCE & TECHNOLOGY
ACADEMY, INC.**

A Charter School and Component Unit of the
District School Board of Hernando County, Florida

INDEPENDENT AUDITOR'S REPORT

for the fiscal year ended JUNE 30, 2025

King & Walker, CPAs, PL

Certified Public Accountants

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**BROOKSVILLE ENGINEERING, SCIENCE & TECHNOLOGY
ACADEMY, INC.**

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Independent Auditor's Report

To the Board of Directors of the Brooksville Engineering, Science & Technology Academy, Inc.,
a Charter School and Component Unit of the District
School Board of Hernando County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Brooksville Engineering, Science & Technology Academy, Inc., ("School") a charter school and component unit of the District School Board of Hernando County, Florida, as of and for the year ended June 30, 2025, 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, 2025 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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 (Government Auditing Standards)*, 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.

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

Auditor's 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 an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Budgetary Comparison Schedule, and Note to Required Supplementary Information, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 August 19, 2025, on our consideration of the 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 the 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.

A handwritten signature in black ink that reads "King & Walker, CPAs". The signature is written in a cursive, flowing style.

August 19, 2025
Tampa, Florida

BROOKSVILLE ENGINEERING, SCIENCE & TECHNOLOGY ACADEMY, INC.

A Charter School and Component Unit of the District School Board of Hernando County, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

The Management's Discussion and Analysis (MD&A) section of the annual financial report of the Brooksville Engineering, Science & Technology Academy, Inc., ("School") provides an overview of the School's financial activities for the fiscal year ended June 30, 2025.

Because the information contained in the MD&A is intended to highlight significant transactions, events, and conditions, it should be considered in conjunction with the School's financial statements and notes to financial statements, as listed in the table of contents.

It is to be noted that the School merged with Mid Florida Community Services, Inc., in July 2025. The charter school will be operated under Mid Florida Community Services, Inc. starting with the 2025-26 school year.

FINANCIAL HIGHLIGHTS

- For the fiscal year ended June 30, 2025, the School's expenses exceeded revenues as shown on the School's statement of activities by \$32,920.
- As shown on the statement of net position, the School reported an unrestricted net position balance of \$126,172.

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements consist of three components:

- ✓ Government-wide financial statements
- ✓ Fund financial statements
- ✓ Notes to financial statements

Government-Wide Financial Statements

The government-wide financial statements provide both short-term and long-term information about the School's overall financial condition in a manner similar to those of a private-sector business. The statements include a statement of net position and a statement of activities that are designed to provide consolidated financial information about the governmental activities of the School presented on the accrual basis of accounting. The statement of net position provides information about the government's financial position, its assets and liabilities, using an economic resources measurement focus. The difference between the assets and liabilities, the net position, is a measure of the financial health of the School. The statement of activities presents information about the change in the School's net position and the results of operations, during the fiscal year. An increase or decrease in net position is an indication of whether the School's financial health is improving or deteriorating. To assess the overall financial position of the School, one needs to consider additional non-financial factors such as changes in the School student base funding level.

BROOKSVILLE ENGINEERING, SCIENCE & TECHNOLOGY ACADEMY, INC.

A Charter School and Component Unit of the District School Board of Hernando County, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

Fund Financial Statements

Fund financial statements are one of the components of the basic financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements provide more detailed information about the School's financial activities, focusing on its most significant funds rather than fund types. This is in contrast to the entity-wide perspective contained in the government-wide financial statements.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental funds utilize a spendable financial resources measurement focus rather than the economic resources measurement focus found in the government-wide financial statements. The financial resources measurement focus allows the governmental fund financial statements to provide information on near-term inflows and outflows of spendable resources as well as balances of spendable resources available at the end of the fiscal year.

The governmental fund financial statements provide a detailed short-term view that may be used to evaluate the School's near-term financing requirements. This short-term view is useful when compared to the long-term view presented as governmental activities in the government-wide financial statements. To facilitate this comparison, both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation of governmental fund to governmental activities.

The School operates the following funds; a General Fund to account for its general operations and internal account activities, a Capital Projects Fund to account for financial resources that are restricted, committed or assigned to expenditures for capital outlays, and a Special Revenue Fund to account for Federal grant programs. For reporting purposes, the General Fund is considered a major fund. Data from the other governmental funds are combined into a single aggregate presentation.

The School adopts an annual budget for its General Fund. A budgetary comparison schedule, as required, has been provided for the General Fund to demonstrate compliance with the budget.

Notes to Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

**BROOKSVILLE ENGINEERING, SCIENCE &
TECHNOLOGY ACADEMY, INC.**

A Charter School and Component Unit of the District School Board of Hernando County, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of the School's current and prior year net position:

	Net Position, End of Year		
	Governmental Activities		
	6-30-24	6-30-25	Increase (Decrease)
ASSETS			
Current and Other Assets	\$ 177,950	\$ 134,773	\$ (43,177)
Capital Assets, Net	182,699	157,576	(25,123)
Total Assets	360,649	292,349	(68,300)
LIABILITIES			
Current Liabilities	\$ 3,202	\$ 8,601	\$ 5,399
Noncurrent Liabilities	178,838	138,059	(40,779)
Total Liabilities	182,040	146,660	(35,380)
NET POSITION			
Net Investment in Capital Assets	3,861	19,517	15,656
Unrestricted	174,748	126,172	(48,576)
Total Net Position	\$ 178,609	\$ 145,689	\$ (32,920)

Current Assets consist of cash and cash equivalents. Capital assets increased due to the inception of a long-term leased asset agreement. Liabilities consist of accounts payable and a long-term lease liability. Total Net Position amounted to \$145,689 which included an Unrestricted Net Position balance of \$126,172.

BROOKSVILLE ENGINEERING, SCIENCE & TECHNOLOGY ACADEMY, INC.

A Charter School and Component Unit of the District School Board of Hernando County, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

The following is a summary of the School's net change in position for the current and prior year:

Operating Results for the Year			
	Governmental Activities		
	6-30-24	6-30-25	Increase (Decrease)
Revenues:			
Federal Through State and Local	\$ 36,649	\$ 104,958	\$ 68,309
State	767,474	725,661	(41,813)
Local and Other	95,322	126,307	30,985
Total Revenues	899,445	956,926	57,481
Expenses:			
Instruction	472,622	523,597	50,975
Instructional Staff Training	256	560	304
Board	8,954	9,337	383
General Administration	34,235	33,297	(938)
School Administration	221,501	262,139	40,638
Fiscal Services	1,249	1,485	236
Student Transportation	7,644	3,912	(3,732)
Operation of Plant	31,950	48,330	16,380
Community Service	30,371	50,759	20,388
Debt Service - Interest	11,991	9,621	(2,370)
Unallocated Depreciation /Amortization	43,190	46,809	3,619
Total Expenses	863,963	989,846	125,883
Increase/(Decrease) in Net Position	\$ 35,482	\$ (32,920)	\$ (68,402)

The largest revenue source for the School is the State of Florida (76%). Revenues from State sources for current operations are primarily received through the Florida Education Finance Program (FEFP) funding formula. The FEFP formula utilizes student enrollment data to determine the funds available for the School.

The largest concentration of expenses is in Instruction which accounted for 53% of total expenditures, and consists primarily of teachers' salaries.

BROOKSVILLE ENGINEERING, SCIENCE & TECHNOLOGY ACADEMY, INC.

A Charter School and Component Unit of the District School Board of Hernando County, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS - (Unaudited)

FINANCIAL ANALYSIS OF THE SCHOOL'S FUNDS

Governmental Funds

As the School completed the year, its governmental funds reported a combined fund balance of \$126,172.

BUDGETARY HIGHLIGHTS

The General Fund budget for the fiscal year ended June 30, 2025, was developed based on the School's anticipated revenues and expenditures and the expected student population for the school year. Over the course of the year, management monitors the budget and may revise the budget. Refer to the Budgetary Comparison Schedule for additional information.

CAPITAL ASSETS

The School's investment in capital assets for its governmental activities as of June 30, 2025, amounts to \$157,576 (net of accumulated depreciation/amortization). This investment in capital assets includes leased asset-building, furniture, fixtures, and equipment and motor vehicles. Additional information regarding the School's capital assets can be found in the notes to the financial statements.

DEBT

The School has entered into a long-term lease for its educational facility through June 30, 2028. This lease has been reported as long-term debt under guidance from GASB 87 in the amount of \$217,247. Additional information regarding the long-term debt can be found in the notes to the financial statements.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the School's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Principal, Brooksville Engineering, Science & Technology Academy, Inc., 835 School Street, Brooksville, Florida 34601.

**BROOKSVILLE ENGINEERING, SCIENCE &
TECHNOLOGY ACADEMY, INC.**
**A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HERNANDO COUNTY, FLORIDA**

STATEMENT OF NET POSITION

June 30, 2025

	<u>Government Activities</u>
ASSETS	
Cash & Cash Equivalents	\$ 134,773
Capital Assets:	
Leased Assets - Buildings, Net	138,058
Furniture, Fixtures, and Equipment, Net	19,518
Motor Vehicles, Net	<u>-</u>
Total Capital Assets	<u>157,576</u>
TOTAL ASSETS	<u><u>292,349</u></u>
LIABILITIES	
Accounts Payable	5,981
Deferred Revenue	2,620
Noncurrent Liabilities:	
Due Within One Year:	
Long-term Lease Payable	43,294
Due After One Year:	
Long-term Lease Payable	<u>94,765</u>
TOTAL LIABILITIES	<u><u>146,660</u></u>
NET POSITION	
Net Investment in Capital Assets	19,517
Unrestricted	<u>126,172</u>
TOTAL NET POSITION	<u><u>\$ 145,689</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

**BROOKSVILLE ENGINEERING, SCIENCE &
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**A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HERNANDO COUNTY, FLORIDA**

STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2025

		Program Revenues			Net (Expenses) Revenue and Changes Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
Instruction	\$ 523,597	\$ -	\$ 7,252	\$ -	\$ (516,345)
Instructional Staff Training	560		-		(560)
Board	9,337		-		(9,337)
General Administration	33,297		-		(33,297)
School Administration	262,139		-		(262,139)
Fiscal Services	1,485		-		(1,485)
Student Transportation	3,912		-		(3,912)
Operation of Plant	48,330		6,015		(42,315)
Community Service	50,759	48,314	-		(2,445)
Debt Service - Interest	9,621		-		(9,621)
Unallocated Depreciation/Amortization	46,809		-		(46,809)
Total Governmental Activities	<u>\$ 989,846</u>	<u>\$ 48,314</u>	<u>\$ 13,267</u>	<u>\$ -</u>	<u>(928,265)</u>
General Revenue					
State Sources					725,661
Local and Other					77,993
Grants not restricted to specific program					91,691
Total General Revenues					<u>895,345</u>
Change in Net Position					(32,920)
Net Position - July 1, 2024					178,609
Net Position - June 30, 2025					<u>\$ 145,689</u>

The accompanying notes to the financial statements are an integral part of this statement.

**BROOKSVILLE ENGINEERING, SCIENCE &
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A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HERNANDO COUNTY, FLORIDA

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2025

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash & Cash Equivalents	\$ 134,773	\$ -	\$ 134,773
Total Assets	<u>\$ 134,773</u>	<u>\$ -</u>	<u>\$ 134,773</u>
LIABILITIES			
Accounts Payable	\$ 5,981	\$ -	\$ 5,981
Deferred Revenue	<u>2,620</u>	<u>-</u>	<u>2,620</u>
Total Liabilities	<u>8,601</u>	<u>-</u>	<u>8,601</u>
FUND BALANCES			
Unassigned	<u>126,172</u>	<u>-</u>	<u>126,172</u>
Total Fund Balances	<u>126,172</u>	<u>-</u>	<u>126,172</u>
Total Liabilities and Fund Balances	<u>\$ 134,773</u>	<u>\$ -</u>	<u>\$ 134,773</u>

The accompanying notes to the financial statements are an integral part of this statement.

**BROOKSVILLE ENGINEERING, SCIENCE &
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**A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HERNANDO COUNTY, FLORIDA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION**

June 30, 2025

Total Fund Balances - Governmental Funds	\$ 126,172
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Amounts reported for governmental activities in the statement of
net position are different because:

Capital assets, net of accumulated depreciation/amortization, used in governmental activities are not financial resources and therefore, are not reported as assets in governmental funds.	157,576
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Long-term liabilities are not due and payable in the current
period and therefore, are not reported as liabilities in
the governmental funds.

Long-term Lease Payable	<u>(138,059)</u>	<u>(138,059)</u>
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Total Net Position - Governmental Activities	<u><u>\$ 145,689</u></u>
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The accompanying notes to financial statements are an integral part of this statement.

**BROOKSVILLE ENGINEERING, SCIENCE &
TECHNOLOGY ACADEMY, INC.**
**A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HERNANDO COUNTY, FLORIDA**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS**

For the Fiscal Year Ended June 30, 2025

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues			
Intergovernmental:			
Federal Through State and Local	\$ 91,691	\$ 13,267	\$ 104,958
State	672,656	53,005	725,661
Local and Other	126,307	-	126,307
Total Revenues	<u>890,654</u>	<u>66,272</u>	<u>956,926</u>
Expenditures			
Current - Education:			
Instruction	516,345	7,252	523,597
Instructional Staff Training	560	-	560
Board	9,337	-	9,337
General Administration	33,297	-	33,297
School Administration	262,139	-	262,139
Fiscal Services	1,485	-	1,485
Student Transportation	3,912	-	3,912
Operation of Plant	42,315	6,015	48,330
Community Service	50,759	-	50,759
Fixed Capital Outlay:			
Other Capital Outlay	21,686	-	21,686
Debt Service:			
Principal	40,779	-	40,779
Interest	9,621	-	9,621
Total Expenditures	<u>992,235</u>	<u>13,267</u>	<u>1,005,502</u>
Excess/(Deficiency) of Revenues			
Over Expenditures	<u>(101,581)</u>	<u>53,005</u>	<u>(48,576)</u>
Other Financing Sources (Uses):			
Transfers In/(Out)	<u>53,005</u>	<u>(53,005)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>53,005</u>	<u>(53,005)</u>	<u>-</u>
Net Change in Fund Balances	<u>(48,576)</u>	<u>-</u>	<u>(48,576)</u>
Fund Balances, July 1, 2024	<u>174,748</u>	<u>-</u>	<u>174,748</u>
Fund Balances, June 30, 2025	<u><u>\$ 126,172</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 126,172</u></u>

The accompanying notes to financial statements are an integral part of this statement.

**BROOKSVILLE ENGINEERING, SCIENCE &
TECHNOLOGY ACADEMY, INC.
A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HERNANDO COUNTY, FLORIDA**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
*For the Fiscal Year Ended June 30, 2025***

Net Change in Fund Balances - Governmental Funds	\$ (48,576)
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Amounts reported for governmental activities in the statement of activities
are different because:

Capital outlays are reported in governmental funds as expenditures. However,
in the statement of activities, the cost of those assets are allocated over
their estimated useful lives as depreciation/amortization expense.

Capital Outlays	21,686	
Depreciation/Amortization Expense	<u>(46,809)</u>	(25,123)

The repayment of principal of long-term debt is an expenditure in
the governmental funds, but the repayment reduces long-term
debt in the statement of net position.

	<u>40,779</u>
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Change in Net Position - Governmental Activities	<u>\$ (32,920)</u>
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The accompanying notes to the financial statements are an integral part of this statement.

**BROOKSVILLE ENGINEERING, SCIENCE &
TECHNOLOGY ACADEMY, INC.**

A Charter School and Component Unit of the District School Board of Hernando County, Florida

**NOTES TO FINANCIAL STATEMENTS
June 30, 2025**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

➤ **Reporting Entity**

Brooksville Engineering, Science & Technology Academy, Inc., ("School") is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act. The governing body of the School is the Board of Directors, which is comprised of not less than three members.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, the District School Board of Hernando County, Florida, ("District"). In July 2025, the School merged with Mid Florida Community Services, Inc. (a Florida not-for-profit corporation) and the District approved a consent to assignment of charter agreement effective on the date of the merger. The assigned charter is effective through June 30, 2038, and is subject to annual review and may be renewed by mutual agreement between the School and the District.

The School is considered a component unit of the District; therefore, for financial reporting purposes, the School is required to follow generally accepted accounting principles applicable to state and local governmental units.

Criteria for determining if other entities are potential component units which should be reported within the School's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. The application of these criteria provides for identification of any entities for which the School is financially accountable and other organizations for which the nature and significance of their relationship with the School are such that exclusion would cause the School's basic financial statements to be misleading or incomplete. Based on these criteria, no component units are included within the reporting entity of the School.

➤ **Basis of Presentation**

Government-wide Financial Statements - Government-wide financial statements, including the statement of net position and the statement of activities, present information about the School as a whole.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the School's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are

**BROOKSVILLE ENGINEERING, SCIENCE &
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A Charter School and Component Unit of the District School Board of Hernando County, Florida

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School.

Fund Financial Statements - Fund financial statements report detailed information about the School in the governmental funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

The School's major governmental fund is as follows:

- General Fund – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.

Financial data from the remaining governmental funds are presented in the aggregate.

➤ **Basis of Accounting**

Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are prepared using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are prepared using the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School considers revenues to be available if they are collected within 30 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

**BROOKSVILLE ENGINEERING, SCIENCE &
TECHNOLOGY ACADEMY, INC.**

A Charter School and Component Unit of the District School Board of Hernando County, Florida

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

➤ **Cash and Cash Equivalents**

Cash and cash equivalents consist of demand deposits and a certificate of deposit with financial institutions. Deposits on hand at financial institutions are insured by the Federal Deposit Insurance Company up to \$250,000.

➤ **Capital Assets**

Expenditures for capital assets acquired or constructed for general School purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the School as those costing more than \$1,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed

Capital assets are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Leased Asset - Buildings	5 years
Furniture, Fixtures and Equipment	3 - 5 years
Motor Vehicles	5 years

➤ **Noncurrent Liabilities**

Long-term debt obligations that will be financed by resources to be received in the future by the general fund are reported in the government-wide financial statements, not in the general fund.

➤ **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until then. The School does not have any items that qualify for reporting in this category.

**BROOKSVILLE ENGINEERING, SCIENCE &
TECHNOLOGY ACADEMY, INC.**

A Charter School and Component Unit of the District School Board of Hernando County, Florida

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

➤ **Net Position and Fund Balance Classification**

Government-wide Financial Statements

Net Position are classified and reported in three components:

- Net Investment in Capital Assets – consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any borrowings that are attributed to the acquisition or improvement of those assets.
- Restricted Net Position – consists of net position with constraints placed on their use either by external groups such as creditors, contributors, or laws or regulations of other governments.
- Unrestricted Net Position – all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Fund Financial Statements

GASB Codification Section 1800.142, *Fund Balance Reporting and Governmental Fund Type Definitions*, defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB requires the fund balance amounts to be reported within one of the following fund balance categories:

- Nonspendable – fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned). All nonspendable fund balances at year end relate to assets that are in nonspendable form.
- Restricted – fund balance that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.
- Committed – fund balance that can be used only for the specific purposes determined by a formal action of the School’s Board of Governance.
- Assigned – fund balance that is intended to be used by the School’s management for specific purposes but does not meet the criteria to be classified as restricted or committed.
- Unassigned – fund balance that is the residual amount for the School’s general fund and includes all spendable amounts not contained in the other classifications.

**BROOKSVILLE ENGINEERING, SCIENCE &
TECHNOLOGY ACADEMY, INC.**

A Charter School and Component Unit of the District School Board of Hernando County, Florida

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

➤ **Order of Fund Balance Spending Policy**

The School's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. First, nonspendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including nonspendable amounts). Any remaining fund balance amounts for the non-general funds are to be classified as restricted fund balance. It is possible for the non-general funds to be classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when nonspendable amounts plus the amount of restricted fund balances for specific purposes exceed the positive fund balance for non-general fund.

➤ **Revenue Sources**

Revenues for current operations are received primarily from the District pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33(17), Florida Statutes, the School reports the number of full-time equivalent students and related data to the District.

Under provisions of Section 1011.62, Florida Statutes, the District reports the number of full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program (FEFP). Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent (FTE) students reported by the School during designated full-time equivalent student survey periods. The Department may also adjust subsequent fiscal period allocations based upon an audit of the School's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made.

The basic amount of funding through the FEFP under Section 1011.62 is the product of the (1) unweighted FTE, multiplied by (2) the cost factor for each program, multiplied by (3) the base student allocation established by the legislature. Additional funds for exceptional students who do not have a matrix of services are provided through the guaranteed allocation designated in Section 1011.62(1)(e)2., Florida Statutes. For the fiscal year ended June 30, 2025, the School reported 85.68 unweighted FTE and 85.68 weighted FTE.

FEFP funding may also be adjusted as a result of subsequent FTE audits conducted by the Florida Auditor General pursuant to Section 1010.305, Florida Statutes, and Rule 6A-1.0453, Florida Administrative Code (FAC). Schools are required to maintain the following documentation for three years or until the completion of an FTE audit:

**BROOKSVILLE ENGINEERING, SCIENCE &
TECHNOLOGY ACADEMY, INC.**

A Charter School and Component Unit of the District School Board of Hernando County, Florida

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

- Attendance and membership documentation (Rule 6A-1.044, FAC).
- Teacher certificates and other certification documentation (Rule 6A-1.0503, FAC).
- Documentation for instructors teaching out-of-field (Rule 6A-1.0503, FAC).
- Procedural safeguards for weighted programs (Rule 6A-6.03411, FAC).
- Evaluation and planning documents for weighted programs (Section 1010.305, Florida Statutes, and Rule 6A-6.03411, FAC).

The School receives Federal or state awards for the enhancement of various educational programs. This assistance is generally received based on applications submitted to and approved by various granting agencies. For Federal or state awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred.

The School receives state funds through the District under charter school capital outlay funding pursuant to Section 1013.62, Florida Statutes. Funds are based upon a capital outlay plan submitted to the District and are to be used for lease, rent or construction of school facilities. The School also receives funding through donations and fundraising efforts, school lunch sales and local property tax collections.

The School follows the policy of applying restricted resources prior to applying unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available.

➤ **Income Tax**

The School is exempt from Federal tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the accompanying financial statements. Additionally, no uncertain tax positions have been made requiring disclosure in the related note to financial statements. The School's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

➤ **Use of Estimates**

In preparing the financial statements in conformity with generally accepted accounting principles in the United States (GAAP) management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the statement of Net Position and affect revenues and expenditures for the period presented. Actual results could differ from those estimates.

**BROOKSVILLE ENGINEERING, SCIENCE &
TECHNOLOGY ACADEMY, INC.**

A Charter School and Component Unit of the District School Board of Hernando County, Florida

**NOTES TO FINANCIAL STATEMENTS
June 30, 2025**

➤ **Subsequent Events**

Management has evaluated all events subsequent to the balance sheet date and through the report date, which is the date these financial statements were available to be issued. It is to be noted that the School merged with Mid Florida Community Services, Inc., in July 2025. The charter school will be operated under Mid Florida Community Services, Inc., starting with the 2025-26 school year.

2. CASH DEPOSITS

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the School's deposits may not be returned to the School. The School does not have a custodial credit risk policy. All cash deposits are held in banks that qualify as public depositories under Florida law. All such deposits are insured by Federal depository insurance and/or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

3. CHANGES IN CAPITAL ASSETS

Changes in capital assets are presented in the table below:

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Governmental Activities:</u>				
Furniture, Fixtures and Equipment	\$ 95,171	\$ 21,686	\$ -	\$ 116,857
Motor Vehicles	96,381	-		96,381
Leased Asset-Buildings	217,247	-		217,247
Total Capital Assets	<u>408,799</u>	<u>21,686</u>	<u>-</u>	<u>430,485</u>
 Less Accumulated Depreciation/Amortization for:				
Furniture, Fixtures and Equipment	(91,309)	(6,030)		(97,339)
Motor Vehicles	(96,381)	-		(96,381)
Leased Asset-Buildings	<u>(38,410)</u>	<u>(40,779)</u>		<u>(79,189)</u>
Total Accumulated Depreciation/Amortization	<u>(226,100)</u>	<u>(46,809)</u>	<u>-</u>	<u>(272,909)</u>
Governmental Activities Capital Assets, net	<u>\$ 182,699</u>	<u>\$ (25,123)</u>	<u>\$ -</u>	<u>\$ 157,576</u>

All depreciation/amortization expense was shown as unallocated on the Statement of Activities.

4. LONG-TERM LEASE PAYABLE

The School leases its educational facility under a noncancelable lease beginning July 1, 2023, to June 30, 2028. The lease requires the School to pay insurance and other costs. Rent is payable monthly at a rate of \$4,200 per month. The fair value of the leased asset is \$217,247. Amortization of the leased asset recorded under this lease is included with depreciation/amortization expense in the accompanying financial statements.

**BROOKSVILLE ENGINEERING, SCIENCE &
TECHNOLOGY ACADEMY, INC.**

A Charter School and Component Unit of the District School Board of Hernando County, Florida

**NOTES TO FINANCIAL STATEMENTS
June 30, 2025**

Future minimum lease payments and the present value of the minimum lease payments as of June 30 are as follows: (imputed borrowing rate of 6%).

Fiscal Year Ending June 30	Total	Principal	Interest
2026	\$ 50,400	\$ 43,294	\$ 7,106
2027	50,400	45,965	4,435
2028	50,400	48,800	1,600
Total	<u>\$ 151,200</u>	<u>\$ 138,059</u>	<u>\$ 13,141</u>

5. CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities:

	Beginning Balance	Additions	Deductions	Ending Balance	Due in One Year
GOVERNMENTAL ACTIVITIES:					
Leased Assets	\$ 178,838	\$ -	\$ (40,779)	\$ 138,059	43,294
Total Governmental Activities	<u>\$ 178,838</u>	<u>\$ -</u>	<u>\$ (40,779)</u>	<u>\$ 138,059</u>	<u>\$43,294</u>

6. SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the School's State revenue:

Source	Amount
Florida Education Finance Program	\$ 593,060
Categorical Programs:	
Class Size Reduction	77,791
Charter School Capital Outlay	53,005
Miscellaneous	1,805
Total State Revenue	<u>\$ 725,661</u>

As provided in the charter school contract, the District has charged the School an administrative fee equal to \$34,235.

7. INTERFUND TRANSFERS

The Capital Projects Fund transferred \$53,005 to the General Fund for the payment of the School's facility lease. The amounts of interfund transfers are netted together and not reported in the statement of net position or the statement of activities.

**BROOKSVILLE ENGINEERING, SCIENCE &
TECHNOLOGY ACADEMY, INC.**

A Charter School and Component Unit of the District School Board of Hernando County, Florida

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

8. FUNDING AND CREDIT CONCENTRATIONS

The School receives substantially all of its support and revenue from Federal, state and local funding sources, passed through the District, in the form of performance and budget based contracts. Continuing operation of the School is greatly dependent upon the continued support of these governmental agencies.

9. COMMITMENTS AND CONTINGENT LIABILITIES

The School participates in 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 the grants, refunds of any money received may be required and the collectibility of any related receivables at June 30, 2025, may be impaired.

In the opinion of the School, there are no significant 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.

10. PENSION PLAN

The School participates in a defined contribution tax sheltered annuity SIMPLE plan under IRS regulation Section 408(p) plan. Eligible employees are allowed to contribute to the plan and the School is obligated to match the employee's contribution up to 3 percent of their annual salary. Contributions are directed to individual employee's accounts, and the individual employees allocate contributions and account balances among various available investment choices, therefore, the School has no liability for the administration or payments of benefits of the plan, and accordingly, the present value of the related benefits is not reflected in these financial statements. The rate of contribution is set annually by the School's Board of Directors.

11. RISK MANAGEMENT PROGRAMS

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the School carries commercial insurance. There have been no significant reductions in insurance coverage and settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

12. LEGAL MATTERS

In the normal course of conducting its operations, the School occasionally becomes party to various legal actions and proceedings. In the opinion of management, the ultimate resolution of such legal matters will not have a significant adverse effect on the accompanying financial statements.

**BROOKSVILLE ENGINEERING, SCIENCE &
TECHNOLOGY ACADEMY, INC.**
**A CHARTER SCHOOL AND COMPONENT UNIT OF THE
DISTRICT SCHOOL BOARD OF HERNANDO COUNTY, FLORIDA**

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND (UNAUDITED)
For the Fiscal Year Ended June 30, 2025

	General Fund			Variance with
	Original Budget	Final Budget	Actual	Final Budget - Positive (Negative)
Revenues:				
Intergovernmental:				
Federal Through State and Local	\$ 105,000	\$ 91,691	\$ 91,691	\$ -
State	803,800	672,656	672,656	-
Local and Other	119,300	126,307	126,307	-
Total Revenues	<u>1,028,100</u>	<u>890,654</u>	<u>890,654</u>	<u>-</u>
Expenditures:				
Current - Education:				
Instruction	487,486	516,345	516,345	-
Instructional Staff Training	-	560	560	-
Board	12,500	9,337	9,337	-
General Administration	30,000	33,297	33,297	-
School Administration	163,816	262,139	262,139	-
Fiscal Services	1,500	1,485	1,485	-
Student Transportation	30,000	3,912	3,912	-
Operation of Plant	100,000	42,315	42,315	-
Community Service	40,000	50,759	50,759	-
Fixed Capital Outlay:				
Facilities Acquisition & Construction		-	-	-
Other Capital Outlay		21,686	21,686	-
Debt Service:				
Principal	40,779	40,779	40,779	-
Interest	9,621	9,621	9,621	-
Total Expenditures	<u>915,702</u>	<u>992,235</u>	<u>992,235</u>	<u>-</u>
Excess (Deficiency) of Revenues				
Over Expenditures	<u>112,398</u>	<u>(101,581)</u>	<u>(101,581)</u>	<u>-</u>
Other Financing Sources (Uses):				
Transfers In/(Out)	38,000	53,005	53,005	-
Total Other Financing Sources (Uses)	<u>38,000</u>	<u>53,005</u>	<u>53,005</u>	<u>-</u>
Net Change in Fund Balance	150,398	(48,576)	(48,576)	-
Fund Balance, July 1, 2024	<u>174,748</u>	<u>174,748</u>	<u>174,748</u>	<u>-</u>
Fund Balance, June 30, 2025	<u>\$ 325,146</u>	<u>\$ 126,172</u>	<u>\$ 126,172</u>	<u>\$ -</u>

See Independent Auditor's Report

BROOKSVILLE ENGINEERING, SCIENCE & TECHNOLOGY, INC.
A Charter School and Component Unit of the District School Board of Hernando County, Florida

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

1. BUDGETARY BASIS OF ACCOUNTING

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., salaries and benefits, purchased services, materials and supplies and capital outlay) within each activity (e.g., instruction, pupil personnel services and school administration). Budgets may be amended by resolution at any Board meeting prior to the date for the annual report.

**Report on Internal Control Over Financial Reporting and on Compliance and Other
Matters Based on an Audit of Financial Statements Performed in Accordance with
*Government Auditing Standards***

Independent Auditor's Report

To the Board of Directors of the Brooksville Engineering, Science & Technology Academy, Inc.,
a Charter School and Component Unit of the District
School Board of Hernando County, Florida

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 Brooksville Engineering, Science & Technology Academy, Inc. ("School"), a charter school and component unit of the District School Board of Hernando County, Florida, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated August 19, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 control 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.

A handwritten signature in black ink that reads "King & Walker, CPAs". The signature is written in a cursive, flowing style.

August 19, 2025
Tampa, Florida

**Management Letter as Required by Rules of the Florida Auditor General,
Chapter 10.850, Florida Statutes, *Charter School Audits***

To the Board of Directors of Brooksville Engineering, Science & Technology Academy, Inc.,
a Charter School and Component Unit of the
District School Board of Hernando County, Florida

Report on the Financial Statements

We have audited the financial statements of the Brooksville Engineering, Science & Technology Academy, Inc. ("School"), a Charter School and Component Unit of the District School Board of Hernando County, Florida, as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated August 19, 2025 .

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.850, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in those reports and schedule, which are dated August 19, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings in the previous audit report.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are Brooksville Engineering, Science & Technology Academy, Inc., 274461.

Financial Condition and Management

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require us to apply appropriate procedures and communicate whether or not the School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the School. It is management's responsibility to monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Transparency

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the School maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies the Board of Directors, applicable management, and District School Board of Hernando County, Florida and is not intended to be and should not be used by anyone other than these specified parties.



August 19, 2025
Tampa, Florida