

ALBANY LEADERSHIP
CHARTER HIGH SCHOOL FOR GIRLS

Financial Statements

June 30, 2020 and 2019

(With Independent Auditors' Report Thereon)

ALBANY LEADERSHIP CHARTER HIGH SCHOOL FOR GIRLS

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INDEPENDENT AUDITORS' REPORT

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The Board of Trustees
Albany Leadership Charter High School for Girls
Albany, New York:

Report on the Financial Statements

We have audited the accompanying financial statements of Albany Leadership Charter High School for Girls (a nonprofit organization) (the School), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in

ALBANY LEADERSHIP CHARTER HIGH SCHOOL FOR GIRLS
 Statements of Activities
 Years ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenue:		
Public school districts:		
Resident student enrollment	\$ 4,716,502	5,289,148
Students with disabilities	113,155	124,095
Grants and contracts:		
Federal	159,261	287,359
Food Service/Children Nutrition Program	129,479	188,045
State and local	<u>224,030</u>	<u>24,779</u>
Total revenue	<u>5,342,427</u>	<u>5,913,426</u>
Expenses:		
Program services:		
Regular education	3,805,338	3,866,331
Special education	609,569	529,778
Other programs	<u>163,119</u>	<u>231,660</u>
Total program services	4,578,026	4,627,769
Management and general	<u>909,367</u>	<u>927,428</u>
Total expenses	<u>5,487,393</u>	<u>5,555,197</u>
Income (loss) from school operations	<u>(144,966)</u>	<u>358,229</u>
Support and other revenue:		
Contributions	5,001	9,642
Fundraising, net	4,073	9,451
Miscellaneous income	<u>24,994</u>	<u>25,187</u>
Total support and other revenue	<u>34,068</u>	<u>44,280</u>
Change in net assets without donor restrictions	(110,898)	402,509
Net assets without donor restrictions at beginning of year	<u>2,680,107</u>	<u>2,277,598</u>
Net assets without donor restrictions at end of year	<u>\$ 2,569,209</u>	<u>2,680,107</u>

See accompanying notes to financial statements.

	<u>No. of positions</u>	<u>Regular education</u>	<u>Special education</u>	<u>Other programs</u>	<u>Total</u>	<u>Supporting Services</u> <u>Management and general</u>	<u>2020</u>	<u>2019</u>
Personnel services costs:								
Instructional personnel	35	\$ 1,688,503	322,081	-	2,010,584	-	2,010,584	1,981,199
Administrative personnel	11	332,296	74,521	-	406,817	516,563	923,380	881,410
Non-instructional personnel	<u>17</u>	<u>-</u>	<u>-</u>	<u>48,315</u>	<u>48,315</u>	<u>30,123</u>	<u>78,438</u>	<u>96,795</u>

ALBANY LEADERSHIP CHARTER HIGH SCHOOL FOR GIRLS
Statements of Cash Flows
Years ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Change in net assets without donor restrictions	\$ (110,898)	402,509
Adjustments to reconcile change in net assets without donor restrictions to net cash provided by operating activities:		
Depreciation	367,751	51,719
Bad debt expense	1,168	1,395
Amortization of debt issuance costs	10,685	-
Amortization of bond premium	(19,474)	-
Changes in:		
Grants and contracts receivable	(262,058)	366,798
Accounts receivable	(1,969)	(1,706)
Prepaid expenses	(596)	190,335
Accounts payable and accrued expenses	87,253	25,769
Accrued payroll and benefits	25,511	32,023
Net cash provided by operating activities	<u>97,373</u>	<u>1,068,842</u>
Cash flows from investing activities - purchases of property and equipment	<u>(10,123,882)</u>	<u>(1,636)</u>
Cash flows from financing activities:		
Proceeds from bond issuance	10,200,000	-
Bond principal payments	(235,000)	-
Proceeds from promissory note - paycheck protection program	654,000	-
Payments for debt issuance costs	(320,553)	-
Proceeds from premium	584,216	-
Net cash provided by financing activities	<u>10,882,663</u>	<u>-</u>
Net change in cash and equivalents	856,154	1,067,206
Cash and equivalents at beginning of year	<u>2,932,279</u>	<u>1,865,073</u>
Cash and equivalents at end of year	<u>\$ 3,788,433</u>	<u>2,932,279</u>
Supplemental schedule of cash flow information:		
Cash paid during the year for interest	<u>\$ 415,905</u>	<u>-</u>
Classification of cash and equivalents:		
Unrestricted	2,676,584	2,856,963
Board designated	75,376	75,316
Funds held by trustee	<u>1,036,473</u>	<u>-</u>
	<u>\$ 3,788,433</u>	<u>2,932,279</u>

See accompanying notes to financial statements.

ALBANY LEADERSHIP CHARTER HIGH SCHOOL FOR GIRLS
Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(e) Concentration of Credit Risk

ALBANY LEADERSHIP CHARTER HIGH SCHOOL FOR GIRLS
Notes to Financial Statements, Continued

(2) Summary of Significant Accounting Policies, Continued

(o) Reclassifications

Reclassifications have been made to certain 2019 balances in order to conform them to the 2020 presentation.

(3) Liquidity

The School has \$3,039,909 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures, consisting of \$2,676,584 of cash and equivalents and \$363,325 of receivables. None of these financial assets are

ALBANY LEADERSHIP CHARTER HIGH SCHOOL FOR GIRLS

ALBANY LEADERSHIP CHARTER HIGH SCHOOL FOR GIRLS
Notes to Financial Statements, Continued

(8) Promissory Note - Paycheck Protection Program, Continued

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ALBANY LEADERSHIP CHARTER HIGH SCHOOL FOR GIRLS
Notes to Financial



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

The Board of

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and

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Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the School’s financial statements or a determination of the type of auditors’ opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the School’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Recent Accounting Standards Issued

In February 2016, the FASB issued ASU 2016-02 - “Leases (Topic 842).” ASU 2016-02 modifies the current presentation of operating leases. Currently, operating leases are not recorded on the statements of financial position as obligations, rather there is a footnote disclosure that includes the expected future lease payments for operating leases. This update will now require organizations that lease assets to recognize assets and liabilities on their statements of financial position