

**ASCENT CLASSICAL ACADEMY  
CHARTER SCHOOLS, INC**

FINANCIAL STATEMENTS  
With Independent Auditors' Report

For the Year Ended June 30, 2025

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
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**JUNE 30, 2025**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Ascent Classical Academy Charter Schools, Inc

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Ascent Classical Academy Charter Schools, Inc, as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the Ascent Classical Academy Charter Schools, Inc's basic financial statements as listed in the table of contents.

In our opinion, the 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 Ascent Classical Academy Charter Schools, Inc, as of June 30, 2025 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Ascent Classical Academy Charter Schools, Inc 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 Ascent Classical Academy Charter Schools, Inc'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 generally accepted 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 generally accepted 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 Ascent Classical Academy Charter Schools, 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 Ascent Classical Academy Charter Schools, 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.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information as listed in the table of contents 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.

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Ascent Classical Academy Charter Schools, Inc's basic financial statements. The accompanying combining and individual financial statements and schedules are presented for purposes of additional analysis and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Hoelting & Company Inc.*

Colorado Springs, Colorado  
October 15, 2025

**Ascent Classical Academy Charter Schools, Inc**  
Management's Discussion and Analysis  
Fiscal Year Ending June 30, 2025

As management of Ascent Classical Academy Charter Schools, Inc (ACACS or the Network), we offer readers of Ascent Classical Academy Charter Schools, Inc's basic financial statements this narrative overview and analysis of the financial activities of the Network for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information provided in the accompanying financial statements.

## **Financial Highlights**

As of June 30, 2025, net position increased by \$1,400,222 to \$4,322,453. Ascent Classical Academy Charter Schools, Inc's governmental funds reported an ending fund balance of \$27,779,461, a decrease of \$1,563,687 from the prior year.

The operations of the Network are funded primarily by tax revenue received under the Colorado School Finance Act in Per Pupil Revenue (PPR). Tax revenue for the year from PPR was \$25,222,362.

## **Overview of Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Network's basic financial statements. The Network's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

### ***Government-Wide Financial Statements***

The government-wide financial statements are designed to provide readers with a broad overview of the Network's finances, in a manner similar to a private-sector business.

The statement of activities presents information showing how net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future periods (for example, salaries and benefits earned but unpaid as of year-end).

The government-wide statement of activities distinguishes functions/programs of the Network supported primarily by Per Pupil Revenue or other revenues passed through from the Network's authorizer (Colorado Charter School Institute). The governmental activities of ACACS include instruction and supporting services.

## ***Fund 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. The Network keeps track of these monies to ensure and demonstrate compliance with finance-related legal requirements. Interim and year-end financial reports required by the State of Colorado, the Network's authorizer, the Colorado Charter School Institute (CSI), and the Network's governing board are presented as Fund 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, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Network's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Network began FY25 with maintaining four governmental funds, including the General Fund which contains activity separated out by school, and adopts annually appropriated budgets for the funds. Budgetary comparison schedules are included to demonstrate that spending did not exceed the budgets. One of the governmental funds, the Classical Education Growth Fund, is itself a separate non-profit corporation and a component unit of the Network. During FY25, the Network governing board took action to allow this entity to separate and become a wholly independent corporation.

## **Proprietary Funds**

The School also maintains a proprietary fund to record the activity of the Internal Service Fund.

## ***Notes to the Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

## Government-Wide Financial Analysis

As noted previously, net position may serve over time as a useful indicator of the Network's financial position. For the fiscal year ended June 30, 2025, ACACS's net position was \$4,322,453.

Of the Network's total net position, \$(12,425,978) is invested in capital assets, \$1,002,000 is restricted to comply with Article X, Section 20 of the Colorado Constitution, known as the TABOR Amendment, \$6,038,650 is restricted for debt service, and \$189,900 is restricted for special education purposes.

### Ascent Classical Academy Charter Schools, Inc's Net Position

	2024-2025	2023-2024
ASSETS		
Cash and Investments	\$ 13,579,739	\$ 8,480,662
Restricted Cash and Cash Equivalents	18,337,517	23,117,974
Grants Receivable	514,901	657,775
Intergovernmental Accounts Receivable	328,468	330,976
Other Receivables	265,864	310,991
Deposits	5,000	5,000
Prepays	56,699	250
Capital Assets, Not Being Depreciated	9,864,474	37,345,178
Capital Assets, Net of Accumulated Depreciation	<u>44,292,720</u>	<u>14,391,978</u>
<b>TOTAL ASSETS</b>	<u><b>87,245,382</b></u>	<u><b>84,640,784</b></u>
LIABILITIES		
Accounts Payable and Other Accrued Liabilities	4,559,859	3,361,772
Accrued Interest Payable	724,249	675,967
Unearned Revenue	248,868	198,708
Noncurrent Liabilities		
Due within One Year	159,987	139,177
Due in more than one year	<u>77,229,966</u>	<u>77,342,929</u>
<b>TOTAL LIABILITIES</b>	<u><b>82,922,929</b></u>	<u><b>81,718,553</b></u>
NET POSITION		
Net Investment in Capital Assets	(12,425,978)	(12,642,836)
Restricted for Emergencies	1,002,000	758,000
Restricted for Debt Service	6,038,650	8,826,459
Restricted for Special Education	189,900	158,400
Unrestricted	<u>9,517,881</u>	<u>5,822,208</u>
<b>TOTAL NET POSITION</b>	<u><b>\$ 4,322,453</b></u>	<u><b>\$ 2,922,231</b></u>

## Ascent Classical Academy Charter Schools, Inc's Change in Net Position

	2024-2025	2023-2024
REVENUES		
Per Pupil Revenue	\$ 25,222,362	\$ 20,790,370
Grants and Contributions Not Restricted to Specific Programs	280,147	139,546
Charges for Services	1,623,373	656,878
Operating Grants and Contributions	6,243,173	4,698,098
Capital Grants and Contributions	739,202	730,749
Investment Income	1,465,644	147,178
Miscellaneous	104,129	72,557
TOTAL REVENUE	35,678,030	27,235,376
EXPENSES		
Instruction	13,848,188	12,661,814
Supporting Services	16,281,127	12,809,072
Interest and Issuane Costs	4,148,493	3,179,452
TOTAL EXPENSES	34,277,808	28,650,338
CHANGE IN NET POSITION	1,400,222	(1,414,962)
NET POSITION, Beginning	2,922,231	4,337,193
NET POSITION, Ending	\$ 4,322,453	\$ 2,922,231

## Financial Analysis of the Government's Funds

As noted earlier, the Network uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the Network's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Network's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Network's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Network's General Fund reported an ending fund balance of \$7,704,941, an increase of \$981,041 from the prior year. The General Fund is made up of activities from four campuses. At the end of the fiscal year, the Douglas County campus increased its fund balance by \$307,395 to \$4,578,792, the Northern Colorado campus increased its fund balance by \$252,292 to \$1,873,195, the Grand Junction campus increased its fund balance by \$244,665 to \$546,399, and the Northern Denver campus increased its fund balance by \$176,689 to \$706,555. School level balance sheets and statements revenues, expenditures, and changes in fund balances may be found on pages 30 and 31.

The Network maintains three additional governmental funds to record the activity of the Classical Education Growth Fund (the Growth Fund), the Ascent Classical Building Corporation (the Building Corporation), and the Capital Projects Fund. The Network also maintains one Proprietary Fund to record the activity of the Internal Service Fund.

The Growth Fund and Building Corporation were organized for the purpose of acquiring, leasing, constructing, improving, equipping, and financing various facilities, land, equipment, and other improvements in connection with property intended to be leased to the Network. As of the end of the current fiscal year, the Growth Fund reported a \$0 ending fund balance, a decrease of \$14,708. The Network will not use this fund in future years. As of the end of the current fiscal year, the Building Corporation reported an ending fund balance of \$17,569,680, a decrease of \$(5,035,860) from the prior year.

The Capital Projects Fund was organized during the current fiscal year to fund future capital building maintenance and improvements. The Capital Projects fund reported an ending fund balance of \$2,504,840.

The Internal Service Fund was organized during the current fiscal year to smooth annual fluctuations in health insurance premiums. The Internal Service Fund reported an ending fund balance of \$500,000.

## **General Fund Budgetary Highlights**

ACACS recognized \$507,230 more revenue than expected and spent \$3,551,998 less than planned, when compared to the final budget. There were budget amendments during the year, which reflected changes in revenues and expenditures. Overall, revenue and expenses were fine-tuned to account for changes to student enrollment, and for transfers from the schools to establish the Capital Projects Fund and the Internal Service Fund. School level budget versus actual schedules may be found on pages 32-35.

## **Capital Assets & Long-Term Debt**

The Network has invested in capital assets for facility construction in progress, land, buildings, buildings, building improvements, and both purchased and leased equipment. Depreciation and amortization expenses for capital assets are booked under the instruction and supporting services program of the Network's operations. More information regarding capital assets may be found in Note 5 to the financial statements. More information regarding leases may be found in Note 6 to the financial statements.

The Network has long-term debt in the form of leases as well as Series 2024 Charter School Revenue Bonds, issued through the Colorado Educational and Cultural Facilities Authority. Proceeds of the bonds were used to refund Series 2023 Charter School Revenue Bonds, acquire facilities, and make facility improvements. More information regarding long-term debt may be found in Note 7 to the financial statements.

## **Economic Factors and Next Year's Budget**

The primary factor driving the budget for Ascent Classical Academy Charter Schools, Inc is student enrollment. Enrollment for the 2024-2025 school year was 2,313.00 funded students. Enrollment projected for 2025-2026 is 2,533 funded students. This factor was considered when preparing ACACS's budget for 2025-2026.

## **Requests for Information**

This financial report is designed to provide a general overview of Ascent Classical Academy Charter Schools, Inc's finances for all those with an interest in the Network's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Network:

Ascent Classical Academy Charter Schools, Inc  
4690 Table Mountain Drive, Suite 100  
Golden, CO 80403

## **BASIC FINANCIAL STATEMENTS**

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2025**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and investments	\$ 13,579,739
Restricted cash and investments	18,337,517
Grants Receivable	514,901
Intergovernmental Accounts Receivable	328,468
Other Receivables	265,864
Deposits	5,000
Prepays	56,699
Capital assets not being depreciated	9,864,474
Capital assets net of accumulated depreciation/amortization	<u>44,292,720</u>
Total Assets	<u>87,245,382</u>
<b>LIABILITIES</b>	
Accounts payable and other accrued liabilities	4,559,859
Accrued interest payable	724,249
Unearned revenue	248,868
Long-term liabilities	
Due within one year	159,987
Due in more than one year	<u>77,229,966</u>
Total Liabilities	<u>82,922,929</u>
<b>NET POSITION</b>	
Net investment in capital assets	(12,425,978)
Restricted for:	
TABOR	1,002,000
Debt service	6,038,650
Special Education	189,900
Unrestricted	<u>9,517,881</u>
Total Net Position	<u><u>\$ 4,322,453</u></u>

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

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2025**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental activities:					
Instruction	\$ 13,848,188	\$ 536,748	\$ 5,942,410	\$ -	\$ (7,369,030)
Supporting services	16,281,127	1,086,625	300,763	739,202	(14,154,537)
Interest	4,148,493	-	-	-	(4,148,493)
Total governmental activities	<u>\$ 34,277,808</u>	<u>\$ 1,623,373</u>	<u>\$ 6,243,173</u>	<u>\$ 739,202</u>	<u>(25,672,060)</u>
General revenues:					
					25,222,362
					280,147
					1,465,644
					104,129
					27,072,282
					1,400,222
					2,922,231
					<u>\$ 4,322,453</u>

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

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2025**

	General Fund	Classical Education Growth Fund	Building Corp Fund	Capital Projects Fund	Total
<b>ASSETS</b>					
Cash and investments	\$ 11,224,611	\$ -	\$ -	\$ 2,355,128	\$ 13,579,739
Restricted cash and investments	-	-	18,337,517	-	18,337,517
Grants receivables	514,901	-	-	-	514,901
Intergovernmental receivables	328,468	-	-	-	328,468
Other receivables	265,864	-	-	-	265,864
Due from other funds	612,421	-	-	850,000	1,462,421
Deposits	5,000	-	-	-	5,000
Prepays	56,699	-	-	-	56,699
<b>Total Assets</b>	<u><u>\$ 13,007,964</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 18,337,517</u></u>	<u><u>\$ 3,205,128</u></u>	<u><u>\$ 34,550,609</u></u>
<b>LIABILITIES</b>					
Accounts payable and other accrued liabilities	\$ 3,504,874	\$ -	\$ 354,697	\$ 700,288	\$ 4,559,859
Due to other funds	1,549,281	-	413,140	-	1,962,421
Unearned revenue	248,868	-	-	-	248,868
<b>Total Liabilities</b>	<u>5,303,023</u>	<u>-</u>	<u>767,837</u>	<u>700,288</u>	<u>6,771,148</u>
<b>FUND BALANCE</b>					
Non-spendable	56,699	-	-	-	56,699
Restricted for:					
TABOR	1,002,000	-	-	-	1,002,000
Debt service	-	-	10,806,781	-	10,806,781
Capital projects	-	-	6,762,899	-	6,762,899
Special Education	189,900	-	-	-	189,900
Assigned for:					
Capital Projects	-	-	-	2,504,840	2,504,840
Unassigned	6,456,342	-	-	-	6,456,342
<b>Total Fund Balance</b>	<u>7,704,941</u>	<u>-</u>	<u>17,569,680</u>	<u>2,504,840</u>	<u>27,779,461</u>
<b>Total Liabilities and Fund Balance</b>	<u><u>\$ 13,007,964</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 18,337,517</u></u>	<u><u>\$ 3,205,128</u></u>	<u><u>\$ 34,550,609</u></u>

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

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2025**

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Total Fund Balance of Governmental Funds	\$	27,779,461
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.		
Capital assets, not being depreciated	\$	9,864,474
Capital assets, net of accumulated depreciation/amortization	<u>44,292,720</u>	54,157,194
The internal service fund is used by management to charge the cost of insurance to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service fund are included in the governmental activities of the statement of net position.		
		500,000
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in government funds:		
Long-term debt payable	\$ (77,389,953)	
Accrued interest	<u>(724,249)</u>	<u>(78,114,202)</u>
Total Net Position of Governmental Activities	\$	<u><u>4,322,453</u></u>

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

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	General Fund	Classical Education Growth Fund	Building Corp Fund	Capital Projects Fund	Total
<b>REVENUES</b>					
Local sources	\$ 1,428,930	\$ -	\$ 2,262,275	\$ 25,121	\$ 3,716,326
State sources	30,951,301	-	-	-	30,951,301
Federal sources	1,010,402	-	-	-	1,010,402
Total revenues	<u>33,390,633</u>	<u>-</u>	<u>2,262,275</u>	<u>25,121</u>	<u>35,678,029</u>
<b>EXPENDITURES</b>					
Instruction	13,841,188	-	-	-	13,841,188
Supporting services	14,945,927	14,708	2,741,152	1,006,379	18,708,166
Debt service					-
Interest	28,482	-	4,055,800	-	4,084,282
Principal	152,495	-	-	-	152,495
Total expenditures	<u>28,968,092</u>	<u>14,708</u>	<u>6,796,952</u>	<u>1,006,379</u>	<u>36,786,131</u>
Excess (deficiency) of revenues over expenditures	<u>4,422,541</u>	<u>(14,708)</u>	<u>(4,534,677)</u>	<u>(981,258)</u>	<u>(1,108,102)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in (out)	(3,485,915)	-	(500,183)	3,486,098	(500,000)
Leases (as lessee)	44,415	-	-	-	44,415
Total other financing sources (uses)	<u>(3,441,500)</u>	<u>-</u>	<u>(500,183)</u>	<u>3,486,098</u>	<u>(455,585)</u>
Net change in fund balance	981,041	(14,708)	(5,034,860)	2,504,840	(1,563,687)
Fund balance, beginning	<u>6,723,900</u>	<u>14,708</u>	<u>22,604,540</u>	<u>-</u>	<u>29,343,148</u>
Fund balance, ending	<u>\$ 7,704,941</u>	<u>\$ -</u>	<u>\$ 17,569,680</u>	<u>\$ 2,504,840</u>	<u>\$ 27,779,461</u>

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

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGE IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2025**

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Net Change in Fund Balance of Governmental Funds	\$	(1,563,687)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year.

Depreciation/amortization expense	\$	(1,586,362)	
Capital outlays		4,006,400	2,420,038

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position

Repayment of principal	\$	152,495	
Lease and SBITA proceeds		(44,415)	108,080

The internal service fund is used by management to charge the cost of insurance to individual funds. The net revenue of the internal service fund is reported with governmental activities.

500,000

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Accrued interest on long-term debt	\$	(48,282)	
Amortization of deferred amounts on refunding		(15,927)	(64,209)

Change in Net Position of Governmental Activities	\$	1,400,222
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The accompanying notes are an integral part of these financial statements.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUND**  
**JUNE 30, 2025**

	<b>Governmental Activities</b>
	<b>Internal Service Fund</b>
<b>ASSETS</b>	
Current assets	
Cash and investments	\$ -
Due from other funds	500,000
	500,000
Total assets	\$ 500,000
<b>LIABILITIES</b>	
Current liabilities	
Accounts Payable	\$ -
Claims and judgments	-
	-
Total liabilities	-
<b>NET POSITION</b>	
Unrestricted	\$ 500,000

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

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION**  
**PROPRIETARY FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	<b>Governmental Activities</b>
	<b>Internal Service Fund</b>
<b>OPERATING REVENUES</b>	
Charges for services	\$ -
<b>OPERATING EXPENSES</b>	
Insurance claims and expenses	-
Operating income (loss)	-
<b>NON-OPERATING REVENUES (EXPENSES)</b>	
Interest and investment revenue	-
Total non-operating revenue (expenses)	-
Income (loss) before transfers	-
Transfers in (out)	500,000
Change in net position	500,000
Net position - beginning	-
Net position - ending	\$ 500,000

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

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	<b>Governmental Activities</b>
	<b>Internal Service Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from customers and users	\$ -
Cash payments to suppliers	-
	-
Net cash provided (used) by operating activities	-
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>	
Advances from (to) other funds	-
	-
Net cash provided (used) by non-capital financing activities	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest received	-
	-
Net increase (decrease) in cash and cash equivalents	-
Cash and cash equivalents - beginning	-
	-
Cash and cash equivalents - ending	\$ -

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

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	<b>Governmental Activities</b>
	<b>Internal Service Fund</b>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>	
Operating income (loss)	\$ -
Adjustments to reconcile operating income to net cash provided by operating activities:	
Change in assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	-
Increase (decrease) in:	
Accounts payable	-
Claims payable	-
	-
Total adjustments	-
Net cash provided (used) by operating activities	\$ -

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

## **NOTES TO FINANCIAL STATEMENTS**

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Ascent Classical Academy Charter Schools, Inc (the “Network”) have been prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Network are discussed below.

*A. REPORTING ENTITY*

The Ascent Classical Academy Charter Schools, Inc is a federal 501(c)(3) tax-exempt, state nonprofit corporation, organized in 2017 pursuant to the Colorado Charter Schools Act to form and operate charter schools within the State of Colorado.

The Network comprises of four charter schools: Ascent Classical Academy of Douglas County (“Douglas County”) and Ascent Classical Academy of Northern Colorado (“Northern Colorado”) and Ascent Classical Academy Grand Junction (“Grand Junction”) and Ascent Classical Academy of Northern Denver (“Northern Denver”). All schools operate under contract with the Colorado Charter School Institute.

The financial reporting entity consists of the Network and organizations for which the Network is financially accountable. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the Network. In addition, any legally separate organizations for which the Network is financially accountable are considered part of the reporting entity. Financial accountability exists if the Network appoints a voting majority of the organization’s board of directors and is able to impose its will on the organization, or if the organization provides benefits to, or imposes financial burdens on, the Network.

*Blended component units.* The Classical Education Growth Fund and Ascent Colorado Building Corporation (The Building Corp) were organized for the purpose of acquiring, leasing, constructing, improving, equipping and financing various facilities, land, equipment and other improvements in connection with property intended to be leased to the Network. The Building Corporations are reported as special revenue funds and do not issue separate financial statements.

*B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENT PRESENTATION*

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Network and its component units. Any fiduciary activities are reported only in the fund financial statements. *Governmental activities* are supported by per pupil revenue and intergovernmental revenues.

The statement of activities demonstrates the degree to which direct expenses of given functions or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to students or other service users who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as *general revenues* rather than as program revenues.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges for interfund services provided and used, the elimination of which would distort the direct costs and program revenues reported for the various functions.

The emphasis of fund financial statements is on major funds. Major individual funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major funds.

The Network reports the following major governmental funds:

The *General Fund* is the Network's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Building Corp Funds* are used to account for the financial activities of the Building Corporations including facilities acquisition and construction and the accumulation of resources for the related debt service. There are two Building Corp Funds: Classical Education Growth Fund and Ascent Colorado Building Corporation (Building Corp Fund).

The *Capital Projects Fund* accounts for the purposes and limitations specified by Section 22-45-103(1)(c), C.R.S., including the acquisition of sites, buildings, equipment, and vehicles.

*Internal Service Funds* account for operations that provide services to other departments or agencies of the government on a cost-reimbursement basis.

The *Internal Service Fund* accounts for financial transactions for services, specifically related to the partially self-funded health insurance plan, that are purchased from an Internal Service Fund.

During the course of operations, the Network has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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

*C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING*

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the period or soon enough thereafter to pay liabilities of the current fiscal period. For this purpose, the Network considers revenues to be available if they are collected within 120 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the Network the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Interest and charges for services associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 120 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the Network.

*D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/  
FUND BALANCE*

*Cash and cash equivalents*

Cash and cash equivalents include cash on hand and in the bank and short-term investments with original maturities of three months or less from the date of acquisition.

*Investments*

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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

Local government investment pools in Colorado must be organized under Colorado Revised Statutes, which allows certain types of governments within the state to pool their funds for investment purposes. Investments in such pools are reported at net asset value.

*Receivables*

All receivables are reported at their gross values and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

*Prepaid items*

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

*Capital assets*

Capital assets include tangible and intangible assets that are reported in the governmental activities column in the government-wide financial statements. Capital assets, except for lease assets, are defined by the Network as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. For lease assets, only those intangible lease assets that cost more than \$15,000 are reported as capital assets.

As the Network constructs or acquires capital assets each period they are capitalized and reported at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed in Note 1 D. *Leases* below). The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

Land and construction in progress are not depreciated. The other tangible and intangible assets of the Network are depreciated/amortized using the straight-line method over the following estimated useful lives:

Buildings and improvements	10 -20 years
Equipment	5 years

*Unearned Revenue*

Unearned revenue includes resources received by the Network before the related revenue can be recognized because the earnings process is not complete.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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

*Leases*

Lessee: The Network is a lessee for noncancellable leases of equipment. The Network recognizes a lease liability and an intangible right-to-use lease assets in the government-wide financial statements. The Network recognizes lease liabilities with an initial, individual value of \$15,000 or more.

At the commencement of a lease, the Network initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Network determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Network uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Network generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Network is reasonably certain to exercise.

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

*Subscription-Based Information Technology Arrangements (SBITAs)*

The Network occasionally enters into subscription-based information technology arrangements. The Network recognizes a subscription liability with values of \$15,000 or more.

At the commencement of a subscription, the Network initially measures the subscription liability at the present value of future payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over the subscription term.

Key estimates and judgments related to subscriptions include how the Network determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments. The Network monitors changes in circumstances that would require a remeasurement of its subscriptions and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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

Subscription assets are reported with capital assets and subscription liabilities are reported with long-term debt on the Statement of Net Positions.

*Long-term liabilities*

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the debt using the straight-line method. Bonds payable are reported net of the applicable premium or discount.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

*Net position*

For government-wide reporting the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

*Net investment in capital assets* consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

*Restricted* net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.

*Unrestricted* net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the Network will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Network's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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

*Fund balance classification*

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Network is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications available to be used in the governmental fund financial statements are as follows:

**Nonspendable** – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

**Restricted** – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed** – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal resolution of the Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action that was used when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

**Assigned** – This classification includes amounts that are constrained by the Network’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Directors delegating this responsibility to management through the budgetary process. This classification also includes the remaining positive fund balance for any governmental funds except for the General Fund.

**Unassigned** – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The Network would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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

*E. ESTIMATES*

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

**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

*Budgetary Information*

Budgets are required by State law for all funds, except fiduciary funds. Management submits a proposed budget to the Board of Directors for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them. It also includes a statement describing the major objectives of the educational program to be undertaken by the Network and the manner in which the budget proposes to fulfill such objectives. Public hearings are conducted by the Board of Directors to obtain public comments.

On or before June 30, the budget is adopted by formal resolution. After the adoption of the budget, the board may review and change the budget at any time prior to January 31 of the fiscal year for which the budget was adopted. After January 31, the board may not review or change the budget except where money for a specific purpose from other than ad valorem taxes become available which could not have been reasonable foreseen at the time of the adoption of the budget. Expenditures may not legally exceed appropriations at the fund level. Authorization to transfer budgeted amounts between line items within any fund rests with Management. Revisions that alter the total expenditures in any fund must be approved by the Board of Directors. Appropriations are based on total funds expected to be available in each budget year, including beginning fund balances as established by the Board of Directors.

Budgets for all fund types are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). GAAP-basis accounting requires that expenditures of salaries and related benefits be recorded in the fiscal year earned. Thus, Management budgets for all accrued salaries and related benefits earned but unpaid at June 30. Budgeted amounts reported in the accompanying financial statements are as originally adopted and as amended by Management and/or Board of Directors throughout the year. All appropriations lapse at the end of each fiscal year.

The Classical Education Growth Fund opted to not adopt a budget in fiscal year 2025 as the Network had decided to stop using the Growth Fund in fiscal year 2025.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 3 – DEPOSITS AND INVESTMENTS**

A summary of deposits and investments as of June 30, 2025 is as follows:

Deposits	\$ 6,576,692
Cash with fiscal agent	2,079,632
Investments	<u>23,260,932</u>
Total	<u>\$ 31,917,256</u>

Deposits and investments are reported in the financial statements as follows:

Cash and investments	\$ 13,579,739
Restricted cash and investments	<u>18,337,517</u>
Total	<u>\$ 31,917,256</u>

*Cash deposits with financial institutions*

Custodial Credit Risk—deposits: Custodial credit risk is the risk that, in the event of a bank failure, the Network’s deposits might not be recovered. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The carrying amount of the Network’s deposits at June 30, 2025 was \$6,576,692 and the bank balances were \$6,582,247. Of the bank balances, \$262,596 were covered by federal deposit insurance, and the remaining balance was uninsured but collateralized in accordance with the provisions of the PDPA.

*Investments*

The Network is authorized by Colorado statutes to invest in the following:

- Obligations of the United States and certain U.S. government agencies’ securities;
- Certain international agencies’ securities;
- General obligation and revenue bonds of U.S. local government entities;
- Bankers’ acceptances of certain banks;
- Certain commercial paper;
- Local government investment pools;
- Written repurchase agreements collateralized by certain authorized securities;
- Certain money market fund;
- Guaranteed investment contracts.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)**

<u>Investment Type</u>	<u>Year-end Balance</u>	<u>Measurement</u>	<u>Maturity</u>	<u>Standard &amp; Poor's Rating</u>
Fixed Income	\$ 16,953,080	Fair value	Up to five years	AA+
CSAFE	<u>6,307,852</u>	Net asset value	Less than 90 days	AAAm
	<u>\$ 23,260,932</u>			

*Local Government Investment Pool.* The Colorado Surplus Asset Fund Trust (CSAFE) is an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating Local Government Investment Pools in the state of Colorado. Investments are limited to those allowed by state statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodians' internal records identify the investments owned by the participating governments. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. As a means of managing its exposure to interest rate risk, the Network has a board approved investment policy that limits investment maturities to five years or less. Colorado revised statute 24-75-601 also limits investment maturities to five years or less.

Credit Risk – Credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. State law and Network policy limit investments to those described above.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss that may be caused by the Network's investment in a single issuer. The Network places no limit on the amount it may invest in any one issuer. More than 20 percent of the Network's investments are in Fixed Income and CSAFE. These investments are 72.88% and 27.12%, respectively, of the Network's total investments.

*Fair value of investments.* The Network measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles (GAAP). These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1 inputs reflect prices quoted in active markets.
- Level 2 inputs reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 inputs reflect prices based upon unobservable sources.

All of the Network's investments that are measured at fair market value are categorized as Level 2 investments. Network investments measured at net asset value or amortized cost fall under the existing exemptions to fair value measurement.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 4 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

*Receivables and Payables*

Interfund receivables and payables are created in conjunction with the Network's need to account for cross fund activity (including, but not limited to, board-approved fund transfers related to building balances, reimbursements to other funds, and other board approved activities). Balances are routinely cleared as a matter of practice.

The composition of interfund balances as of June 30, 2025, is as follows:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 612,421	\$ 1,549,281
Building Corp Fund	-	413,140
Internal Service Fund	500,000	-
Capital Projects Fund	<u>850,000</u>	<u>-</u>
Total	<u>\$ 1,962,421</u>	<u>\$ 1,962,421</u>

*Interfund transfers*

The composition of interfund transfers for the year ended June 30, 2025, is as follows:

	<u>Transfers From Other Funds</u>	<u>Transfers To Other Funds</u>
General Fund		
For the Purpose of Establishing Internal Service Fund	\$ -	\$ 500,000
For the Purpose of Reserving Dollars for Capital Projects	-	3,486,098
Reimbursements from the Building Corporation	500,183	-
Building Corp Fund	-	500,183
Capital Projects Fund	3,486,098	-
Internal Service Fund	<u>500,000</u>	<u>-</u>
Total	<u>\$ 4,486,281</u>	<u>\$ 4,486,281</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect (or board authorizes to collect) to the fund that statute or budget requires to expend (or board authorizes to expend), (2) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary and/or board authorizations, and (3) move capital assets from one fund to another fund when the fund using the capital assets changes.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 5 - CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2025 was as follows:

<i>Governmental Activities</i>	Beginning Balance, <u>As Restated</u>	<u>Increases</u>	<u>Deletions</u>	Ending Balance
Capital assets not being depreciated:				
Construction in progress	\$ 716,463	\$ 3,645,588	\$ (972,577)	\$ 3,389,474
Land	6,475,000	-	-	6,475,000
Total capital assets not being depreciated	<u>7,191,463</u>	<u>3,645,588</u>	<u>(972,577)</u>	<u>9,864,474</u>
Capital assets being depreciated:				
Buildings and improvements	44,085,420	1,207,274	-	45,292,694
Equipment	311,041	81,700	-	392,741
Total capital assets being depreciated	<u>44,396,461</u>	<u>1,288,974</u>	<u>-</u>	<u>45,685,435</u>
Less accumulated depreciation for:				
Buildings and improvements	(203,602)	(1,364,989)	-	(1,568,591)
Equipment	(115,673)	(71,669)	-	(187,342)
Total accumulated depreciation	<u>(319,275)</u>	<u>(1,436,658)</u>	<u>-</u>	<u>(1,755,933)</u>
Total capital assets being depreciated, net	<u>44,077,186</u>	<u>(147,684)</u>	<u>-</u>	<u>43,929,502</u>
Lease assets being amortized:				
Equipment	492,651	9,894	-	502,545
Total lease assets being amortized	<u>492,651</u>	<u>9,894</u>	<u>-</u>	<u>502,545</u>
Less accumulated amortization for:				
Equipment	(98,530)	(101,004)	-	(199,534)
Total accumulated amortization	<u>(98,530)</u>	<u>(101,004)</u>	<u>-</u>	<u>(199,534)</u>
Total lease assets being amortized, net	<u>394,121</u>	<u>(91,110)</u>	<u>-</u>	<u>303,011</u>
SBITA assets being amortized:				
Software	111,579	34,521	-	146,100
Total SBITA assets being amortized	<u>111,579</u>	<u>34,521</u>	<u>-</u>	<u>146,100</u>
Less accumulated amortization for:				
Software	(37,193)	(48,700)	-	(85,893)
Total accumulated amortization	<u>(37,193)</u>	<u>(48,700)</u>	<u>-</u>	<u>(85,893)</u>
Total SBITA assets being amortized, net	<u>74,386</u>	<u>(14,179)</u>	<u>-</u>	<u>60,207</u>
Capital assets, net of accumulated depreciation/amortization	<u>44,545,693</u>	<u>(252,973)</u>	<u>-</u>	<u>44,292,720</u>
Total governmental activities capital asset:	<u>\$51,737,156</u>	<u>\$ 3,392,615</u>	<u>\$ (972,577)</u>	<u>\$54,157,194</u>

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 5 - CAPITAL ASSETS (CONTINUED)**

Depreciation/amortization expense was charged to the functions/programs of the governmental activities of the Network as follows:

*Governmental Activities*

Instruction	\$ 7,000
Supporting services	<u>1,579,362</u>
Total depreciation/amortization expense	<u>\$ 1,586,362</u>

**NOTE 6 – LEASES**

*Network as lessee*

The Network, as a lessee has entered into lease agreements involving equipment with lease terms from 2 to 5 years. The total costs of these right-to-use lease assets are recorded as \$502,545, less accumulated amortization of \$199,534. The Network has determined that as of June 30, 2025, there is no loss associated with an impairment of the right-to-use lease asset.

The future lease payments under lease agreements as of June 30, 2025 are as follows:

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 101,051	\$ 15,928	\$ 116,979
2027	106,103	10,876	116,979
2028	<u>111,409</u>	<u>5,570</u>	<u>116,979</u>
Total	<u>\$ 318,563</u>	<u>\$ 32,374</u>	<u>\$ 350,937</u>

**NOTE 7 – LONG-TERM LIABILITIES**

*2024 Building Loan*

On April 1, 2024, the Colorado Educational and Cultural Facilities Authority issued \$77,515,000 of Charter School Revenue Bonds, Series 2024A & B. Proceeds of the bonds were loaned to the Building Corp to finance the cost of the Ascent Classical Academy Charter Schools, Inc. Project. The bonds accrue interest of 4.75% to 5.80% per annum. Principal will be paid on April 1 of each year, commencing April 1, 2028 and interest will be paid semiannually on April 1 and October 1, commencing October 1, 2024. The Loan matures on April 1, 2059.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 7 – LONG-TERM LIABILITIES (CONTINUED)**

Annual debt service requirements to maturity for loan payable is as follows:

Fiscal Year Ending June 30	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ -	\$ 4,345,500
2027	-	4,345,500
2028	965,000	4,345,500
2029	1,025,000	4,285,288
2030	1,075,000	4,236,600
2031 - 2035	6,180,000	20,367,901
2036 - 2040	7,915,000	18,637,513
2041 - 2045	10,295,000	16,254,550
2046 - 2050	13,565,000	12,976,590
2051 - 2055	17,990,000	8,557,860
2056 - 2059	18,505,000	2,734,410
Total	<u>\$ 77,515,000</u>	<u>\$ 101,087,212</u>

Changes in the Network’s long-term liabilities for the year ended June 30, 2025, are as follows:

<i>Governmental Activities</i>	<u>Beginning Balance, As Restated</u>	<u>Debt Issued and Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Loans payable	\$ 77,515,000	\$ -	\$ -	\$ 77,515,000	\$ -
Discounts	(554,791)	-	15,927	(538,864)	-
Total loans payable	<u>76,960,209</u>	-	<u>15,927</u>	<u>76,976,136</u>	-
Leases	404,739	9,894	(96,070)	318,563	101,050
SBITAs	<u>117,158</u>	<u>34,521</u>	<u>(56,425)</u>	<u>95,254</u>	<u>58,937</u>
<i>Total Governmental Activities</i>	<u>\$ 77,482,106</u>	<u>\$ 44,415</u>	<u>\$ (136,568)</u>	<u>\$ 77,389,953</u>	<u>\$ 159,987</u>

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 8 - RISK MANAGEMENT**

The Network is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Network carries commercial insurance for these risks of loss, including worker's compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage during the last three fiscal years.

**NOTE 9 – COMMITMENTS AND CONTINGENCIES**

*Grants*

The Network has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to a request for reimbursement to grantor agencies for expenditures disallowed under terms of the grant. However, in the opinion of the Network, any such adjustments will not have a material adverse effect on the financial position of the Network.

*Legal*

The School is involved in pending or threatened lawsuits and claims. The School estimates that potential claims not covered by insurance or accrued for, resulting from such litigation, would not materially affect the financial statements of the School.

**NOTE 10 - TAX, SPENDING, AND DEBT LIMITATIONS**

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations including revenue raising, spending abilities and other specific requirements of state and local governments.

The amendment requires emergency reserves be established. These reserves must be at least 3% of fiscal year spending. The Network is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls or salary and benefit increases. At June 30, 2025 there is a \$1,002,000 reservation of fund balance in the General Fund for the amendment.

The Amendment is complex and subject to judicial interpretation. The Network believes it is in compliance with the requirements of the amendment. However, the Network has made certain interpretations of the amendment's language in order to determine its compliance.

**REQUIRED SUPPLEMENTARY INFORMATION**

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Local sources	\$ 701,232	\$ 1,018,327	\$ 1,428,930	\$ 410,603
State sources	30,304,645	30,887,340	30,951,301	63,961
Federal sources	815,236	977,736	1,010,402	32,666
	<u>31,821,113</u>	<u>32,883,403</u>	<u>33,390,633</u>	<u>507,230</u>
<b>EXPENDITURES</b>				
Instruction	15,054,616	16,102,965	13,841,188	2,261,777
Supporting services	15,655,884	16,238,974	14,945,927	1,293,047
Debt service:				
Interest	-	-	28,482	(28,482)
Principal	165,272	178,151	152,495	25,656
	<u>30,875,772</u>	<u>32,520,090</u>	<u>28,968,092</u>	<u>3,551,998</u>
Excess (deficiency) of revenues over expenditures	<u>945,341</u>	<u>363,313</u>	<u>4,422,541</u>	<u>4,059,228</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in (out)	-	413,516	(3,485,915)	(3,899,431)
Leases (as lessee)	-	34,520	44,415	9,895
	<u>-</u>	<u>448,036</u>	<u>(3,441,500)</u>	<u>(3,889,536)</u>
Net change in fund balances	945,341	811,349	981,041	169,692
Fund balances - beginning	<u>4,983,031</u>	<u>6,592,468</u>	<u>6,723,900</u>	<u>131,432</u>
Fund balance - ending	<u><u>\$ 5,928,372</u></u>	<u><u>\$ 7,403,817</u></u>	<u><u>\$ 7,704,941</u></u>	<u><u>\$ 301,124</u></u>

See the accompanying Independent Auditors' Report.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**CLASSICAL EDUCATION GROWTH FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Local sources	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>				
Supporting services	<u>-</u>	<u>-</u>	<u>14,708</u>	<u>(14,708)</u>
Net change in fund balances	-	-	(14,708)	(14,708)
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>14,708</u>	<u>14,708</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See the accompanying Independent Auditors' Report

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**BUILDING CORP FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Local sources	\$ 1,311,978	\$ 1,311,978	\$ 2,262,275	\$ 950,297
Total revenues	<u>1,311,978</u>	<u>1,311,978</u>	<u>2,262,275</u>	<u>950,297</u>
<b>EXPENDITURES</b>				
Supporting services	9,028,125	9,028,125	2,741,152	6,286,973
Debt service:				
Interest	<u>3,763,000</u>	<u>3,763,000</u>	<u>4,055,800</u>	<u>(292,800)</u>
Total expenditures	<u>12,791,125</u>	<u>12,791,125</u>	<u>6,796,952</u>	<u>5,994,173</u>
Excess (deficiency) of revenues over expenditures	(11,479,147)	(11,479,147)	(4,534,677)	6,944,470
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in (out)	<u>-</u>	<u>-</u>	<u>(500,183)</u>	<u>(500,183)</u>
Net change in fund balances	(11,479,147)	(11,479,147)	(5,034,860)	6,444,287
Fund balances - beginning	<u>33,998,905</u>	<u>33,998,905</u>	<u>22,604,540</u>	<u>(11,394,365)</u>
Fund balance - ending	<u><u>\$ 22,519,758</u></u>	<u><u>\$ 22,519,758</u></u>	<u><u>\$ 17,569,680</u></u>	<u><u>\$ (4,950,078)</u></u>

See the accompanying Independent Auditors' Report

## **SUPPLEMENTARY INFORMATION**

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Local sources	\$ -	\$ 25,121	\$ 25,121
Total revenues	<u>-</u>	<u>25,121</u>	<u>25,121</u>
<b>EXPENDITURES</b>			
Supporting services	<u>2,200,000</u>	<u>1,006,379</u>	<u>1,193,621</u>
Total expenditures	<u>2,200,000</u>	<u>1,006,379</u>	<u>1,193,621</u>
Excess (deficiency) of revenues over expenditures	(2,200,000)	(981,258)	1,218,742
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	<u>2,300,000</u>	<u>3,486,098</u>	<u>1,186,098</u>
Net change in fund balances	100,000	2,504,840	2,404,840
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ 100,000</u>	<u>\$ 2,504,840</u>	<u>\$ 2,404,840</u>

See the accompanying Independent Auditors' Report

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**COMBINING BALANCE SHEET**  
**GENERAL FUND**  
**JUNE 30, 2025**

	Douglas County	Northern Colorado	Grand Junction	Northern Denver	Total
<b>ASSETS</b>					
Cash and investments	\$ 6,242,438	\$ 3,090,481	\$ 807,858	\$ 1,083,834	\$ 11,224,611
Grant receivables	209,687	130,331	122,985	51,898	514,901
Intergovernmental receivables	133,329	89,544	64,575	41,020	328,468
Other receivables	125,212	140,652	-	-	265,864
Due from other funds	174,775	13,317	295,373	128,956	612,421
Deposits	5,000	-	-	-	5,000
Prepays	54,929	-	-	1,770	56,699
Total Assets	<u>6,945,370</u>	<u>3,464,325</u>	<u>1,290,791</u>	<u>1,307,478</u>	<u>13,007,964</u>
<b>LIABILITIES</b>					
Accounts payable and other accrued liabilities	1,581,791	832,565	660,640	429,878	3,504,874
Due to other funds	674,507	687,387	52,432	134,955	1,549,281
Unearned revenue	110,280	71,178	31,320	36,090	248,868
Total Liabilities	<u>2,366,578</u>	<u>1,591,130</u>	<u>744,392</u>	<u>600,923</u>	<u>5,303,023</u>
<b>FUND BALANCE</b>					
Non-spendable	54,929	-	-	1,770	56,699
Restricted for:					
TABOR	476,000	266,000	148,000	112,000	1,002,000
Special Education	90,000	69,400	-	30,500	189,900
Unassigned	3,957,863	1,537,795	398,399	562,285	6,456,342
Total Fund Balance	<u>4,578,792</u>	<u>1,873,195</u>	<u>546,399</u>	<u>706,555</u>	<u>7,704,941</u>
Total Liabilities and Fund Balance	<u>\$ 6,945,370</u>	<u>\$ 3,464,325</u>	<u>\$ 1,290,791</u>	<u>\$ 1,307,478</u>	<u>\$ 13,007,964</u>

See the accompanying independent auditors' report.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	Douglas County	Northern Colorado	Grand Junction	Northern Denver	Total
<b>REVENUES</b>					
Local sources	\$ 702,114	\$ 400,096	\$ 157,226	\$ 169,494	\$ 1,428,930
State sources	13,007,079	8,576,379	5,730,941	3,636,902	30,951,301
Federal sources	282,662	154,858	429,452	143,430	1,010,402
Total revenues	<u>13,991,855</u>	<u>9,131,333</u>	<u>6,317,619</u>	<u>3,949,826</u>	<u>33,390,633</u>
<b>EXPENDITURES</b>					
Instruction	5,560,612	3,465,616	3,163,220	1,651,740	13,841,188
Supporting services	5,837,666	3,680,665	3,301,524	2,126,072	14,945,927
Debt service					
Interest	12,291	9,327	3,783	3,081	28,482
Principal	65,716	50,041	20,225	16,513	152,495
Total expenditures	<u>11,476,285</u>	<u>7,205,649</u>	<u>6,488,752</u>	<u>3,797,406</u>	<u>28,968,092</u>
Excess (deficiency) of revenues over expenditures	<u>2,515,570</u>	<u>1,925,684</u>	<u>(171,133)</u>	<u>152,420</u>	<u>4,422,541</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in (out)	(2,219,171)	(1,698,100)	412,416	18,940	(3,485,915)
Leases (as lessee)	10,996	24,708	3,382	5,329	44,415
Total other financing sources (uses)	<u>(2,208,175)</u>	<u>(1,673,392)</u>	<u>415,798</u>	<u>24,269</u>	<u>(3,441,500)</u>
Net change in fund balance	307,395	252,292	244,665	176,689	981,041
Fund balance, beginning	<u>4,271,397</u>	<u>1,620,903</u>	<u>301,734</u>	<u>529,866</u>	<u>6,723,900</u>
Fund balance, ending	<u>\$ 4,578,792</u>	<u>\$ 1,873,195</u>	<u>\$ 546,399</u>	<u>\$ 706,555</u>	<u>\$ 7,704,941</u>

See the accompanying independent auditors' report.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**DOUGLAS COUNTY**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>REVENUES</b>			
Local sources	\$ 456,343	\$ 702,114	\$ 245,771
State sources	13,006,878	13,007,079	201
Federal sources	135,860	282,662	146,802
Total revenues	<u>13,599,081</u>	<u>13,991,855</u>	<u>392,774</u>
<b>EXPENDITURES</b>			
Instruction	6,437,932	5,560,612	877,320
Support services	6,690,388	5,837,666	852,722
Debt service	76,928	78,007	(1,079)
Total expenditures	<u>13,205,248</u>	<u>11,476,285</u>	<u>1,728,963</u>
Excess (deficiency) of revenues over expenditures	<u>393,833</u>	<u>2,515,570</u>	<u>2,121,737</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	(25,000)	(2,219,171)	(2,194,171)
Leases (as lessee)	6,981	10,996	4,015
Total other financing sources (uses)	<u>(18,019)</u>	<u>(2,208,175)</u>	<u>(2,190,156)</u>
Net change in fund balance	375,814	307,395	(68,419)
Fund balance, beginning	<u>4,271,396</u>	<u>4,271,397</u>	<u>1</u>
Fund balance, ending	<u><u>\$ 4,647,210</u></u>	<u><u>\$ 4,578,792</u></u>	<u><u>\$ (68,418)</u></u>

See the accompanying independent auditors' report.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**NORTHERN COLORADO**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>REVENUES</b>			
Local sources	\$ 243,787	\$ 400,096	\$ 156,309
State sources	8,547,533	8,576,379	28,846
Federal sources	63,965	154,858	90,893
Total revenues	<u>8,855,285</u>	<u>9,131,333</u>	<u>276,048</u>
<b>EXPENDITURES</b>			
Instruction	4,015,221	3,465,616	549,605
Support services	4,550,207	3,680,665	869,542
Debt service	58,476	59,368	(892)
Total expenditures	<u>8,623,904</u>	<u>7,205,649</u>	<u>1,418,255</u>
Excess (deficiency) of revenues over expenditures	<u>231,381</u>	<u>1,925,684</u>	<u>1,694,303</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	(5,000)	(1,698,100)	(1,693,100)
Leases (as lessee)	22,009	24,708	2,699
Total other financing sources (uses)	<u>17,009</u>	<u>(1,673,392)</u>	<u>(1,690,401)</u>
Net change in fund balance	248,390	252,292	3,902
Fund balance, beginning	<u>1,620,903</u>	<u>1,620,903</u>	<u>-</u>
Fund balance, ending	<u><u>\$ 1,869,293</u></u>	<u><u>\$ 1,873,195</u></u>	<u><u>\$ 3,902</u></u>

See the accompanying independent auditors' report.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**GRAND JUNCTION**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>REVENUES</b>			
Local sources	\$ 152,292	\$ 157,226	\$ 4,934
State sources	5,699,690	5,730,941	31,251
Federal sources	538,913	429,452	(109,461)
Total revenues	<u>6,390,895</u>	<u>6,317,619</u>	<u>(73,276)</u>
<b>EXPENDITURES</b>			
Instruction	3,613,574	3,163,220	450,354
Support services	3,027,509	3,301,524	(274,015)
Debt service	23,676	24,008	(332)
Total expenditures	<u>6,664,759</u>	<u>6,488,752</u>	<u>176,007</u>
Excess (deficiency) of revenues over expenditures	<u>(273,864)</u>	<u>(171,133)</u>	<u>102,731</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	398,516	412,416	13,900
Leases (as lessee)	2,147	3,382	1,235
Total other financing sources (uses)	<u>400,663</u>	<u>415,798</u>	<u>15,135</u>
Net change in fund balance	126,799	244,665	117,866
Fund balance, beginning	<u>170,303</u>	<u>301,734</u>	<u>131,431</u>
Fund balance, ending	<u><u>\$ 297,102</u></u>	<u><u>\$ 546,399</u></u>	<u><u>\$ 249,297</u></u>

See the accompanying independent auditors' report.

**ASCENT CLASSICAL ACADEMY CHARTER SCHOOLS, INC**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**NORTHERN DENVER**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>REVENUES</b>			
Local sources	\$ 165,905	\$ 169,494	\$ 3,589
State sources	3,633,239	3,636,902	3,663
Federal sources	238,998	143,430	(95,568)
Total revenues	<u>4,038,142</u>	<u>3,949,826</u>	<u>(88,316)</u>
<b>EXPENDITURES</b>			
Instruction	2,036,238	1,651,740	384,498
Support services	1,970,870	2,126,072	(155,202)
Debt service	19,071	19,594	(523)
Total expenditures	<u>4,026,179</u>	<u>3,797,406</u>	<u>228,773</u>
Excess (deficiency) of revenues over expenditures	<u>11,963</u>	<u>152,420</u>	<u>140,457</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (out)	45,000	18,940	(26,060)
Leases (as lessee)	3,383	5,329	1,946
Total other financing sources (uses)	<u>48,383</u>	<u>24,269</u>	<u>(24,114)</u>
Net change in fund balance	60,346	176,689	116,343
Fund balance, beginning	<u>529,866</u>	<u>529,866</u>	<u>-</u>
Fund balance, ending	<u><u>\$ 590,212</u></u>	<u><u>\$ 706,555</u></u>	<u><u>\$ 116,343</u></u>

See the accompanying independent auditors' report.