

Audited Financial Statements In Accordance
With Government Auditing Standards
June 30, 2022

Independent Auditors' Report

To the Board of Trustees of
John V. Lindsay Wildcat Charter School

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of John V. Lindsay Wildcat Charter School (the "School"), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the School as of June 30, 2022, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of

internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users on the basis of these financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

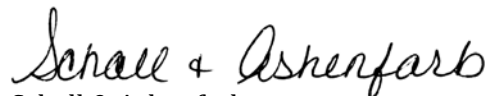
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the School's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 6, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2022, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.


Schall & Ashenfarb
Certified Public Accountants, LLC

October 3, 2022

JOHN V. LINDSAY WILDCAT CHARTER SCHOOL
STATEMENT OF FINANCIAL POSITION
AT JUNE 30, 2022

(With comparative totals at June 30, 2021)

Assets

	6/30/22	6/30/21
Current assets:		
Cash and cash equivalents	\$662,925	\$679,507
Investments (Note 3)	2,648,086	3,234,099
Government grants receivable -		
New York City Department of Education (Note 4)	0	7,875
Government grants receivable - other	293,276	195,677
Other receivables	363	412
Prepaid expenses	120,363	77,664
Total current assets	3,725,013	4,195,234
Non-current assets:		
Fixed assets (Note 5)	216,860	92,290
Security deposit	500,000	500,090
Restricted cash (Note 6)	70,434	70,420
Total non-current assets	787,294	662,800
Total assets	\$4,512,307	\$4,858,034

Liabilities and Net Assets

Liabilities:		
Accounts payable	\$154,907	\$98,736
Accrued expenses	999,173	1,238,543
Government grant advance -		
New York City Department of Education (Note 4)	71,597	0
Government grant advance - other	170,883	3,190
Conditional contributions	33,750	0
Deferred rent (Note 7)	427,867	578,686
Total liabilities	1,858,177	1,919,155
Net assets:		
Without donor restrictions	2,635,130	2,934,879
With donor restrictions (Note 8)	19,000	4,000
Total net assets	2,654,130	2,938,879
Total liabilities and net assets	\$4,512,307	\$4,858,034

The attached notes and auditors' report are an integral part of these financial statements.

JOHN V. LINDSAY WILDCAT CHARTER SCHOOL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022
(With comparative totals for the year ended June 30, 2021)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 6/30/22</u>	<u>Total 6/30/21</u>
Public support and revenue:				
Public school district:				
Revenue - resident student enrollment	\$5,478,511		\$5,478,511	\$4,922,288
Revenue - students with special education services	1,375,918		1,375,918	1,492,766
Total public school district revenue	6,854,429	0	6,854,429	6,415,054
Other government grants	2,699,511		2,699,511	1,724,629
Private grants	582	15,000	15,582	140
Investment (loss)/gain (Note 3)	(285,241)		(285,241)	397,906
Other	33,342		33,342	4,810
Total public support and revenue	<u>9,302,623</u>	<u>15,000</u>	<u>9,317,623</u>	<u>8,542,539</u>
Expenses:				
Program services:				
Regular education	3,492,154		3,492,154	3,843,807
Special education	2,511,462		2,511,462	2,848,289
Other programs	2,354,031		2,354,031	1,535,307
Total program services	<u>8,357,647</u>	<u>0</u>	<u>8,357,647</u>	<u>8,227,403</u>
Supporting services:				
Management and general	1,211,555		1,211,555	1,194,032
Fundraising	33,170		33,170	30,994
Total supporting services	<u>1,244,725</u>	<u>0</u>	<u>1,244,725</u>	<u>1,225,026</u>
Total expenses	<u>9,602,372</u>	<u>0</u>	<u>9,602,372</u>	<u>9,452,429</u>
Change in net assets	(299,749)	15,000	(284,749)	(909,890)
Net assets - beginning of year	<u>2,934,879</u>	<u>4,000</u>	<u>2,938,879</u>	<u>3,848,769</u>
Net assets - end of year	<u>\$2,635,130</u>	<u>\$19,000</u>	<u>\$2,654,130</u>	<u>\$2,938,879</u>

The attached notes and auditors' report are an integral part of these financial statements.

JOHN V. LINDSAY WILDCAT CHARTER SCHOOL
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022
(With comparative totals for the year ended June 30, 2021)

	Program Services			Supporting Services			Total Expenses 6/30/22	Total Expenses 6/30/21	
	Regular Education	Special Education	Other Programs	Total Program Services	Management and General	Fundraising			Total Supporting Services
Personnel services:									
Administrative staff personnel	\$526,560	\$294,280	\$208,158	\$1,028,998	\$647,217	\$23,674	\$670,891	\$1,488,819	
Instructional staff personnel	668,968	755,836	516,850	1,941,654	1,249	313	1,562	2,297,312	
Non-instructional staff personnel	254,305	143,039	91,269	488,613	75,134		75,134	579,924	
Total personnel services	<u>1,449,833</u>	<u>1,193,155</u>	<u>816,277</u>	<u>3,459,265</u>	<u>723,600</u>	<u>23,987</u>	<u>747,587</u>	<u>4,366,055</u>	
Employee benefits and payroll taxes	361,031	306,392	172,467	839,890	165,777	5,841	171,618	1,020,074	
Retirement	238,812	200,035	63,495	502,342	11,992	2,746	14,738	473,017	
Accounting and audit services				0	27,253		27,253	24,476	
Other purchased professional and consulting services			985,214	985,214	71,288		71,288	843,249	
Occupancy and facility costs	1,188,463	668,651		1,857,114	151,442		151,442	1,995,874	
Repairs and maintenance	23,309	13,432	8,385	45,126	3,258		3,258	46,097	
Insurance	41,173	23,163		64,336	5,248		5,248	62,154	
Utilities	95,237	53,589	185,580	334,406	12,135		12,135	254,323	
Supplies and materials	26,720	15,031	21,755	63,506			0	41,952	
Equipment and furnishings				0	1,116		1,116	345	
Staff development	694	390	2,932	4,016	2,253		2,253	15,410	
Marketing and recruitment				0	3,670		3,670	5,305	
Technology	5,723	3,216	12,338	21,277	22,733		22,733	139,126	
Student services	16,420	9,236	444	26,100			0	2,630	
Office expense	20,636	11,610	24,683	56,929	7,035		7,035	39,025	
Depreciation and amortization	21,627	12,168	19,734	53,529	2,755		2,755	93,227	
Other	2,476	1,394	40,727	44,597		596	596	30,090	
Total expenses	<u>\$3,492,154</u>	<u>\$2,511,462</u>	<u>\$2,354,031</u>	<u>\$8,357,647</u>	<u>\$1,211,555</u>	<u>\$33,170</u>	<u>\$1,244,725</u>	<u>\$9,602,372</u>	<u>\$9,452,429</u>

The attached notes and auditors' report are an integral part of these financial statements.

JOHN V. LINDSAY WILDCAT CHARTER SCHOOL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022
(With comparative totals for the year ended June 30, 2021)

	6/30/22	6/30/21
Cash flows from operating activities:		
Change in net assets	(\$284,749)	(\$909,890)
Adjustments to reconcile change in net assets to net cash flows used for operating activities:		
Depreciation and amortization	56,284	93,227
Net unrealized and realized loss/(gain) on investments	322,242	(329,803)
Changes in assets and liabilities:		
Government grants receivable -		
New York City Department of Education	7,875	16,309
Government grants receivable - other	(97,599)	72,999
Other receivables	49	7,180
Prepaid expenses	(42,699)	59,253
Security deposit	90	370
Accounts payable	56,171	7,382
Accrued expenses	(239,370)	(224,188)
Government grant advance -		
New York City Department of Education	71,597	0
Government grant advance - other	167,693	2,164
Conditional contributions	33,750	0
Deferred rent	(150,819)	(108,902)
Total adjustments	185,264	(404,009)
Net cash flows used for operating activities	(99,485)	(1,313,899)
Cash flows from investing activities:		
Fixed asset acquisitions	(180,854)	(23,324)
Purchase of investments (including reinvestments of interest income)	(3,365,465)	(1,158,869)
Proceeds from sale of investments	3,629,236	1,091,128
Net cash flows provided by/(used for) investing activities	82,917	(91,065)
Net decrease in cash, cash equivalents and restricted cash	(16,568)	(1,404,964)
Cash, cash equivalents and restricted cash - beginning of year	749,927	2,154,891
Cash, cash equivalents and restricted cash - end of year	\$733,359	\$749,927
Cash, cash equivalents and restricted cash:		
Cash and cash equivalents	\$662,925	\$679,507
Restricted cash	70,434	70,420
Total cash, cash equivalents and restricted cash	\$733,359	\$749,927
Supplemental data:		
Interest and taxes paid	\$0	\$0

The attached notes and auditors' report are an integral part of these financial statements.

JOHN V. LINDSAY WILDCAT CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

Note 1 - Organization and Nature of Activities

Effective September 1, 2000, John V. Lindsay Wildcat Charter School (the "School") was granted a charter by the University of the State of New York, Education Department. The School's charter which ended August 31, 2021 was renewed for five more years by the New York State Board of Regents through 2026. The School is an inner-city high school serving adolescents who are at risk of failure due to poor attendance, disruptive behavior, criminal activity, and poor academic achievement.

The School has the following programs:

- *Regular Education* – builds the foundation of knowledge, skills, and competencies for a substantive undergraduate academic experience, a successful career, and a productive lifetime.
- *Special Education* – Instruction that is specially designed to meet the unique needs of children with disabilities.
- *Other Programs* – The School has academic programs that incorporate real-world internship experiences and cooperative learning. The academic programs are characterized by heterogeneous grouping, cooperative learning, interdisciplinary teaching, and continual assessment of students' progress towards meeting New York State learning Standards and Regents exam requirements.

The School was organized under the Not-For-Profit Corporation Law of the State of New York and has been notified by the Internal Revenue Service that they are exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and has not been determined to be a private foundation as defined in Section 509(a).

Note 2 - Significant Accounting Policies

a. Basis of Accounting

The accompanying financial statements have been prepared using the accrual basis of accounting, which is the process of recognizing revenue and expenses when earned or incurred rather than received or paid.

b. Basis of Presentation

The School reports information regarding their financial position and activities according to the following classes of net assets:

- *Net Assets Without Donor Restrictions* – represents all activity without donor-imposed restrictions.
- *Net Assets With Donor Restrictions* – represents those resources, the uses of which have been restricted by donors to specific purposes or the passage of time and/or must remain intact, in perpetuity. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor.

c. Revenue Recognition

The School follows the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") 958-605 for recording contributions, which are recognized at the earlier of when cash is received or at the time a pledge becomes unconditional in nature. Contributions are recorded in the net asset classes referred to above depending on the existence and/or nature of any donor-imposed restriction. When a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. If donor restricted contributions are satisfied in the same period they were received, they are classified as without donor restrictions.

Contributions may be subject to conditions which are defined as both a barrier to entitlement and a right of return of payments or release from obligations and are recognized as income once the conditions have been substantially met.

The School's public school district revenue and other government grants are primarily conditional, non-exchange transactions and fall under FASB ASC 958-605. Revenue from these transactions is recognized when performance related outcomes are achieved and other conditions under the agreements are met.

The School records grants receivable as revenue in the period they become unconditional. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Long-term pledges are recorded at fair value using an interest-free discount rate, when deemed material. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Contributions and grants that are due within one year are recorded at net realizable value. Long-term pledges are recorded at fair value, using risk-adjusted present value techniques. Pledges are reviewed for collectability. Based on knowledge of specific donors and factoring in historical experience, no allowance for doubtful accounts exists as of June 30, 2022 and 2021. Write-offs will be made directly to operations in the period the receivable is deemed to be uncollected.

d. Cash and Cash Equivalents

Checking and money market accounts with local banks and highly liquid debt instruments purchased with a maturity of three months or less are considered to be cash and cash equivalents for purposes of the accompanying statement of cash flows. Cash maintained in escrow per requirements of New York City Department of Education ("NYCDOE") are treated as restricted cash.

e. Concentration of Credit Risk

Financial instruments that potentially subject the School to a concentration of credit risk consist of cash, money market accounts, and investment securities, which are placed with financial institutions that management deems to be creditworthy. The market value of investments is subject to fluctuation; however, management believes the investment policy is prudent for the long-term welfare of the School. At year end and at various times throughout the year, balances were in excess of insured amounts. The School has not suffered any losses due to bank failure.

f. Fair Value Measurement

Fair value refers to the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Accounting standards have established a fair value hierarchy giving the highest priority to quoted market prices in active markets and the lowest priority to unobservable data. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the School has the ability to access.

Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are not observable, either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable and significance to the overall fair value measurement.

g. Investments

Investments have been recorded at fair value. Unrealized gains and losses are included in revenue on the statement of activities.

h. Fixed Assets

Property and equipment that exceed pre-determined amounts and have a useful life of greater than one year are recorded at cost or at fair value at the date of gift. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets as follows:

Office equipment – *3-year life*

Furniture and fixtures – *7-year life*

Leasehold improvements – *Life of lease*

i. Advertising Costs

The cost of advertising is expensed as incurred.

j. Donated Goods and Services

Donated goods and services that create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided in-kind, are recognized at fair value. The school did not receive any donated goods or services during the years ended June 30, 2022 and 2021.

k. Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The following costs are allocated by time and effort reporting:

- Personnel services
- Employee benefits and payroll taxes
- Retirement

The following costs are allocated by student full time equivalent ratio:

- Repairs and maintenance
- Insurance
- Utilities
- Supplies and materials
- Office expense
- Depreciation and amortization

The following costs are allocated by building usage:

- Occupancy and facility costs

All other expenses have been charged directly to the applicable program or supporting services.

l. Use of Estimates

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

m. Prior Year Comparative Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the School's financial statements for the year ended June 30, 2021, from which the summarized information was derived.

n. Accounting for Uncertainty of Income Taxes

The School does not believe its financial statements include any material, uncertain tax positions. Tax returns for periods ending June 30, 2019 and later are subject to examination by applicable taxing authorities.

o. New Accounting Pronouncement

FASB issued Accounting Standards Update ("ASU") No. 2016-02, *Leases*. The ASU which becomes effective for the June 30, 2023 year, requires the full obligation of long-term leases to be recorded as a liability with a corresponding "right to use asset" on the statement of financial position.

The School is in the process of evaluating the impact this standard will have on future financial statements.

Note 3 - Investments

The following summarizes the composition of investments:

	<u>June 30, 2022</u>		
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Cash	\$643,081	\$0	\$643,081
US Common Stock	1,070,255	0	1,070,255
US Corporate Fixed Income	0	0	0
Government securities:			
US Treasury Securities	0	933,721	933,721
US Federal Agency Bonds	<u>0</u>	<u>1,029</u>	<u>1,029</u>
Total	<u>\$1,713,336</u>	<u>\$934,750</u>	<u>\$2,648,086</u>

	<u>June 30, 2021</u>		
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Cash	\$91,954	\$0	\$91,954
US Common Stock	1,279,813	0	1,279,813
US Corporate Fixed Income	0	433,652	433,652
Government securities:			
US Treasury Securities	0	515,416	515,416
US Federal Agency Bonds	0	65,495	65,495
US Mutual Funds	<u>847,769</u>	<u>0</u>	<u>847,769</u>
Total	<u>\$2,219,536</u>	<u>\$1,014,563</u>	<u>\$3,234,099</u>

Level 1 securities are valued at the closing price reported on the active market they are traded on. Level 2 securities are valued using observable market inputs for securities that are similar to those owned. This method produces a fair value calculation that may not be indicative of net realizable value or reflective of future values. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements.

The following summarizes investment income:

	<u>6/30/22</u>	<u>6/30/21</u>
Interest and dividends income	\$62,232	\$95,756
Realized gain on investments	84,246	208,438
Unrealized (loss)/gain on investments	(406,488)	121,365
Investment fees	<u>(25,231)</u>	<u>(27,653)</u>
Total	<u>(\$285,241)</u>	<u>\$397,906</u>

Note 4 - Grants Receivable/(Advance) – New York City Department of Education (“NYCDOE”)

	<u>6/30/22</u>	<u>6/30/21</u>
Beginning grants receivable/(advance payable)	\$7,875	\$24,184
Funding based on allowable FTEs	6,854,429	6,415,054
Advances received	<u>(6,933,901)</u>	<u>(6,431,363)</u>
Ending grants receivable/(advance payable)	<u>(\$71,597)</u>	<u>\$7,875</u>

Note 5 - Fixed Assets

Fixed assets consist of the following:

	<u>6/30/22</u>	<u>6/30/21</u>
Furniture and fixtures	\$156,147	\$156,147
Office equipment	1,379,941	1,199,087
Leasehold improvements	<u>517,092</u>	<u>517,092</u>
	2,053,180	1,872,326
Less: accumulated depreciation	<u>(1,836,320)</u>	<u>(1,780,036)</u>
Total fixed assets, net	<u>\$216,860</u>	<u>\$92,290</u>

Note 6 - Restricted Cash

An escrow account has been established to meet the requirement of NYCDOE. The purpose of this account is to ensure sufficient funds are available for an orderly dissolution or transition process in the event of termination of the charter or school closure.

Note 7 - Commitments

The School occupies space in lower Manhattan and the Bronx under separate lease agreements that expire on June 30, 2028 and August 31, 2028, respectively.

Future minimum payments due under the leases are as follows:

	<u>Amount</u>
Year ending:	
June 30, 2023	\$2,249,610
June 30, 2024	2,291,732
June 30, 2025	2,335,913
June 30, 2026	2,380,979
June 30, 2027	2,426,946
Thereafter	<u>2,648,377</u>
Total	<u>\$14,333,557</u>

Rent expense is recognized evenly over the life of each lease using the straight-line method. In the earlier years of the lease, as rent expense exceeds amounts paid, a deferred rent liability is created. As payments exceed the amount of expense recognized, deferred rent will be reduced until it is zero at the end of the lease.

Note 8 - Net Assets With Donor Restrictions

A summary of net assets with donor restrictions is as follows:

	<u>June 30, 2022</u>			
	<u>7/1/21</u>	<u>Restricted Contributions</u>	<u>Released from Restrictions</u>	<u>6/30/22</u>
Michael Steiner				
Memorial Fund	\$4,000	\$0	\$0	\$4,000
Engineering Program	0	5,000	0	5,000
Culinary Program	<u>0</u>	<u>10,000</u>	<u>0</u>	<u>10,000</u>
Total	<u>\$4,000</u>	<u>\$15,000</u>	<u>\$0</u>	<u>\$19,000</u>

	<u>June 30, 2021</u>			
	<u>7/1/20</u>	<u>Restricted Contributions</u>	<u>Released from Restrictions</u>	<u>6/30/21</u>
Michael Steiner Memorial Fund	<u>\$4,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$4,000</u>

Note 9 - Significant Concentrations

The School and the NYCDOE signed an agreement, which permits the School to operate the charter. Approximately 74% and 75% of the School's total public support and revenue was received from the NYCDOE in 2022 and 2021, respectively.

Note 10 - Multi-Employer Benefit Plan

The School participates in a multi-employer benefit plan that provides defined benefits to certain contract labor covered by a collective bargaining agreement. The School contributed \$514,615 and \$526,570 to the plan during the years ended June 30, 2022 and 2021, respectively. The School's participation in this plan for the annual period ended June 30, 2021 is outlined below. The "EIN/Pension Plan Number" column provides the Employer Identification Number ("EIN"). The most recent Pension Protection Act ("PPA") zone status is not applicable because it is a government plan. As of the most current report on file with the City of New York's Office of the Actuary, which is for the fiscal year ending June 30, 2021, the net position restricted for benefits were \$78,347,000,000 and the accumulated benefit obligations were \$78,418,000,000, which results in the plan being 99% funded.

Information on the Teachers' Retirement System of the City of New York Pension Plan as of June 30, 2022 is as follows:

<u>EIN/Pension Plan Number</u>	<u>Plan End Date</u>	<u>PPA Zone Status</u>	<u>Collective Bargaining Agreement Expiration Date</u>	<u>Contribution</u>
90-0584726	6/30/21	N/A	9/13/22	<u>\$514,615</u>

Note 11 - 403(b) Retirement Plan

The School has a retirement plan under IRS Section 403(b). All eligible employees (as defined by the plan) may elect to defer a portion of their salary and contribute to this plan up to statutory amounts. The School can provide a discretionary match to eligible employees. The School provided a match of \$2,500 for the year ended June 30, 2022. The School elected not to provide the discretionary match for the year ended June 30, 2021.

Note 12 - Availability and Liquidity

The following reflects the School's financial assets at June 30, 2022 that are available to meet cash needs for general expenditures within one year:

Financial assets at year-end:	
Cash and cash equivalents	\$662,925
Investments	2,648,086
Government grants receivable – other	293,276
Other receivables	<u>363</u>
Total financial assets	\$3,604,650
Less amounts not available for general expenditures:	
Donor contributions restricted to specific purposes	<u>(19,000)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$3,585,650</u>

The school maintains cash on hand to be available for its general expenditures, liabilities, and other obligations for on-going operations. As part of its liquidity management, the School operates its programs within a board approved budget and relies on grants and earned income to fund its operations and program activities.

Note 13 - Subsequent Events

Subsequent events have been evaluated through October 3, 2022, the date the financial statements were available to be issued. There were no material events that have occurred that require adjustment to or disclosure to the financial statements.

Note 14 Other Matters

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an impact on the economies and financial markets of many countries, including the geographical area in which the School operates. As of the date of these financial statements, many of the travel restrictions and stay at home orders have been lifted; however, supply chains remain impacted. Management continues to monitor the outbreak; however, as of the date of these financial statements, the potential impact cannot be quantified.

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

Independent Auditors' Report

To the Board of Trustees of
John V. Lindsay Wildcat Charter School

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of John V. Lindsay Wildcat Charter School (the "School"), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated October 3, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

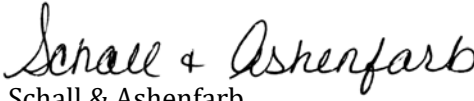
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


Schall & Ashenfarb
Certified Public Accountants, LLC

October 3, 2022

**JOHN V. LINDSAY WILDCAT CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2022**

Current Year:

None

Prior Year:

None