Landmark Academy

Financial Report
with Supplementary Information
June 30, 2026

Landmark Academy

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Independent Auditor's Report

To the Board of Directors
Landmark Academy

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of Landmark Academy (the "Academy") as of and for the year ended June 30, 2026 and the related notes to the financial statements, which collectively comprise Landmark Academy's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Landmark Academy as of June 30, 2026 and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Academy's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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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 Academy'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 Academy'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 the budgetary comparison schedule, as identified 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, which 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 Landmark Academy's basic financial statements. The other supplementary information, as identified in the table of contents, is presented for the purpose 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 other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

To the Board of Directors
Landmark Academy

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 15, 2026 on our consideration of Landmark Academy's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 Landmark Academy'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 Landmark Academy's internal control over financial reporting and compliance.

Plante & Moran, PLLC

October 15, 2026

This section of Landmark Academy's (the "Academy") annual financial report presents our discussion and analysis of the Academy's financial performance during the year ended June 30, 2026. Please read it in conjunction with the Academy's financial statements, which immediately follow this section.

Overview of the Financial Statements

This annual report consists of a series of financial statements and notes to those financial statements. These statements are organized so the reader can understand Landmark Academy financially as a whole. The academy-wide financial statements provide information about the activities of the whole Academy, presenting both an aggregate view of the Academy's finances and a longer-term view of those finances. The fund financial statements provide the next level of detail. For governmental activities, these statements tell how services were financed in the short term and what remains for future spending. The fund financial statements look at the Academy's operations in more detail than the academy-wide financial statements by providing information about the Academy's most significant funds, the General Fund and Debt Service Fund. This report is composed of the following elements:

Management's Discussion and Analysis (MD&A)
(Required Supplementary Information)

Basic Financial Statements

Academy-wide Financial Statements

Fund Financial Statements

Notes to Financial Statements

Required Supplementary Information

Budgetary Comparison Schedule - General Fund

Note to Required Supplementary Information

Other Supplementary Information

Reporting the Academy as a Whole - Government-wide Financial Statements

One of the most important questions asked about the Academy is, “As a whole, what is the Academy's financial condition as a result of the year's activities?” The statement of net position and the statement of activities, which appear first in the Academy's financial statements, report information on the Academy as a whole and its activities in a way that helps you answer this question. We prepare these statements to include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the current year's revenue and expenses are taken into account, regardless of when cash is received or paid.

These two statements report the Academy's net position - the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, as reported in the statement of net position - as one way to measure the Academy's financial health or financial position. Over time, increases or decreases in the Academy's net position, as reported in the statement of activities, are indicators of whether its financial health is improving or deteriorating. The relationship between revenue and expenses is the Academy's operating results. However, the Academy's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other nonfinancial factors, such as the quality of the education provided and the safety of the schools, to assess the overall health of the Academy.

The statement of net position and the statement of activities report the governmental activities for the Academy, which encompass all of the Academy's services, including instruction, support services, and food services. Unrestricted state aid (foundation allowance revenue) and state and federal grants finance most of these activities.

Reporting the Academy's Fund Financial Statements

The Academy's fund financial statements provide detailed information about the most significant funds, not the Academy as a whole. Some funds are required to be established by state law. The governmental funds of the Academy use the following accounting approach:

Governmental Funds

Governmental fund reporting focuses on showing how money flows into and out of funds and the balances left at year end that are available for spending. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the operations of the Academy and the services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Academy's programs. We describe the relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds in a reconciliation.

Overall Financial Summary

Recall that the statement of net position provides the perspective of the Academy as a whole. The following table provides a summary of the Academy's net position as of June 30, 2026 and 2025:

	Governmental Activities	
	2026	2025
	(in thousands)	
Assets		
Current and other assets	$ 5,776.8	$ 6,130.2
Capital assets	11,815.3	12,381.3
Total assets	17,592.1	18,511.5
Liabilities		
Current liabilities	1,965.9	2,115.4
Noncurrent liabilities	12,416.3	12,759.0
Total liabilities	14,382.2	14,874.4
Net Position		
Net investment in capital assets	(601.0)	(377.7)
Restricted	426.4	383.6
Unrestricted	3,384.5	3,631.2
Total net position	**$ 3,209.9**	**$ 3,637.1**

The above analysis focuses on net position. The change in net position of the Academy's governmental activities is discussed below. The Academy's net position was approximately $3,209,900 at June 30, 2026. Net investment in capital assets totaling approximately $(601,000) compares the original cost, less depreciation and amortization of the Academy's capital assets, to long-term debt used to finance the acquisition of those assets. With the exception of the restricted debt service net position and student activities net position of approximately $364,800 and $61,600, respectively, the remaining amount of net position was unrestricted.

The approximately $3,384,500 in unrestricted net position of governmental activities represents the accumulated results of all past years' operations. The unrestricted net position balance enables the Academy to meet working capital and cash flow requirements and to provide for future uncertainties. The operating results of the General Fund will have a significant impact on the change in unrestricted net position from year to year.

The results of this year's operations for the Academy as a whole are reported in the condensed statement of activities below, which shows the changes in net position for the years ended June 30, 2026 and 2025:

	Governmental Activities	
	2026	2025
	(in thousands)	
Revenue		
Program revenue:		
Charges for services	$ 118.3	$ 112.6
Operating grants	2,873.1	2,908.2
General revenue:		
State aid not restricted to specific purposes	7,031.2	7,682.6
Other	118.0	84.0
Total revenue	10,140.6	10,787.4
Expenses		
Instruction	3,468.5	3,522.8
Support services	5,116.9	5,165.3
Athletics	72.1	73.0
Food services	494.2	515.8
Community services	142.1	0.4
Debt service	625.6	648.5
Depreciation and amortization expense (unallocated)	648.4	612.4
Total expenses	10,567.8	10,538.2
Change in Net Position	(427.2)	249.2
Net Position - Beginning of year	3,637.1	3,387.9
Net Position - End of year	**$ 3,209.9**	**$ 3,637.1**

As reported in the statement of activities, the cost of all of our governmental activities this year was approximately $10,567,800. Certain activities were partially funded from those who benefited from the programs or by other governments and organizations that subsidized certain programs with grants and contributions of approximately $2,991,400. We paid for the remaining public benefit portion of our governmental activities with approximately $7,149,200 in state foundation allowance and other revenue (i.e., interest and general entitlements).

The Academy experienced a decrease in net position of approximately $427,200.

As discussed above, the net cost shows the financial burden that was placed on the State by each of these functions. Since unrestricted state aid constitutes the vast majority of academy operating revenue sources, the board of directors and administration must annually evaluate the needs of the Academy and balance those needs with state-prescribed available unrestricted resources.

Financial Summary of Individual Funds

As we noted earlier, the Academy uses funds to help it control and manage money for particular purposes. Looking at funds helps the reader consider whether the Academy is being accountable for the resources the State and others provide to it and may provide more insight into the Academy's overall financial health.

As the Academy completed this year, the governmental funds reported a combined fund balance of $3,829,441, which is a decrease of $204,435 from last year.

In the General Fund, our principal operating fund, the fund balance decreased by $265,912 from the prior year. The primary reasons for the decrease were a decline in student enrollment compared to the prior year and the associated impact on state aid and other enrollment-driven revenue. In response to these enrollment challenges, management recognized the need to increase marketing and recruitment efforts to strengthen community awareness, attract new students, and support future enrollment growth. These efforts represent an investment in the Academy's long-term sustainability and its ability to maintain and grow student enrollment in subsequent fiscal years.

While revenue was impacted by the decline in enrollment, the Academy continued to maintain its existing educational programs and operational commitments without implementing significant expenditure reductions. Management focused on continuing to provide educational services and maintaining the resources necessary to support students and staff while addressing the challenges associated with lower enrollment. As a result, expenditures did not decrease proportionately with the decline in revenue, contributing to the reduction in General Fund fund balance.

Management continues to monitor enrollment trends, revenue projections, and operating expenditures to support informed budgetary decisions. Moving forward, the Academy will continue to evaluate opportunities to strengthen enrollment, improve operational efficiency, and align expenditures with available resources while maintaining the quality of educational programs and services provided to students.

Fund balance of our special revenue funds increased from $59,182 last year to $61,629 in the current fiscal year, representing an increase of $2,447. This increase was primarily attributable to the continued collection and accumulation of funds designated for student activities, playground improvements, and athletic programs. These funds support student engagement, extracurricular opportunities, and enhancements to the Academy's facilities and educational environment.

Management will continue to oversee these funds to ensure that expenditures remain aligned with the intended purposes of the resources and that accumulated balances are available to support the Academy's ongoing student programs and related initiatives.

The fund balance of our Debt Service Fund increased by $59,030 from the prior year. The primary reason for the increase was to maintain an adequate fund balance to ensure that sufficient resources are available to meet the Academy's debt service obligations as they become due. Expenditures within the fund are primarily determined by established debt repayment schedules administered through the St. Clair County Regional Educational Service Agency. Management continues to monitor the fund balance and scheduled debt payments to ensure that resources are appropriately maintained and available to satisfy the Academy's ongoing debt service requirements.

Significant Capital Asset and Long-term Financing Activity

Capital Assets

As of June 30, 2026, the Academy had $11,815,314 invested in capital assets, including furniture, equipment, buildings, and site improvements. This amount represents a net decrease (including additions and depreciation) of $565,995 from last year.

We present more detailed information about our capital assets in the notes to the financial statements.

Debt

At the end of this year, the Academy had $12.4 million in bonds and other debt outstanding versus $12.8 million in the previous year, a change of 3.1 percent. The debt consisted of the following:

	2026	2025
Bonds and other debt - Net of current portion	$ 11,967,345	$ 12,361,370
Current portion of bonds and other debt	448,930	397,600
Total	**$ 12,416,275**	**$ 12,758,970**

We present more detailed information about our long-term liabilities in the notes to the financial statements.

Currently Known Facts, Decisions, or Conditions

Our elected officials and administration consider many factors when setting the Academy's 2026-2027 fiscal year budget. One of the most important factors affecting the budget is our student count. The state foundation revenue is determined by multiplying the blended student count by the foundation allowance per pupil. The 2026-2027 budget was adopted in June 2026 based on an estimate of students who will enroll in September 2026. Approximately 80.0 percent of total General Fund revenue is from the foundation allowance. Under state law, the Academy cannot access additional property tax revenue for general operations. As a result, the Academy's funding is heavily dependent on the State's ability to fund local school operations. Based on early enrollment data at the start of the 2026-2027 school year, we anticipate that the fall student count will not exceed the estimates used in creating the 2026-2027 budget. Once the final student count and related per pupil funding are validated on the December Status report management will provide an updated proposed budget to the Board for approval. . State law requires the Academy to amend the budget if actual academy resources are not sufficient to fund original appropriations.

Since the Academy's revenue is heavily dependent on state funding and the health of the State's School Aid Fund, the actual revenue received depends on the State's ability to collect revenue to fund its appropriation to the Academy. The State periodically holds a Revenue Estimating Conference to estimate revenue. Based on the results of the most recent conference, there will be an increase of approximately $250 per pupil. The Academy adopted its 2026-2027 budget, including a $250 per pupil increase, based on the estimate from the State.

Landmark Academy

Statement of Net Position

June 30, 2026

	Governmental Activities
Assets	
Cash (Note 4)	$ 2,375,537
Investments (Note 4)	356,434
Receivables:	
Other receivables	71,530
Due from other governments	1,625,764
Prepaid expenses and other assets	320,653
Restricted assets (Note 5)	1,026,909
Capital assets - Net (Note 6)	11,815,314
Total assets	17,592,141
Liabilities	
Accounts payable	45,331
Accrued liabilities and other	668,011
Unearned revenue (Note 7)	252,627
Funded reserve liability (Note 9)	1,000,000
Noncurrent liabilities:	
Due within one year (Note 9)	448,930
Due in more than one year (Note 9)	11,967,345
Total liabilities	14,382,244
Net Position	
Net investment in capital assets	(600,961)
Restricted:	
Student activities	61,629
Debt service	364,760
Unrestricted	3,384,469
Total net position	**$ 3,209,897**

See notes to financial statements.

Landmark Academy

Statement of Activities

Year Ended June 30, 2026

	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Governmental Activities: Net (Expense) Revenue and Changes in Net Position
Functions/Programs				
Primary government - Governmental activities:				
Instruction	$ 3,468,517	$ -	$ 1,204,197	$ (2,264,320)
Support services	5,116,921	117,182	1,088,321	(3,911,418)
Athletics	72,100	-	-	(72,100)
Food services	494,151	1,166	439,483	(53,502)
Community services	142,145	-	141,049	(1,096)
Interest	625,584	-	-	(625,584)
Depreciation and amortization expense (unallocated)	648,350	-	-	(648,350)
Total primary government	**$ 10,567,768**	**$ 118,348**	**$ 2,873,050**	(7,576,370)
General revenue:				
State aid not restricted to specific purposes				7,031,205
Interest and investment earnings				79,893
County-wide enhancement millage				29,768
Other				8,345
Total general revenue				7,149,211
Change in Net Position				(427,159)
Net Position - Beginning of year				3,637,056
Net Position - End of year				**$ 3,209,897**

See notes to financial statements.

Landmark Academy

Governmental Funds
Balance Sheet

June 30, 2026

	General Fund	Debt Service Fund	Nonmajor Funds	Total Governmental Funds
Assets				
Cash (Note 4)	$ 2,295,341	$ -	$ 80,196	$ 2,375,537
Investments (Note 4)	-	356,434	-	356,434
Receivables:				
Other receivables	71,530	-	-	71,530
Due from other governments	1,625,764	-	-	1,625,764
Due from other fund (Note 8)	18,567	-	-	18,567
Prepaid expenses and other assets	320,653	-	-	320,653
Restricted assets (Note 5)	-	1,026,909	-	1,026,909
Total assets	**$ 4,331,855**	**$ 1,383,343**	**$ 80,196**	**$ 5,795,394**
Liabilities				
Accounts payable	$ 45,331	$ -	$ -	$ 45,331
Due to other fund (Note 8)	-	-	18,567	18,567
Accrued liabilities and other	649,428	-	-	649,428
Unearned revenue (Note 7)	252,627	-	-	252,627
Funded reserve liability (Note 9)	-	1,000,000	-	1,000,000
Total liabilities	947,386	1,000,000	18,567	1,965,953
Fund Balances				
Nonspendable	113,175	-	-	113,175
Restricted:				
Debt service	-	383,343	-	383,343
Student activities	-	-	61,629	61,629
Assigned - Subsequent year's budget	331,030	-	-	331,030
Unassigned	2,940,264	-	-	2,940,264
Total fund balances	3,384,469	383,343	61,629	3,829,441
Total liabilities and fund balances	**$ 4,331,855**	**$ 1,383,343**	**$ 80,196**	**$ 5,795,394**

See notes to financial statements.

Landmark Academy

Governmental Funds
Reconciliation of the Balance Sheet to the Statement of Net Position

June 30, 2026

Fund Balances Reported in Governmental Funds	$	3,829,441
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets and lease assets used in governmental activities are not financial resources and are not reported in the funds:		
Cost of assets		19,303,820
Accumulated depreciation and amortization		(7,488,506)
Net capital assets and lease assets used in governmental activities		11,815,314
Lease liabilities are not due and payable in the current period and are not reported in the funds		(12,416,275)
Accrued interest is not due and payable in the current period and is not reported in the funds		(18,583)
Net Position of Governmental Activities	**$**	**3,209,897**

Landmark Academy

Governmental Funds
Statement of Revenue, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2026

	General Fund	Debt Service Fund	Nonmajor Funds	Total Governmental Funds
Revenue				
Local sources	$ 35,642	$ 53,427	$ 117,517	$ 206,586
State sources	8,517,852	-	5,582	8,523,434
Federal sources	729,095	-	433,901	1,162,996
Interdistrict sources	247,593	-	-	247,593
Total revenue	9,530,182	53,427	557,000	10,140,609
Expenditures				
Current:				
Instruction:				
Basic programs	2,497,146	-	-	2,497,146
Added needs	971,371	-	-	971,371
Support services:				
Pupil	664,962	-	43,174	708,136
Instructional staff	288,913	-	-	288,913
General administration	1,241,569	-	34,861	1,276,430
School administration	355,837	-	-	355,837
Business	204,813	44,625	-	249,438
Operations and maintenance	928,625	-	-	928,625
Pupil transportation services	506,200	-	-	506,200
Central	513,938	-	-	513,938
Other	-	-	113,904	113,904
Athletics	72,100	-	-	72,100
Food services	-	-	494,151	494,151
Community services	142,145	-	-	142,145
Debt service:				
Principal (Note 9)	38,869	381,818	-	420,687
Interest	-	630,523	-	630,523
Capital outlay	257,855	-	-	257,855
Total expenditures	8,684,343	1,056,966	686,090	10,427,399
Excess of Revenue Over (Under) Expenditures	845,839	(1,003,539)	(129,090)	(286,790)
Other Financing Sources (Uses)				
Leases entered into	82,355	-	-	82,355
Transfers in (Note 8)	-	1,062,569	131,537	1,194,106
Transfers out (Note 8)	(1,194,106)	-	-	(1,194,106)
Total other financing (uses) sources	(1,111,751)	1,062,569	131,537	82,355
Net Change in Fund Balances	(265,912)	59,030	2,447	(204,435)
Fund Balances - Beginning of year	3,650,381	324,313	59,182	4,033,876
Fund Balances - End of year	**$ 3,384,469**	**$ 383,343**	**$ 61,629**	**$ 3,829,441**

See notes to financial statements.

Governmental Funds
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances to the Statement of Activities

Year Ended June 30, 2026

Net Change in Fund Balances Reported in Governmental Funds	$	(204,435)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation or amortization:		
Capitalized capital outlay		82,355
Depreciation and amortization expense		(648,350)
Entering into leases provides current financial resources to governmental funds but increases lease liabilities in the statement of net position		(82,355)
Repayment of bond principal and lease liabilities is an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt and lease liabilities); amortization of premiums related to bond refundings are not expenses in the governmental funds		425,050
Interest expense is recognized in the government-wide statements as it accrues		576
Change in Net Position of Governmental Activities	**$**	**(427,159)**

Note 1 - Nature of Business

Landmark Academy (the "Academy") is an academy in the state of Michigan that provides educational services to students.

Note 2 - Significant Accounting Policies

Accounting and Reporting Principles

The Academy follows accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board. The following is a summary of the significant accounting policies used by the Academy:

Reporting Entity

The Academy was formed as a charter school academy pursuant to the Michigan School Code of 1976, as amended by Act No. 362 of the Public Acts of 1993 and Act No. 416 of the Public Acts of 1994.

The Academy operates under a contract with Saginaw Valley State University to charter a public school academy. The contract requires the Academy to act exclusively as a governmental agency and not undertake any action inconsistent with its status as an entity authorized to receive state school aid funds pursuant to the state constitution. The Saginaw Valley State University board of trustees is the fiscal agent for the Academy and is responsible for overseeing the Academy's compliance with the contract and all applicable laws. The Academy underwent a reauthorization process to extend the charter to June 30, 2030.

The Academy pays the Saginaw Valley State University board of trustees 3.0 percent of state aid as administrative fees. The total administrative fees for the year ended June 30, 2026, paid to the Saginaw Valley State University board of trustees, were approximately $206,000.

Report Presentation

Governmental accounting principles require that financial reports include two different perspectives - the academy-wide perspective and the fund-based perspective. The academy-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Academy. The academy-wide financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The statements also present a schedule reconciling these amounts to the modified accrual-based presentation found in the fund-based statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1) charges to customers or applicants for goods, services, or privileges provided and (2) operating grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Unrestricted intergovernmental receipts and other items not properly included among program revenue are reported instead as general revenue.

As a general rule, the effect of interfund activity has been removed from the academy-wide financial statements.

Major individual governmental funds are reported as separate columns in the fund financial statements.

Note 2 - Significant Accounting Policies (Continued)

Fund Accounting

The Academy accounts for its various activities in several different funds in order to demonstrate accountability for how it spends certain resources; separate funds allow the Academy to show the particular expenditures for which specific revenue is used. The various funds are aggregated into the following broad fund type:

Governmental Funds

Governmental funds include all activities that provide general governmental services that are not business-type activities. Governmental funds can include the General Fund, special revenue funds, and debt service funds. The Academy reports the following fund as major governmental funds:

- The General Fund is the primary operating fund. It accounts for all financial resources of the Academy.
- The Debt Service Fund is used to record cash held for payment of interest and principal, transfers from the General Fund, and interest revenue and payments of interest, principal, and other expenditures on long-term debt.

Additionally, the Academy reports the following nonmajor governmental fund type:

- Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes. The Academy's nonmajor special revenue funds are the student activities and food service funds. The student activities fund is maintained to record the transactions of student groups for school and school-related purposes. The food service fund is used to account for the food service program operations. The special revenue funds are a subsidiary operation and are obligations of the General Fund. Therefore, any shortfall in the special revenue funds will be covered by an operating transfer from the General Fund.

Basis of Accounting

The governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the Academy has spent its resources.

Expenditures are reported when the goods are received or the services are rendered. Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future; conversely, employee benefit costs that will be funded in the future (such as pension and retiree health care-related costs or sick and vacation pay) are not counted until they come due for payment. In addition, debt service expenditures, claims, and judgments are recorded only when payment is due.

Revenue is not recognized until it is collected or collected soon enough after the end of the year that it is available to pay for obligations outstanding at the end of the year. For this purpose, the Academy considers amounts collected within 60 days of year end to be available for recognition. Revenue not meeting this definition is classified as a deferred inflow of resources.

Interfund Activity

During the course of operations, the Academy 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 academy-wide financial statements. Balances between funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Note 2 - Significant Accounting Policies (Continued)

Furthermore, certain activity occurs during the year involving transfers and 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.

Specific Balances and Transactions

Cash

Cash includes cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

Investments

Investments are stated at fair value except for investments in external investment pools, which are valued at amortized cost.

Receivables and Payables

In general, outstanding balances between funds are reported as due to/from other funds. The Academy considers all receivables to be fully collectible; accordingly, no allowance for uncollectible amounts is recorded.

Prepaid Items

Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both academy-wide and fund financial statements, when applicable.

Capital Assets

Capital assets, which include furniture, equipment, and leasehold improvements, are reported in the applicable governmental activities column in the academy-wide financial statements. Capital assets also include leased assets, the accounting for which is further defined in the leases paragraphs that follow. Capital assets are defined by the Academy as assets with an initial individual cost of more than $1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. Costs of normal repair and maintenance that do not add to the value or materially extend asset life are not capitalized. The Academy does not have infrastructure-type assets.

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

	Depreciable Life - Years
Leasehold improvements	Life of the lease
Furniture and equipment	5-10
Lease assets - Equipment	5

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in statement of net position. Bond premiums are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium. Bond issuance costs are expensed at the time they are incurred. In the fund financial statements, governmental fund types recognize bond issuances and premiums as an other financing source and bond discounts as other financing uses. The General Fund and the Debt Service Fund are generally used to liquidate governmental long-term debt.

Note 2 - Significant Accounting Policies (Continued)

Net Position

Net position of the Academy is classified in three components. Net investment in capital assets consists of capital assets net of accumulated depreciation and amortization and is reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted net position is the remaining net position that does not meet the definition of invested in capital or restricted.

Net Position Flow Assumption

The Academy will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the academy-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Academy's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumptions

The Academy will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Academy's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Furthermore, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The nonspendable fund balance component represents amounts that are not in spendable form or are legally or contractually required to be maintained intact. Restricted fund balance represents amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose. The Academy itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Academy's highest level of decision-making authority. The board of directors is the highest level of decision-making authority for the Academy that can, by passing a resolution prior to the end of the fiscal year, commit fund balance. Once passed, the limitation imposed by the resolution remains in place until a similar action is taken (the passing of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Academy has, by resolution, authorized the finance director to assign fund balance. The board of directors may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally exist only temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Note 2 - Significant Accounting Policies (Continued)

Grants and Contributions

The Academy receives federal, state, and local grants, as well as contributions from individuals and private organizations. Revenue from grants and contributions (including contributions of capital assets) is recognized when all eligibility requirements, including time requirements, are met. Grants and contributions may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific operating purpose are reported as noncapital subsidies revenue. Amounts restricted to capital acquisitions are reported as other nonoperating revenue.

Leases

The Academy is a lessee for noncancelable leases of computer and office equipment. The Academy recognizes a lease liability and an intangible right-of-use lease asset (lease asset) in the applicable governmental activities column in the academy-wide financial statements. The Academy recognizes lease assets and liabilities with an initial value of $1,000 or more.

At the commencement of a lease, the Academy 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 Academy determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Academy uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Academy generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable 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 Academy is reasonably certain to exercise.

The Academy 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.

Accounting Changes

Adoption of New Accounting Pronouncement

During the current year, the Academy adopted GASB Statement No. 103, *Financial Reporting Model Improvements*. The new accounting standard impacted the organization and disclosure requirements of management's discussion and analysis and budgetary comparison disclosures in the required supplementary information. The adoption of the new standard did not have a material impact on the Academy's financial statements.

Note 2 - Significant Accounting Policies (Continued)

Upcoming Accounting Pronouncement

In December 2025, the Governmental Accounting Standards Board issued Statement No. 105, *Subsequent Events*, which improves financial reporting requirements for subsequent events by clarifying the subsequent events time frame and the distinction between recognized and nonrecognized events. This statement also establishes specific note disclosure requirements and requires disclosure of the date through which subsequent events have been evaluated. The provisions of this statement are effective for the Academy's financial statements for the year ending June 30, 2027.

Note 3 - Stewardship, Compliance, and Accountability

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles and state law for the General Fund and the special revenue fund, except that capital outlay expenditures are budgeted in other expenditure categories. Capital outlay expenditures are included in the functional categories to which they relate in accordance with the adopted budget of the Academy. Capital outlay is presented separately on the statement of revenue, expenditures, and changes in fund balances. All annual appropriations lapse at fiscal year end.

The budget document presents information by fund and function. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the function level. State law requires the Academy to have its budget in place by July 1. Expenditures in excess of amounts budgeted are a violation of Michigan law. State law permits academies to amend their budgets during the year. During the year, the budget was amended in a legally permissible manner. Amendments were made during the year to refine enrollment and related spending projections.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders or contracts) are not tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered.

Note 4 - Deposits and Investments

State statutes and the Academy's investment policy authorize the Academy to make deposits in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The Academy is allowed to invest in U.S. Treasury or agency obligations, U.S. government repurchase agreements, bankers' acceptances, certificates of deposit, commercial paper rated prime at the time of purchase that matures no more than 270 days after the date of purchase, mutual funds, and investment pools that are composed of authorized investment vehicles. The Academy's deposits are in accordance with statutory authority.

The Academy has designated one bank for the deposit of its funds.

There are no limitations or restrictions on participant withdrawals for the investment pools that are recorded at amortized cost.

The Academy's cash and investments are subject to risk, which is examined in more detail below:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Academy's deposits may not be returned to it. The Academy evaluates its depositories, and only those with an acceptable risk level are used for the Academy's deposits. At year end, the Academy had bank deposits totaling $2,227,689 (certificates of deposit and checking and savings accounts) that were uninsured and uncollateralized. The Academy believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits.

Note 4 - Deposits and Investments (Continued)

At year end, the Academy's deposits were reported in the basic financial statements as cash of $2,375,537.

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Academy's investment policy does not restrict investment maturities other than commercial paper, which can only be purchased with a 270-day maturity. The Academy's policy minimizes interest rate risk by requiring the structuring of the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities in the open market, and investing operating funds primarily in shorter-term securities, liquid asset funds, money market mutual funds, or similar investment pools and limiting the average maturity in accordance with the Academy's cash requirements.

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. At June 30, 2026, the Academy has investments of $356,434 in the First American Treasury Obligations Fund. These investments have a credit quality rating of Aaa-mf according to the rating organization Moody's.

Note 5 - Restricted Assets

As of June 30, 2026, the Academy held restricted assets within the Debt Service Fund of $1,026,909, including earned interest, which were maintained by the bond trustee in accordance with the financing agreements related to the Academy's revenue bonds described in Note 9. The restricted assets are not available for general operating purposes and may only be used for purposes permitted under the related financing documents. Because the Academy is obligated to remit these funds upon satisfaction of the applicable conditions under the financing arrangement, a funded reserve liability has also been recorded in the Debt Service Fund.

Note 6 - Capital Assets

Capital asset activity of the Academy's governmental activities was as follows:

Governmental Activities

	Balance July 1, 2025	Additions	Disposals and Adjustments	Balance June 30, 2026
Capital assets not being depreciated - Land	$ 984,050	$ -	$ -	$ 984,050
Capital assets being depreciated or amortized:				
Buildings and improvements	15,896,090	-	-	15,896,090
Furniture and equipment	2,254,804	-	-	2,254,804
Lease assets - Equipment	76,412	82,355	-	158,767
Software	10,109	-	-	10,109
Subtotal	18,237,415	82,355	-	18,319,770
Accumulated depreciation and amortization:				
Buildings and improvements	5,624,703	251,350	-	5,876,053
Furniture and equipment	1,204,070	373,482	-	1,577,552
Lease assets - Equipment	1,274	23,518	-	24,792
Software	10,109	-	-	10,109
Subtotal	6,840,156	648,350	-	7,488,506
Net governmental activities capital assets	$ 12,381,309	$ (565,995)	$ -	$ 11,815,314

Depreciation and amortization expense was not allocated to activities, as the Academy's assets benefit multiple activities and allocation is not practical.

Note 7 - Unavailable/Unearned Revenue

Governmental funds report unavailable revenue in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. Governmental funds also report unearned revenue recognition in connection with resources that have been received but not yet earned.

At June 30, 2026, the Academy had no unavailable revenue and $252,627 of unearned revenue primarily related to grant and categorical aid payments received prior to meeting all eligibility requirements.

Note 8 - Interfund Receivables, Payables, and Transfers

The General Fund has amounts due from the Student Activities Fund totaling $18,567 related to the time lag between the dates that goods and services are provided, transactions are recorded in the accounting system, and payments between funds are made.

The General Fund transferred $1,062,569 to the Debt Service Fund to meet debt service requirements in the Debt Service Fund. The General Fund transferred $131,537 to the Food Service Fund to cover indirect costs.

Note 9 - Long-term Debt

Long-term debt activity for the year ended June 30, 2026 can be summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable:					
Revenue bonds	$ 12,610,454	$ -	$ (381,818)	$ 12,228,636	$ 401,818
Unamortized bond premiums	86,896	-	(4,363)	82,533	4,363
Total bonds payable	12,697,350	-	(386,181)	12,311,169	406,181
Leases (Note 10)	61,620	82,355	(38,869)	105,106	42,749
Total governmental activities long-term debt	$ 12,758,970	$ 82,355	$ (425,050)	$ 12,416,275	$ 448,930

Revenue Bonds

Revenue bonds are full faith and credit obligations of the Academy payable solely from the Academy's state aid school payments. Revenue bonds are secured primarily by state aid payments, trustee-held reserve funds, and a mortgage interest in academy facilities. The Academy has pledged no more than 20 percent of the state foundation revenue received in each fiscal year to repay the revenue bonds. Revenue bonds consist of the following at June 30, 2026:

Purpose	Remaining Annual Installments	Interest Rate	Maturing June 1	Outstanding
$13,665,000 Revenue Bonds (2020 Refunding)	$408,818 - $925,455	5%	2045	$ 12,228,636

Other Long-term Liabilities

Other long-term liabilities relate to financed equipment purchases. For financial statement purposes, the present values of the net minimum lease payments have been capitalized and are being amortized over the useful lives of the assets.

Debt Service Requirements to Maturity

Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

Years Ending	Principal	Interest	Total
2027	$ 401,818	$ 611,432	$ 1,013,250
2028	421,818	591,341	1,013,159
2029	442,273	570,250	1,012,523
2030	467,273	548,136	1,015,409
2031	491,818	524,773	1,016,591
2032-2036	2,843,182	2,230,386	5,073,568
2037-2041	3,626,364	1,445,091	5,071,455
2042-2045	3,534,090	446,841	3,980,931
Total	$ 12,228,636	$ 6,968,250	$ 19,196,886

Note 9 - Long-term Debt (Continued)

Funded Reserve Liability

As part of the Academy's bond financing arrangement, a reserve account funded through the Michigan Finance Authority grant-funded reserve program is maintained by the trustee. The Academy reports the reserve funds as a restricted asset and has recorded a corresponding authority grant-funded reserve liability of $1,000,000 representing the amount required to be returned to the Michigan Finance Authority upon satisfaction of the financing agreement.

Unused Line of Credit

The Academy has an unused line of credit with a maximum available amount of $500,000 at June 30, 2026. The line of credit bears interest of 4 percent or the prime rate but in no event greater than 18 percent. As of June 30, 2026, there was no amount outstanding on the line of credit.

Assets Pledged as Collateral

The Academy's outstanding revenue bonds are secured with collateral of the Academy's school facility and amounts held within an authority grant funded reserve account.

Note 10 - Leases

The Academy leases copiers and Chromebooks from a third party. Payments are generally fixed monthly with certain variable payments not included in the measurement of the lease liability required, as they are based on the usage of the asset.

Lease asset activity of the Academy is included in Note 6.

Future principal and interest payment requirements related to the Academy's lease liability at June 30, 2026 are as follows:

Years Ending	Principal	Interest	Total
2027	$ 42,749	$ 8,308	$ 51,057
2028	46,843	4,213	51,056
2029	15,514	476	15,990
Total	$ 105,106	$ 12,997	$ 118,103

Note 11 - Management Agreement

The Academy has entered into a management agreement with Summit Management Consulting, LLC (Summit) through June 30, 2027. Summit provides educational, administrative, financial, personnel, facility maintenance, and operational services. The Academy pays Summit a management fee equal to 8.5 percent of total annual revenue and reimburses Summit for approved operating costs incurred on behalf of the Academy. The Academy's board of directors retains responsibility for governance, budgeting, oversight, annual audit procurement, and compliance with applicable laws. Certain academy employees are employees of Summit Management Consulting, LLC rather than the Academy. The total management fee expensed by the Academy for the year ended June 30, 2026 was $844,927.

Note 12 - Related Party Transactions

Summit Management Consulting, LLC provides management services to the Academy, as described in Note 11. The Academy's chief acting officer (CAO) is also a member/owner of Summit Management Consulting, LLC. The board of directors is directly responsible for appointing the management firm and the CAO is not eligible to vote for this appointment.

Note 13 - Risk Management

The Academy is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The risk of employee injuries and medical benefits for employees of the management company is covered by the insurance held by the management company. The Academy has purchased commercial insurance for all other claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage since inception.

Note 14 - Retirement Plan

The Academy participates in a defined contribution 401(k) plan sponsored by Summit Management Consulting, LLC for eligible employees. The plan permits employee salary deferrals and provides for a safe harbor nonelective employer contribution equal to 3 percent of eligible compensation. The plan also permits discretionary employer matching and profit-sharing contributions. Employer contribution expense incurred by the Academy under the plan was approximately $154,000 for the year ended June 30, 2026.

Required Supplementary Information

Landmark Academy

Required Supplementary Information
Budgetary Comparison Schedule - General Fund

Year Ended June 30, 2026

	Original Budget	Final Budget	Final Budget Variance with Original Budget - Over (Under)	Actual	Actual Variance with Final Budget - (Under) Over
Revenue					
Local sources	$ 39,224	$ 45,077	$ 5,853	$ 35,642	$ (9,435)
State sources	8,804,664	8,513,288	(291,376)	8,517,852	4,564
Federal sources	726,537	694,244	(32,293)	729,095	34,851
Interdistrict sources	42,527	301,123	258,596	247,593	(53,530)
Total revenue	9,612,952	9,553,732	(59,220)	9,530,182	(23,550)
Expenditures					
Current:					
Instruction:					
Basic programs	2,660,933	2,524,151	(136,782)	2,497,146	(27,005)
Added needs	975,083	1,072,267	97,184	1,053,726	(18,541)
Total instruction	3,636,016	3,596,418	(39,598)	3,550,872	(45,546)
Support services:					
Pupil	725,610	686,791	(38,819)	664,962	(21,829)
Instructional staff	400,953	272,046	(128,907)	288,913	16,867
General administration	1,268,713	1,246,495	(22,218)	1,241,569	(4,926)
School administration	381,838	367,984	(13,854)	355,837	(12,147)
Business	132,553	208,301	75,748	204,813	(3,488)
Operations and maintenance	1,055,197	1,136,680	81,483	1,104,125	(32,555)
Pupil transportation services	493,988	521,980	27,992	506,200	(15,780)
Central	613,103	552,774	(60,329)	513,938	(38,836)
Total support services	5,071,955	4,993,051	(78,904)	4,880,357	(112,694)
Athletics	46,470	72,802	26,332	72,100	(702)
Community services	391	144,168	143,777	142,145	(2,023)
Debt service	94,400	40,556	(53,844)	38,869	(1,687)
Total expenditures	8,849,232	8,846,995	(2,237)	8,684,343	(162,652)
Excess of Revenue Over Expenditures	763,720	706,737	(56,983)	845,839	139,102
Other Financing Sources (Uses)					
Leases entered into	-	-	-	82,355	82,355
Transfers out	(1,144,110)	(1,193,549)	(49,439)	(1,194,106)	(557)
Total other financing uses	(1,144,110)	(1,193,549)	(49,439)	(1,111,751)	81,798
Net Change in Fund Balance	(380,390)	(486,812)	(106,422)	(265,912)	220,900
Fund Balance - Beginning of year	3,650,381	3,650,381	-	3,650,381	-
Fund Balance - End of year	**$ 3,269,991**	**$ 3,163,569**	**$ (106,422)**	**$ 3,384,469**	**$ 220,900**

See note to required supplementary information.

Budgetary Information

Significant variances between original and amended budget - The Academy had significant variances between the original and amended budget related to state source revenue. State source revenue decreased as fall enrollment projections were lower than originally anticipated, resulting in a reduction in enrollment-driven state funding.

The Academy did not have significant variances between the amended budget and actual results.

Other Supplementary Information

Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds

June 30, 2026

	Special Revenue Funds		
	Cafeteria Fund	Student Activities Fund	Total
Assets	**$ -**	**$ 80,196**	**$ 80,196**
Liabilities - Due to other funds	$ -	$ 18,567	$ 18,567
Fund Balances - Committed	-	61,629	61,629
Total liabilities and fund balances	**$ -**	**$ 80,196**	**$ 80,196**

Other Supplementary Information
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds

Year Ended June 30, 2026

	Special Revenue Funds		
	Cafeteria Fund	Student Activities Fund	Total
Revenue			
Local sources	$ 1,166	$ 116,351	$ 117,517
State sources	5,582	-	5,582
Federal sources	433,901	-	433,901
Total revenue	440,649	116,351	557,000
Expenditures			
Current:			
Support services:			
Pupil	43,174	-	43,174
General administration	34,861	-	34,861
Other	-	113,904	113,904
Food services	494,151	-	494,151
Total expenditures	572,186	113,904	686,090
Excess of Revenue (Under) Over Expenditures	(131,537)	2,447	(129,090)
Other Financing Sources - Transfers in	131,537	-	131,537
Net Change in Fund Balances	-	2,447	2,447
Fund Balances - Beginning of year	-	59,182	59,182
Fund Balances - End of year	**$ -**	**$ 61,629**	**$ 61,629**

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*

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

Independent Auditor's Report

To Management and the Board of Directors
Landmark Academy

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Landmark Academy (the "Academy") as of and for the year ended June 30, 2026 and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements, and have issued our report thereon dated October 15, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Academy'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 Academy's internal control. Accordingly, we do not express an opinion on the effectiveness of the Academy'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 Academy's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

PRAXITY™
Empowering Business Globally

To Management and the Board of Directors
Landmark Academy

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 Academy'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 Academy's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plante & Moran, PLLC

October 15, 2026