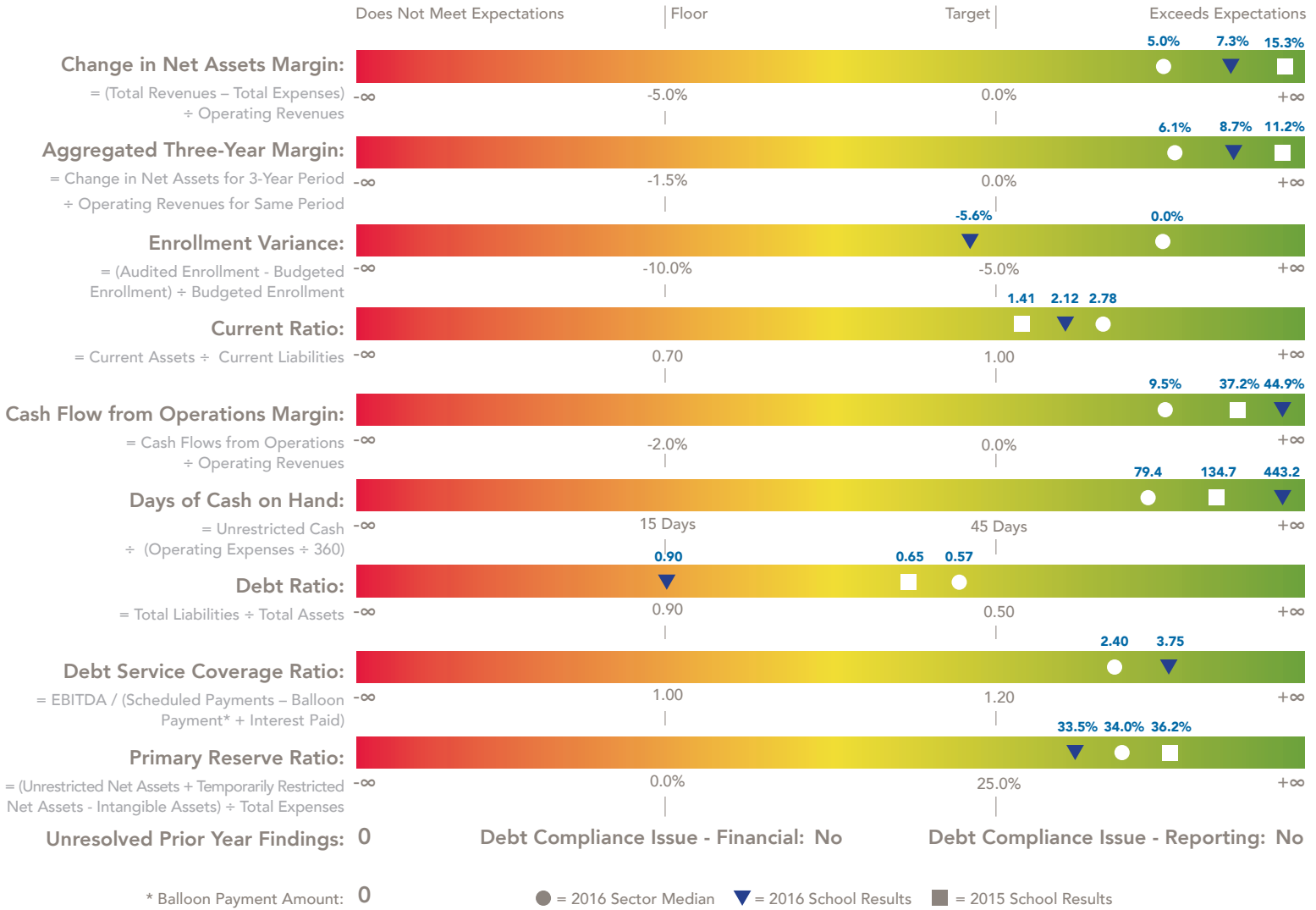


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2008 - 2009

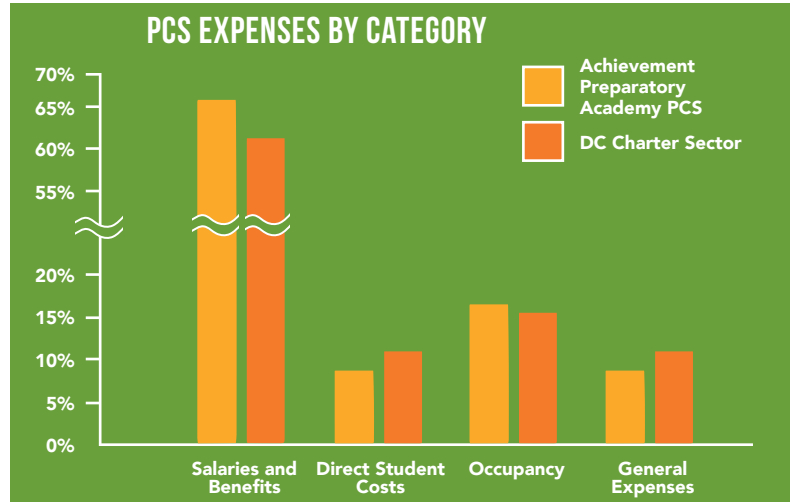
Audited Enrollment:
656

KEY FINANCIAL INDICATORS



Comments from the School

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ACHIEVEMENT PREPARATORY ACADEMY PCS

FY2016 Financial Report Card

FINANCIAL POSITION

	2016	2015
Total Assets	\$45,920,533	\$10,938,624
Current Assets	\$14,386,738	\$4,109,163
Total Liabilities	\$41,216,834	\$7,115,320
Current Liabilities	\$6,786,009	\$2,915,320
Net Asset Position	\$4,703,699	\$3,823,304

FINANCIAL ACTIVITIES

	2016	2015
Revenues and Support	\$12,032,001	\$12,466,688
Expenses	\$11,090,168	\$10,553,614
Non-operating Revenues (Expenses)	\$(61,438)	\$-
Surplus (Deficit)	\$880,395	\$1,913,074

AUDIT FINDINGS

	2016	2015
Qualified/Modified/Adverse Opinion on the Financial Statements	No	No
Material Weakness in Internal Control over Financial Reporting (GAS)	No	No
Non-compliance Material to the Financial Statements (GAS)	No	No
Modified Opinion on Major Federal Award Programs (Uniform Guidance)	No	No
Material Weaknesses in the Internal Control over Compliance with Major Federal Programs (Uniform Guidance)	No	No
Findings and Questioned Costs	0	0
Going-Concern Issue	No	No

REVENUES/EXPENSES PER STUDENT

	2016	2015	2016 Sector Median
DC Funding per Student	\$16,332	\$16,081	\$17,657
Philanthropic Funding per Student	\$682	\$1,200	\$581
Total Revenues per Student	\$18,342	\$19,239	\$20,775
Expenses per Student	\$16,906	\$16,286	\$19,644

PCSB OBSERVATIONS

DEBT:

During May 2015, the School secured three associated loans to finance construction and renovation of the School's facility and payment of facility rent. Their three loans include \$24.075 M from Bank of America (BoFA loan), \$2.0 M from the DC Office of Public Charter School Financing and Support (OPCSFS loan) and \$2.5 M from Building Hope.

The BoFA loan requires complete drawdown of the OPCSFS loan and the Building Hope loan prior to drawing on these funds. Based on amended terms, interest accrues at a variable rate of LIBOR+3.50% and re-sets daily. The OPCFS loan accrues interest at 4.50% and had a balance of \$2.0M at year end. The Building Hope loan accrues interest at a rate of 6.0% and had an outstanding balance of \$2.2M at year-end. All of these loans mature in December 2022.

In August 2015, the School secured financing with the Reinvestment Fund, Inc. (TRF) of \$4.8M for property construction and improvements. Proceeds of the TRF loan must be drawn in full prior to drawing the BOA loan. Interest accrues at a variable rate of 1-month LIBOR+4.25%; maturity December 2022. In December 2015, amendments were made to the TRF loan in conjunction with the New Markets Tax Credit Program (discussed below) which required a \$3.0M principal payment from the School. Based on the amended terms, draws on the TRF loan may total \$1.8 M before September 2017. Thereafter, principal will be at a fixed rate of the current FHLB 5-year rate + 4.50%. The loan matures in December 2022.

In December 2015, the School secured financing via the New Markets Tax Credit (NMTC) Program of \$23.8M to finance renovations of the school and construction of a middle school. The financing consists of four loans with interest rates between 0.24% and 5.20%, which mature in 2040.

FACILITIES

\$12.2M in construction in progress as of June 2016 for ongoing renovations to the school.

In August 2015, the School entered into a license agreement with DC to occupy the Mississippi Road facility. The agreement expired June 30, 2016.

In August 2015, the School entered into a ground lease agreement with DC to lease the Wahler Place facility for 30 years. Rent will be abated for twelve consecutive calendar months for each one million dollars of expense incurred for construction, capital alteration and leasehold acquisition costs. Since construction at this site is still in process, the rent abatement amount cannot be determined as of this time, and therefore neither can the future minimum lease payments. Rent expense for the years ended June 30, 2016 and 2015 totaled \$297,148 and \$1,212,997, respectively.