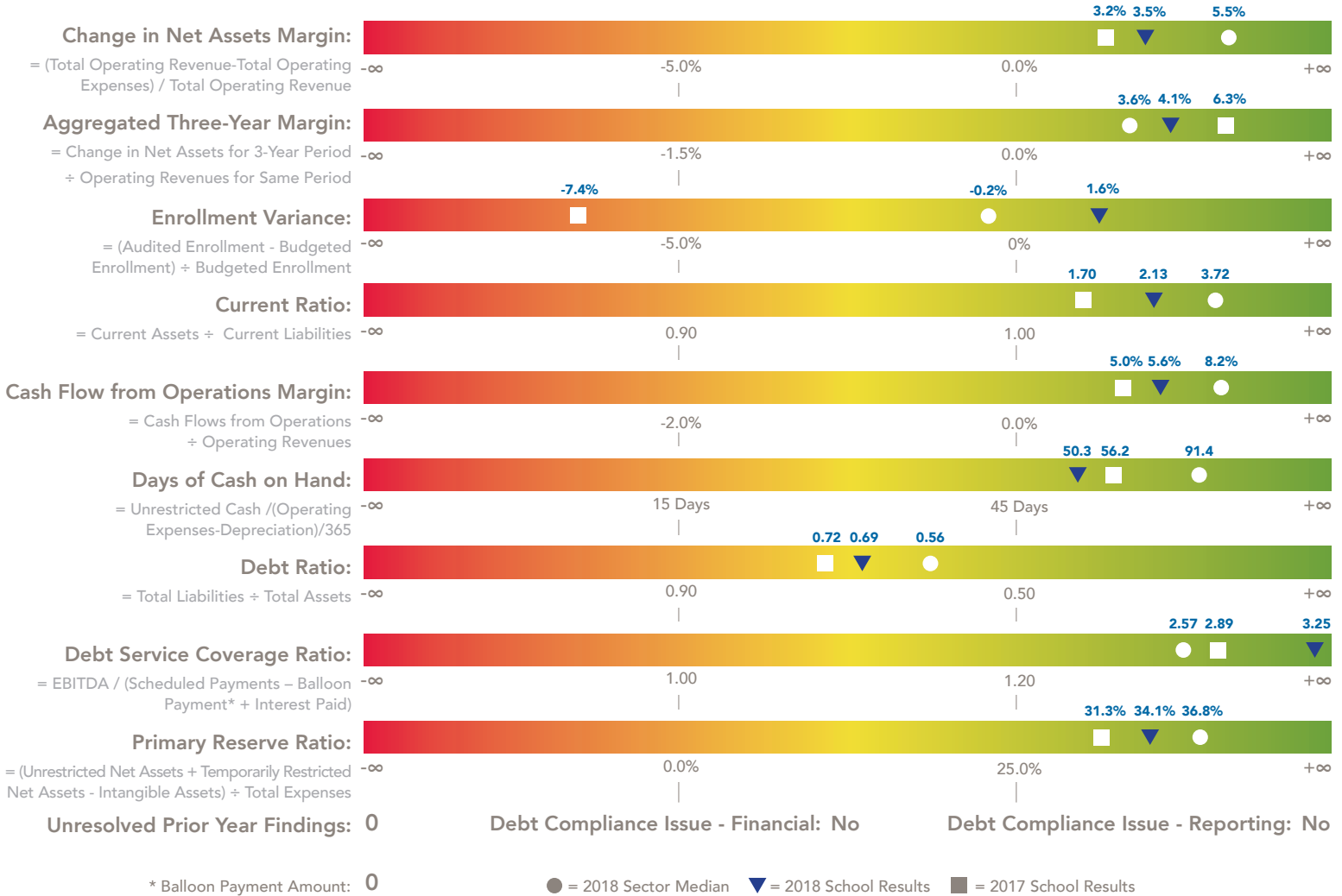


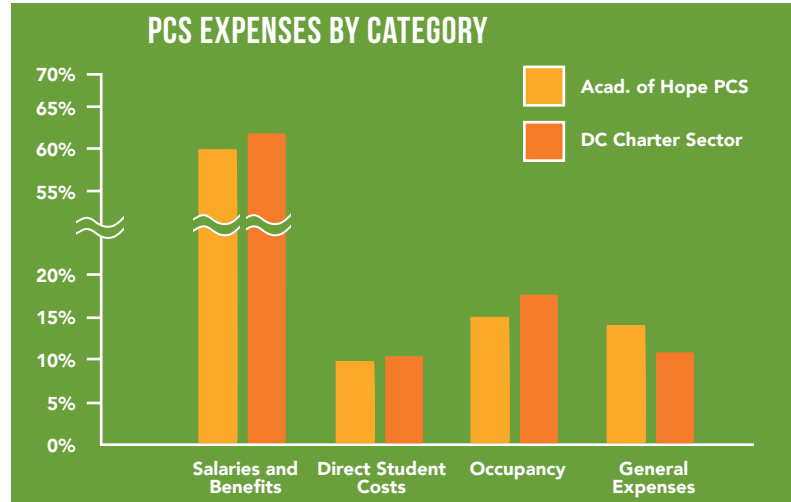
Opened:  
2014 - 2015

Audited Enrollment:  
386

### KEY FINANCIAL INDICATORS



#### Comments from the School



# ACADEMY OF HOPE ADULT PCS

## FY2018 Financial Analysis Report

### FINANCIAL POSITION

	2018	2017
Total Assets	\$6,407,870	\$6,313,889
Current Assets	\$1,138,726	\$1,095,809
Total Liabilities	\$4,419,791	\$4,538,832
Current Liabilities	\$534,877	\$646,129
Net Asset Position	\$1,988,079	\$1,775,057

### FINANCIAL ACTIVITIES

	2018	2017
Revenues and Support	\$6,051,028	\$5,853,094
Expenses	\$5,838,006	\$5,667,993
Non-operating Revenues (Expenses)	\$0	-\$2,358
Surplus (Deficit)	\$213,022	\$182,743

### AUDIT FINDINGS

	2018	2017
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

	2018	2017	2018 Sector Median
DC Funding per Student	\$12,498	\$11,799	\$19,243
Grants and Contributions Per Student	\$1,625	\$2,838	\$492
Total Revenues per Student	\$15,676	\$15,608	\$22,382
Expenses per Student	\$15,124	\$15,115	\$21,375

### PCSB OBSERVATIONS

The school's financial performance was healthy overall, with strong liquidity and a positive change in net assets. The school's current ratio for FY 2018 was 2.1, which means the school had ample liquid assets relative to its short-term obligations; a current ratio above 0.9 is considered sufficient for DC PCSB. The school's net assets margin and aggregated three-year margin for FY 2018 were both positive, indicating that the school's revenues have consistently exceeded its expenses over the past three years. Further, the school's primary reserve ratio of 34% indicated that the school had adequate net assets to support its long-term sustainability.

The school has three lines of credit (LOC) totaling \$1.05M and expiring in April and July 2019. Outstanding balances on the LOC at year-end totaled \$82,809, required as part of the terms of the school's note payable.

The school has a \$4.14M term note from PNC Bank to acquire a building at 2315 18th Place, NE. The note has a balloon payment of \$3.8M due at maturity on April 15, 2021. The school also subleases office space from an unrelated private party at 421 Alabama Avenue, SE, which expired on July 1, 2018. Monthly rental payments under this sublease were \$18,462 through August 2017 and were increased to \$19,016 beginning September 1, 2017, for the remainder of the lease term. The school signed a modification to the sublease agreement on June 30, 2018, to be extended through January 31, 2035; total rent expense for the year ended June 30, 2018, was \$303K.