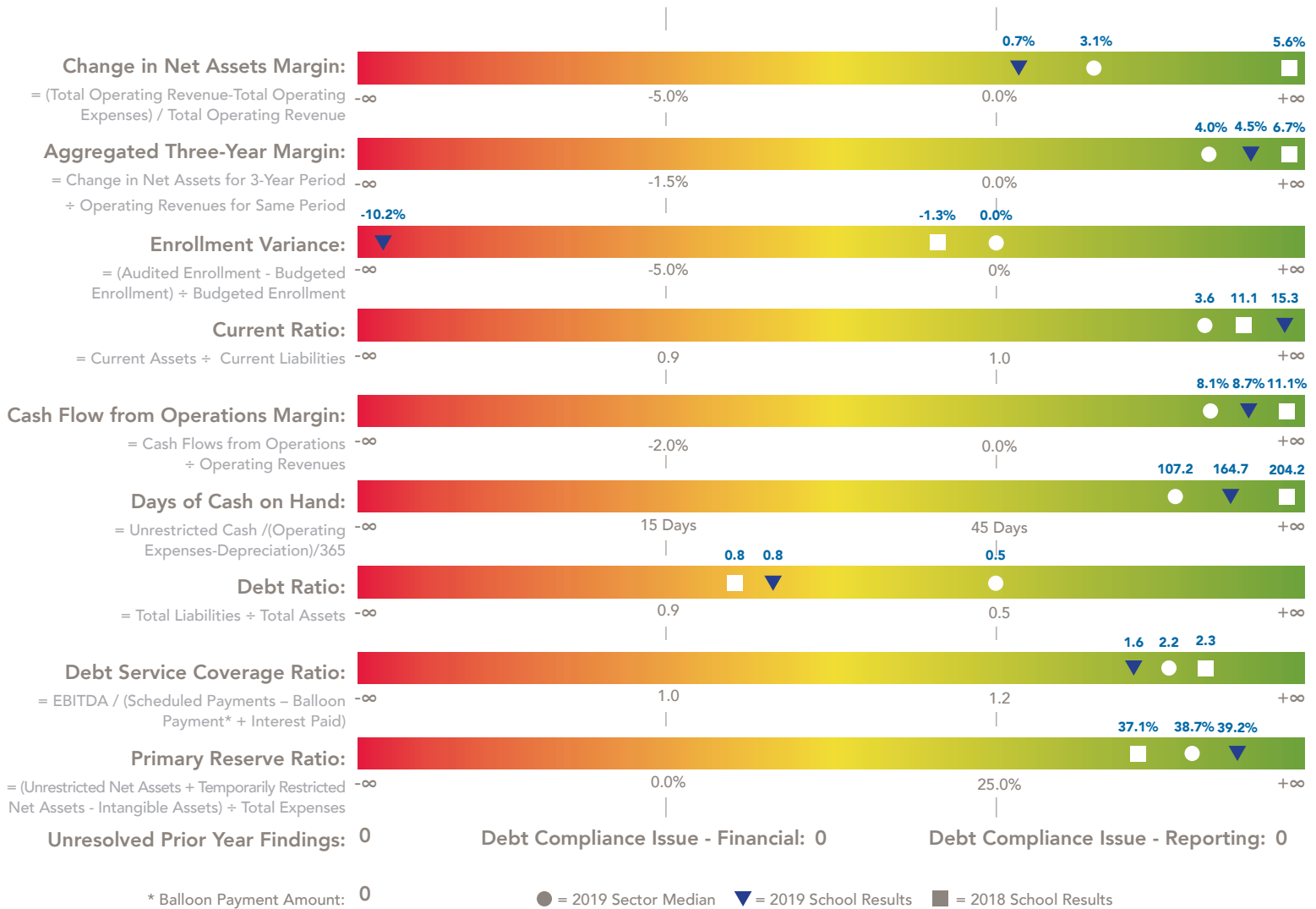


Opened:
2008-2009

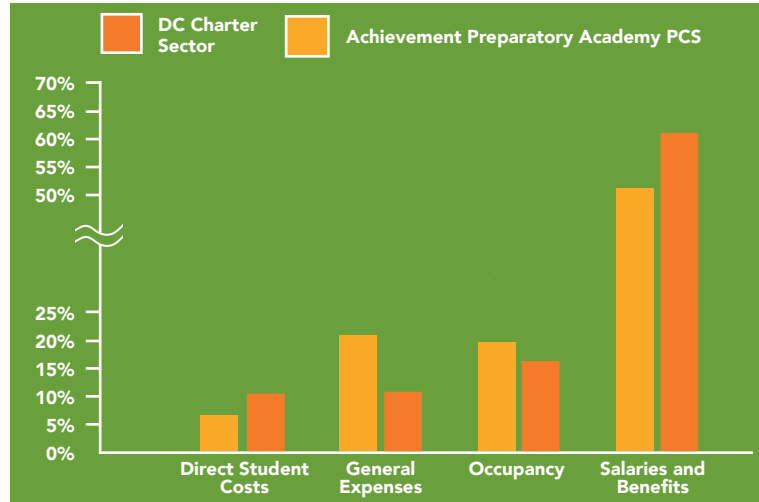
Audited Enrollment:
824

KEY FINANCIAL INDICATORS



Comments from the School

PCS EXPENSES BY CATEGORY



ACHIEVEMENT PREPARATORY ACADEMY PCS

FY2019 Financial Analysis Report

FINANCIAL POSITION

	2019	2018
Total Assets	\$38,363,805	\$41,800,510
Current Assets	\$8,452,953	\$10,606,520
Total Liabilities	\$31,394,163	\$34,958,789
Current Liabilities	\$552,370	\$957,757
Net Asset Position	\$6,969,643	\$6,841,721

FINANCIAL ACTIVITIES

	2019	2018
Revenues and Support	\$17,905,820	\$19,521,917
Expenses	\$17,777,898	\$18,419,507
Non-operating Revenues (Expenses)	\$0	\$0
Surplus (Deficit)	\$127,922	\$1,102,410

AUDIT FINDINGS

	2019	2018
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

	2019	2018	2019 Sector Median
DC Funding per Student	\$19,354	\$18,600	\$19,863
Grants and Contributions Per Student	\$22	\$17	\$346
Total Revenues per Student	\$21,730	\$20,293	\$23,270
Expenses per Student	\$21,575	\$19,147	\$22,981

PCSB OBSERVATIONS

The school had an adequate financial position. It had \$7.4M, or 164 days, of cash on hand and a current ratio of 15.3, which is significantly lowers any short-term liquidity risks. The school's debt ratio of 0.8 is relatively high, however, due to its investment in facilities.

The school chose to voluntarily decrease its headcount in its middle school to focus on improving academic performance. While this resulted in a decline in revenues, it did not impact overall financial performance.

Debt:

During May 2015, the school secured loans to finance construction and renovation of its facility and payment of facility rent, totaling \$33.1M. Further, in December 2015 and December 2016, the school became a participant in the New Market Tax Credits (NMTC) program, where it was also able to use \$23.8M and \$7.7M, respectively, in NMTC qualified funding. The total principal outstanding as of June 30, 2019, was \$31.5M.

Property Lease:

The school subleases office space at Wahler Place. The lease began in 2015 at \$777K/year, increasing 2% each year. However, rent is abated because of improvements on the property, so no rent expense was recognized in 2019.

School Name	FY19 Revenues	FY19 Operating Result
Achievement Preparatory Academy PCS	\$17,905,820	\$127,922
Management Organization ("MO") / Related Party ("RP")	MO/RP Tax Status	
AppleTree Institute for Education Innovation	Non-Profit	
Highest Paid Employee / Head of MO / RP	Title	Total Compensation
Jack McCarthy	CEO	\$264,969
Services Provided	FY19 Payment	% of School Revenue
Pre-K school operations	\$2,331,026	13.02%
Total	\$2,331,026	13.02%
DC PCSB Comments		
<p>Effective July 1, 2016, the school entered into a management agreement with AppleTree Institute for Education Innovation (AppleTree). AppleTree fully manages and operates the educational program for PK3 and PK4. As a management fee for these services, AppleTree receives an amount equal to the per-pupil funding the school receives for its enrolled PK3 and PK4 students, excluding the facilities allotment and less any administrative fees. Management fees incurred for 2019 were \$2.3MM.</p> <p>Please note that the highest paid employee above was taken from the most recent 990 available at the time this report was produced.</p>		
School Comments		