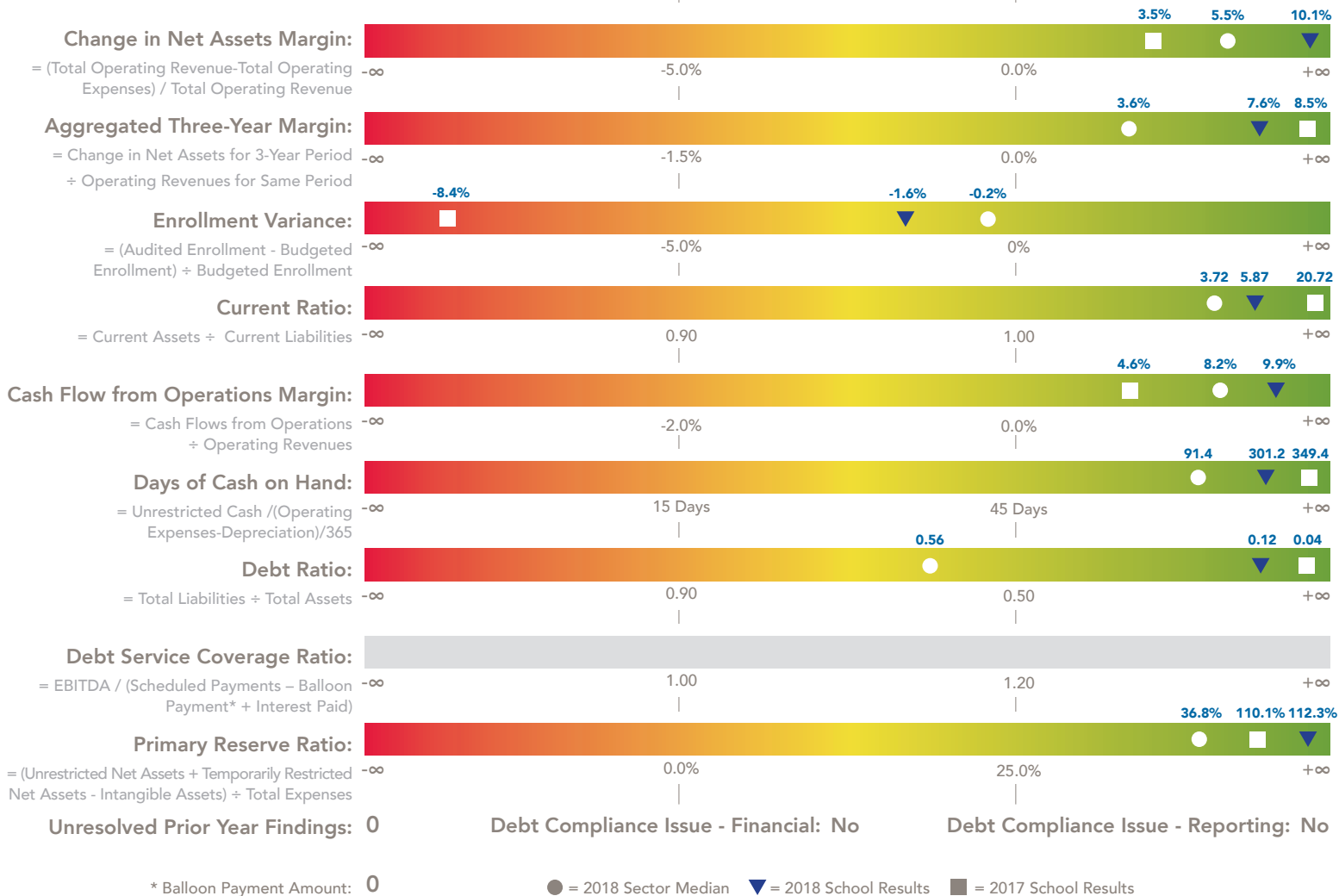


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2005 - 2006

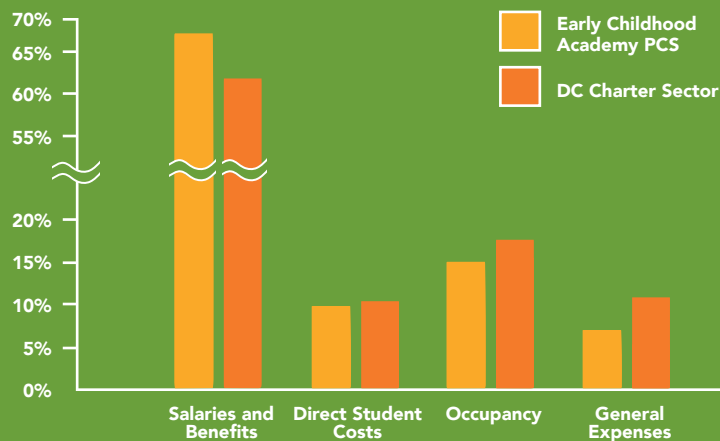
Audited Enrollment:
246

KEY FINANCIAL INDICATORS



Comments from the School

PCS EXPENSES BY CATEGORY



EARLY CHILDHOOD ACADEMY PCS

FY2018 Financial Analysis Report

FINANCIAL POSITION

	2018	2017
Total Assets	\$6,296,003	\$5,230,539
Current Assets	\$4,302,211	\$4,528,734
Total Liabilities	\$732,460	\$221,461
Current Liabilities	\$732,460	\$218,530
Net Asset Position	\$5,563,543	\$5,009,078

FINANCIAL ACTIVITIES

	2018	2017
Revenues and Support	\$5,508,798	\$4,713,558
Expenses	\$4,953,664	\$4,547,563
Non-operating Revenues (Expenses)	-\$669	-\$1,745
Surplus (Deficit)	\$554,465	\$164,250

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	\$19,217	\$17,499	\$19,243
Grants and Contributions Per Student	\$300	\$414	\$492
Total Revenues per Student	\$22,393	\$20,583	\$22,382
Expenses per Student	\$20,137	\$19,858	\$21,375

PCSB OBSERVATIONS

The school's financial metrics indicated sound financial health. Most significantly, liquidity was strong with a current ratio of 5.9 and over 300 days of cash on hand. Liquidity is a short-term measure of sustainability, reflecting a school's ability to meet its obligations in the upcoming year. Further, the debt ratio was low at 0.12, meaning that approximately 12% of the school's assets were financed using debt. Further, the school's primary reserve ratio was 112.31%, indicating that the school's total net assets exceeded its total expenses for the year. Both the debt and primary reserve ratios provide insight into the long-term sustainability of a school's financial position.

The school maintains two building leases. The first is for the 4025 9th Street, SE, location which the school leases from the District of Columbia Baptist Convention. This lease has been extended twice since the agreement commencement date in July 2014 and is now set to expire in June 2018, with the option to renew for an additional one-year term. Rent expense for this lease for FY 2018 was \$403K. The second lease agreement is with Crawford Edgewood Managers Inc. for rental of the building at 4301 Ninth Street, SE. This lease commenced in June 2008 and has been automatically renewed annually through June 2016, at which time the schools signed a two-year extension through June 2018 with an option to extend an additional one-year period through June 2019. Rent expense for FY 2018 was approximately \$192K.