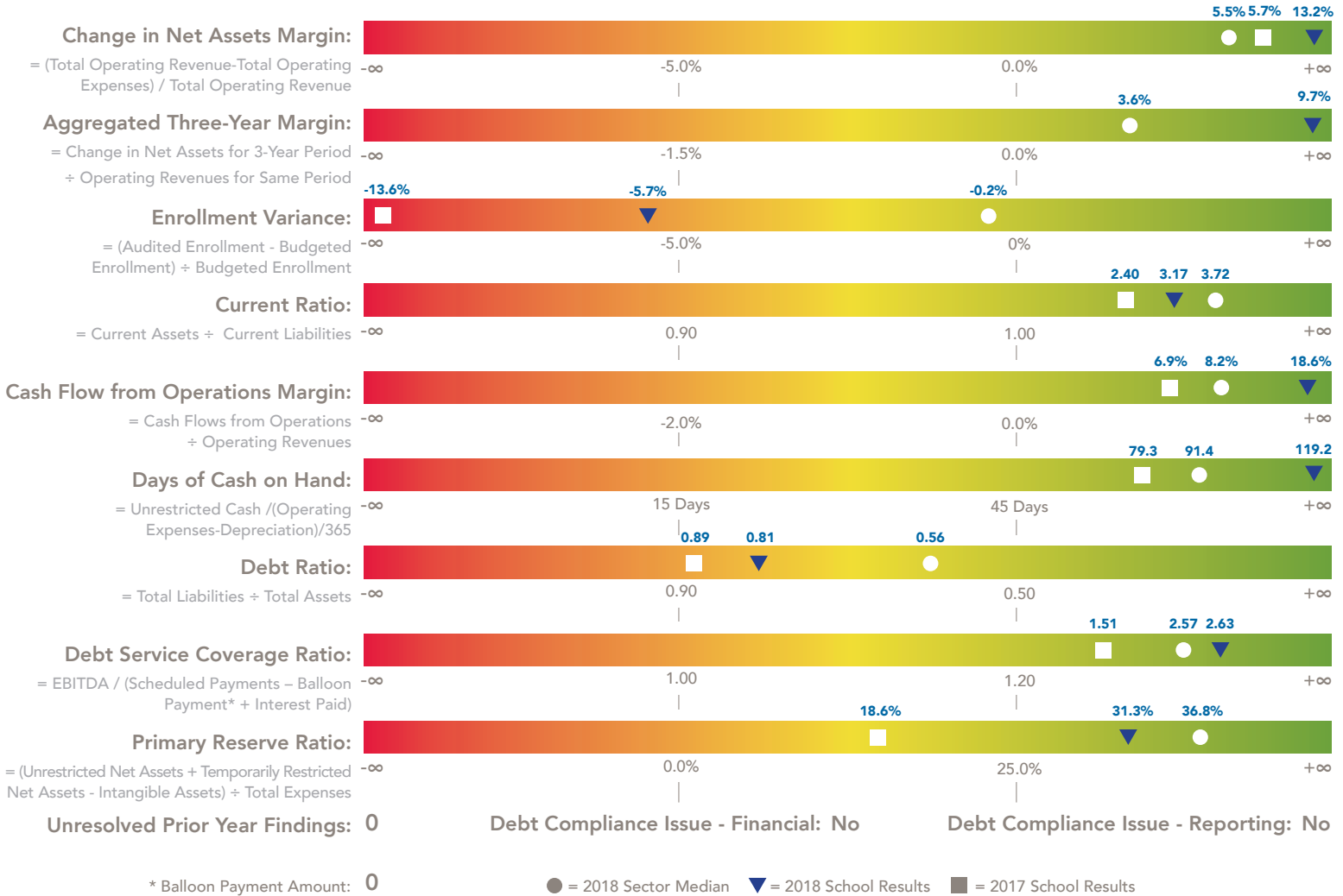


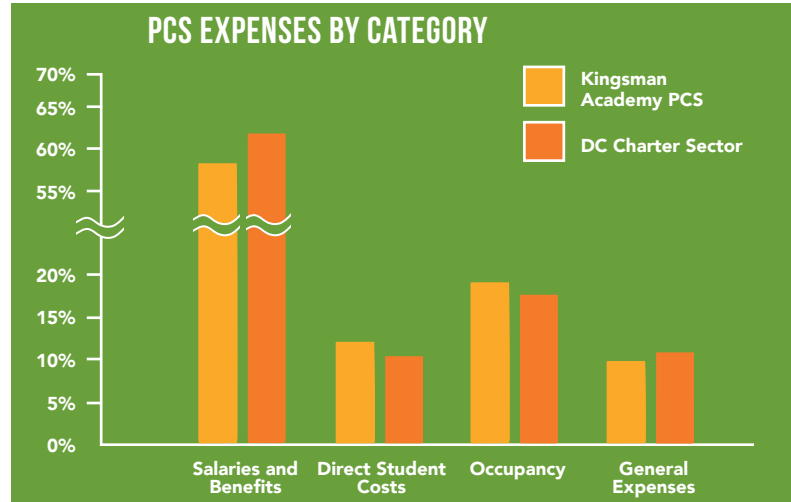
Opened:
2015 - 2016

Audited Enrollment:
249

KEY FINANCIAL INDICATORS



Comments from the School



KINGSMAN ACADEMY PCS

FY2018 Financial Analysis Report

FINANCIAL POSITION

	2018	2017
Total Assets	\$12,272,346	\$11,450,236
Current Assets	\$2,887,361	\$1,938,920
Total Liabilities	\$9,888,631	\$10,226,935
Current Liabilities	\$909,957	\$807,010
Net Asset Position	\$2,383,715	\$1,223,301

FINANCIAL ACTIVITIES

	2018	2017
Revenues and Support	\$8,765,064	\$6,991,260
Expenses	\$7,604,650	\$6,590,236
Non-operating Revenues (Expenses)	\$0	\$0
Surplus (Deficit)	\$1,160,414	\$401,024

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	\$30,584	\$29,798	\$19,243
Grants and Contributions Per Student	\$163	\$102	\$492
Total Revenues per Student	\$35,201	\$32,367	\$22,382
Expenses per Student	\$30,541	\$30,510	\$21,375

PCSB OBSERVATIONS

All of the school's financial metrics improved from FY 2017, indicating strong performance and sound fiscal management in the school's third year of operation. The aggregated three-year margin was 9.7%, indicating operational stability over the past three years. The school's current ratio increased to 3.17 in FY 2018 from 2.4 in FY 2017 as a result of increased cash flow from operations. The school reduced its debt ratio by approximately 4%, as it paid down over \$300K of principal due in FY 2018. Lastly, the school's primary reserve ratio was 92.5%, indicating long-term sustainability.

In 2015, the school entered into an Amended and Restated Asset Purchase Agreement with Options Public Charter School to serve students in sixth through 12th grades. Options transferred certain assets and liabilities to the school, including the facility's land and building as well as the outstanding balance of District of Columbia revenue bonds that were used to construct and renovate Options' facility. As of the date of assumption by the school, the bonds' outstanding balance was \$9.7M, making up a large portion of the school's total liabilities. As of June 2018, the outstanding principal balance on the bonds totaled \$8.8M, and the school's debt service coverage ratio was 2.6, above DC PCSB's expected 1.0 - 1.2 range.