



# **EMBLAZE ACADEMY**

## CHARTER SCHOOL

Audited Financial Statements

In Accordance with *Government Auditing Standards*

June 30, 2025

# Emblaze Academy Charter School

## Audited Financial Statements

June 30, 2025

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## Independent Auditor's Report

To the Board of Directors  
Emblaze Academy Charter School

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Emblaze Academy Charter School (the "School"), which comprise the statement of financial position as of June 30, 2025, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the School as of June 30, 2025 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with Those Charged with Governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **Report on Summarized Comparative Information**

We have previously audited the School's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 18, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, for the year ended June 30, 2025, we have also issued our report dated October 20, 2025, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.



New York, NY  
October 20, 2025

# Emblaze Academy Charter School

## Statement of Financial Position

As of June 30, 2025

(With comparative totals as of June 30, 2024)

	<u>June 30,</u>	
	<u>2025</u>	<u>2024</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,731,647	\$ 1,355,082
Government grants receivable - other	173,872	1,332,026
Prepaid expenses and other assets	162,828	180,294
Property and equipment, net	121,999	166,903
Right-of-use ("ROU") asset	23,099,021	24,638,956
Restricted cash	100,102	100,082
<b>TOTAL ASSETS</b>	<b><u>\$ 26,389,469</u></b>	<b><u>\$ 27,773,343</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 528,564	\$ 559,961
Deferred revenue - other	87,472	-
Lease liability	26,569,262	27,647,745
Total liabilities	<u>27,185,298</u>	<u>28,207,706</u>
<b>NET ASSETS</b>		
Without donor restrictions	<u>(795,829)</u>	<u>(434,363)</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 26,389,469</u></b>	<b><u>\$ 27,773,343</u></b>

*The attached notes and auditor's report are an integral part of these financial statements.*

# Emblaze Academy Charter School

## Statement of Activities

For the Year Ended June 30, 2025  
(With comparative totals for the year ended June 30, 2024)

	<b>Years Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
<b>Without Donor Restrictions:</b>		
Public support and revenue:		
Resident student enrollment	\$ 4,056,154	\$ 3,676,497
Students with special education services	784,547	872,501
Total public school district revenue	4,840,701	4,548,998
New York City rental assistance	1,216,561	1,104,439
Other government grants	268,113	1,426,023
Contributions	127,190	-
Other revenue	18,894	6,429
Total public support and revenue	\$ 6,471,459	\$ 7,085,889
<b>Expenses</b>		
Program services:		
Regular education	4,748,046	5,497,637
Special education	881,569	877,279
Total program services	5,629,615	6,374,916
Supporting services:		
Management and general	1,203,310	1,073,894
Total supporting services	1,203,310	1,073,894
Total expenses	6,832,925	7,448,810
Change in net assets	<b>(361,466)</b>	<b>(362,921)</b>
<b>NET ASSETS - beginning of year</b>	<b>(434,363)</b>	<b>(71,442)</b>
<b>NET ASSETS - end of year</b>	<b>\$ (795,829)</b>	<b>\$ (434,363)</b>

The attached notes and auditor's report are an integral part of these financial statements.

# Emblaze Academy Charter School

## Statement of Functional Expenses

For the Year Ended June 30, 2025  
(With comparative totals for the year ended June 30, 2024)

	Program Services			Supporting Services			Total Expenses 6/30/25	Total Expenses 6/30/24
	Regular Education	Special Education	Total Program Services	Management and General	Fundraising	Total Supporting Services		
Salaries	\$ 2,043,582	\$ 343,366	2,386,948	\$ 430,803	\$ -	\$ 430,803	\$ 2,817,751	\$ 3,129,460
Payroll taxes and benefits	455,269	76,495	531,764	95,975	-	95,975	627,739	621,495
Total personnel costs	2,498,851	419,861	2,918,712	526,778	-	526,778	3,445,490	3,750,955
Professional fees	40,682	16,003	56,685	266,534	-	266,534	323,219	329,401
Curriculum and classroom expenses	138,033	54,294	192,327	-	-	-	192,327	244,759
Facilities expense	1,767,506	294,584	2,062,090	294,584	-	294,584	2,356,674	2,439,209
Equipment	23,189	9,298	32,487	448	-	448	32,935	56,819
Office expenses	72,836	24,253	97,089	3,233	-	3,233	100,322	97,449
Professional development	31,131	12,245	43,376	-	-	-	43,376	140,957
Insurance	65,452	25,745	91,197	-	-	-	91,197	49,767
Recruitment	-	-	-	82,190	-	82,190	82,190	112,543
Other expenses	42,728	14,013	56,741	18,270	-	18,270	75,011	109,249
Bad debt expense	-	-	-	-	-	-	-	8,907
Depreciation	67,638	11,273	78,911	11,273	-	11,273	90,184	108,795
<b>Total expenses for statement of activities</b>	<b>\$ 4,748,046</b>	<b>\$ 881,569</b>	<b>\$ 5,629,615</b>	<b>\$ 1,203,310</b>	<b>\$ -</b>	<b>\$ 1,203,310</b>	<b>\$ 6,832,925</b>	<b>\$ 7,448,810</b>

The attached notes and auditor's report are an integral part of these financial statements.

# Emblaze Academy Charter School

## Statement of Cash Flows

For the Year Ended June 30, 2025  
(With comparative totals for the year ended June 30, 2024)

	<b>Years Ended June 30,</b>	
	<b>2025</b>	<b>2024*</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (361,466)	\$ (362,921)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	90,184	108,795
Amortization of ROU asset	1,539,935	1,539,935
Interest expense on lease liability	809,962	841,293
Interest paid on lease liability	(809,962)	(841,293)
Changes in assets and liabilities		
Government grants receivable - other	1,158,154	(731,885)
Prepaid expenses and other assets	17,466	52,526
Accounts payable and accrued expenses	(31,397)	98,959
Government grant advances - per pupil	-	(8,405)
Deferred revenue - other	87,472	-
Total adjustments	2,861,814	1,059,925
<b>Net cash flows provided by operating activities</b>	<b>2,500,348</b>	<b>697,004</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of furniture and equipment	(45,280)	(21,235)
<b>Net cash flows used for investing activities</b>	<b>(45,280)</b>	<b>(21,235)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of finance lease obligation	(1,078,483)	(1,010,125)
<b>Net cash used for financing activities</b>	<b>(1,078,483)</b>	<b>(1,010,125)</b>
<b>Net increase/(decrease) in cash, cash equivalents and restricted cash</b>	<b>1,376,585</b>	<b>(334,356)</b>
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH - beginning of year</b>	<b>1,455,164</b>	<b>1,789,520</b>
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH - end of year</b>	<b>\$ 2,831,749</b>	<b>\$ 1,455,164</b>
<b>Cash, cash equivalents and restricted cash consists of:</b>		
Cash and cash equivalents	\$ 2,731,647	\$ 1,355,082
Restricted cash	100,102	100,082
<b>Total cash, cash equivalents and restricted cash</b>	<b>\$ 2,831,749</b>	<b>\$ 1,455,164</b>
<b>SUPPLEMENTAL DISCLOSURES</b>		
Interest and taxes paid	\$ -	\$ -

\*Reclassified for comparative purposes

The attached notes and auditor's report are an integral part of these financial statements.

# Emblaze Academy Charter School

## Notes to Financial Statements

June 30, 2025

### Note 1 - Nature of Activities

Emblaze Academy Charter School (the "School"), located in Bronx, New York, is a not-for-profit education corporation chartered by the Board of Regents of the State of New York. The School provides a full range of educational services appropriate for grades 5-8. The School is a publicly funded, privately managed school, which is independent of the New York City Department of Education ("NYCDOE"). The School's primary source of revenue is per-pupil public school district revenue.

The School has the following programs:

Regular Education - Instruction provided to all students.

Special Education - Instruction that is specially designed to meet the unique needs of students with disabilities.

In August 2018, the School was granted a provisional charter for a term up to and including through June 2025. The School submitted a renewal application extending the charter through June 2026.

The School has been notified by the Internal Revenue Service that it is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been reflected in the accompanying financial statements. They have not been designated as a private foundation.

The School is affiliated with Friends of Emblaze Academy Charter School, Inc. ("Friends of Emblaze") through the use of shared members of their respective Boards of Trustees. Friends of Emblaze is a not-for-profit corporation established to support the creation of the School and function as the fundraising arm of the School. As the School does not have control over Friends of Emblaze, the financial statements are not permitted to be consolidated. See Notes 4 and 6 for a description of related party transactions.

### Note 2 - Summary of Significant Accounting Policies

#### a. *Basis of Accounting*

The accompanying financial statements have been prepared using the accrual basis of accounting, which is the process of recognizing revenue and expenses when earned or incurred rather than received or paid.

#### b. *Basis of Presentation*

The financial statements are presented in accordance with the provisions of the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") 958 - *Presentation of Financial Statements of Not-For-Profit Entities*. FASB ASC 958 requires the School to report information regarding its financial position and activities according to the following specific classes of net assets:

- *Net Assets Without Donor Restrictions* - represents those resources for which there are no restrictions by donors as to their use.

# Emblaze Academy Charter School

## Notes to Financial Statements

June 30, 2025

### Note 2 - Summary of Significant Accounting Policies - Continued

#### *b. Basis of Presentation - Continued*

- *Net Assets With Donor Restrictions* - represents those resources, the uses of which have been restricted by donors to specific purposes or the passage of time and/or must remain intact, in perpetuity. The release from restrictions results from the satisfaction of the restricted purposes or passage of time specified by the donor. The School did not have any net assets with donor restrictions at June 30, 2025 or June 30, 2024.

#### *c. Revenue Recognition*

The School follows the requirements of FASB's Accounting Standards Codification ("ASC") 958-605 for recording contributions, which are recognized at the time a contribution becomes unconditional in nature. Contributions that do not contain donor restrictions are recorded in the class of net assets without donor restrictions. Contributions that do contain donor restrictions are recorded in the class of net assets with donor restrictions. When a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. If donor restricted contributions are satisfied in the same period they were received, they are classified as without donor restrictions.

Contributions may be subject to conditions which are defined as both a barrier to entitlement and a right of return of payments or release from obligations and are recognized as income once the conditions have been substantially met.

The School's public school district revenue and other government grants are primarily conditional, non-exchange transactions, and fall under FASB ASC 958-605. Revenue from these transactions is recognized based on rates established by the School's funding sources and when performance related outcomes are achieved as well as other conditions under the agreements are met.

Contributions and grants expected to be received within one year are recorded at net realizable value. Long-term pledges are recorded at fair value, using risk-adjusted present value techniques.

All receivables are reviewed for collectability. Based on knowledge of specific donors and factoring in historical experience, no allowance for doubtful accounts exists as of June 30, 2025 or June 30, 2024.

#### *d. Cash and Cash Equivalents*

The School considers all liquid investments purchased with an initial maturity of three months or less to be cash and cash equivalents. Cash maintained in escrow per requirements of the NYCDOE are treated as restricted cash.

#### *e. Concentration of Credit Risk*

Financial instruments, which potentially subject the School to a concentration of credit risk, consist of cash accounts, which have been placed with financial institutions that management deems to be creditworthy. At times, balances may exceed federally insured limits. While at year end the School had uninsured balances, management feels they have little risk and has not experienced any losses due to bank failure.

# Emblaze Academy Charter School

## Notes to Financial Statements

June 30, 2025

### Note 2 - Summary of Significant Accounting Policies - Continued

*f. Property and Equipment*

Computer hardware, furniture, equipment, and leasehold improvements are capitalized at cost or at the fair value at the date of gift, if donated. The School capitalizes fixed assets in excess of \$5,000 that have a useful life of more than one year. Depreciation is computed using the straight-line method over the estimated useful life of the respective assets.

*g. Leases*

The School follows the FASB ASC 842, *Leases*, which requires lessees to recognize leases on the statement of financial position and disclose key information about leasing arrangements. The School determines if an arrangement is or contains a lease at inception. Leases are included in right of use assets ("ROU assets") and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. ROU asset amortization is recognized on a straight-line basis over the lease term. The School does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the School will exercise that option.

*h. Donated Services*

Donated services are recognized in circumstances where those services create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased, if not provided in-kind. Board members and other individuals volunteer their time and perform a variety of services that assist the School. These services do not meet the criteria outlined above and have not been recorded in the financial statements.

*i. Functional Allocation of Expenses*

The costs of providing various programs and other activities have been summarized on a functional basis in the accompanying financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

Expense	Method of Allocation
Salaries	Time and effort
Payroll taxes and benefits	Salary allocation
Curriculum and classroom expenses	Student FTE's
Facilities expense	Staff FTE's
Office expenses	Staff FTE's
Professional development	Student FTE's
Insurance	Staff FTE's
Other expenses	Student FTE's
Depreciation	Staff FTE's

# Emblaze Academy Charter School

## Notes to Financial Statements

June 30, 2025

### **Note 2 - Summary of Significant Accounting Policies - Continued**

*i. Functional Allocation of Expenses - Continued*

Certain program expenses have been allocated between Regular Education and Special Education based on student full-time equivalent ("FTE") rates. All other expenses have been charged directly to the applicable program or supporting services.

*j. Advertising*

The cost of advertising is expensed as incurred.

*k. Management Estimates*

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

*l. Contingencies*

Government contracts are subject to audit by the grantor. Management does not believe that any audits, if they were to occur, would result in material disallowed costs, and has not established any reserves. Any disallowed costs would be recorded in the period notified.

*m. Accounting for Uncertainty of Income Taxes*

The School does not believe its financial statements include any material, uncertain tax positions. Tax filings for periods ending June 30, 2022, and later are subject to examination by applicable taxing authorities.

*n. Comparative Financial Information*

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. According, such information should be read in conjunction with the School's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

# Emblaze Academy Charter School

## Notes to Financial Statements

June 30, 2025

### Note 3 - Property and Equipment, net

Property and equipment consist of the following:

	<u>June 30,</u>	
	<u>2025</u>	<u>2024</u>
Computer equipment (3-5 Years)	\$ 470,315	\$ 425,035
Furniture and fixtures (5-7 Years)	321,091	321,091
	<u>791,406</u>	<u>746,126</u>
Less accumulated depreciation	<u>(669,407)</u>	<u>(579,223)</u>
Total property, and equipment, net	<u>\$ 121,999</u>	<u>\$ 166,903</u>

### Note 4 - Right-of-Use (“ROU”) Assets and Financing Lease Liabilities

The School evaluated current contracts to determine which met the criteria of a lease. The ROU assets represent the School’s right to use underlying assets for the lease term, and the lease liabilities represent the School’s obligation to make lease payments arising from these leases.

The School occupies space in the Bronx, New York under a sub-lease agreement with Friends of Emblaze (see Note 1) that expires on June 30, 2040. Under the terms of the lease held by Friends of Emblaze with the landlord, the School acts as guarantor. The maximum potential amount that the school can be required to pay in connection with this guarantee is \$25,649,807.

The School evaluated current contracts to determine which met the criteria of a lease. The ROU assets represent the School’s right to use underlying assets for the lease term, and the lease liabilities represent the School’s obligation to make lease payments arising from this lease. The ROU asset and lease liability, all of which arise from a financing lease, were calculated based on the present value of future lease payments over the lease terms.

The School has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. The weighted-average discount rate applied to calculate lease liabilities and the weighted average lease term as of June 30, 2025 and 2024 was 4.52% for 15 and 16 years respectively.

# Emblaze Academy Charter School

## Notes to Financial Statements

June 30, 2025

### Note 4 - Right-of-Use (“ROU”) Assets and Financing Lease Liabilities - Continued

Future minimum payments are as follows:

For the years ending:

June 30, 2026	\$ 1,926,215
June 30, 2027	1,964,739
June 30, 2028	2,004,034
June 30, 2029	2,044,114
June 30, 2030	2,084,997
Thereafter	24,096,698
Total lease payments	<u>\$ 34,120,797</u>
Less present value discount	(7,551,535)
Total lease obligations	<u>\$ 26,569,262</u>

### Note 5 - Restricted Cash

An escrow account has been established to meet the requirement of the Board of Regents of the State of New York. The purpose of this account is to ensure sufficient funds are available for an orderly dissolution or transition process in the event of termination of the charter or school closure.

### Note 6 - New York City Rental Assistance

In addition to per pupil funding, the School was entitled to receive a rent subsidy that is calculated at the lower of 30% of the per pupil amount or actual lease costs as approved by the NYCDOE. During the years ended June 30, 2025 and 2024, the amount of rent subsidy recognized was \$1,216,561 and \$1,104,439, respectively based on the per pupil cap. For the year ended June 30, 2025 and 2024 the full amount covered base rents respectively. As indicated in Note 4 rent is paid to Friends of Emblaze (see Note 1).

### Note 7 - Significant Concentrations

The School is dependent upon grants from the NYCDOE to carry out its operations. Approximately 94% and 80% of the school’s total public support and revenue was from the NYCDOE for the years ended June 30, 2025 and June 30, 2024, respectively. If the NYCDOE were to discontinue funding it would have a severe economic impact on the School’s ability to operate.

# Emblaze Academy Charter School

## Notes to Financial Statements

June 30, 2025

### Note 8 - Retirement Plan

The School has a retirement plan ("Plan") under Section 403(b) of the Internal Revenue Code. All employees who are at least 21 years of age are eligible to participate. Employees may elect to defer a portion of their salary and contribute to the Plan up to statutory amounts and receive an employer-based contribution equal to 100% of the salary reduction contributions made by the employee for the calendar year, not to exceed 3% of the employee's salary.

The School contributed \$36,000 and \$33,000 to the Plan during the years ended June 30, 2025 and June 30, 2024, respectively.

The following vesting periods apply:

Period	Vesting Percentage
Less than 1 year	0%
At least 2, but less than 3 years	50%
3 years or more	100%

### Note 9 - Availability and Liquidity

At June 30, 2025, the School's financial assets available to meet cash needs for general expenditures within one year are \$2,905,519, which consist of cash and cash equivalents of \$2,731,647 and grants receivable of \$173,872. There are no external or internal limits imposed on these balances. As part of its liquidity management, the School operates its programs within a board approved budget and relies on grants and contributions to fund its operations and program activities.

### Note 10 - Subsequent Events

The Organization has performed subsequent events procedures through October 20, 2025, which is the date the financial statements were available to be issued and there were no subsequent events requiring adjustment to the financial statements or disclosures as stated herein.



Services Provided by SAX LLP

## **REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

### **Independent Auditor's Report**

To the Board of Trustees of  
Emblaze Academy Charter School

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Emblaze Academy Charter School (the "School"), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements, and have issued our report thereon dated October 20, 2025.

### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Sax LLP*

New York, NY  
October 20, 2025

**Emblaze Academy Charter School**  
Schedule of Findings and Questioned Costs  
June 30 2025

Current Year:

None

Prior Year:

None