

**Georgia High School for Accelerated Learning-Fulton County, Inc.
d/b/a Skyview High School**

Financial Statements
and
Independent Auditors' Report

June 30, 2021

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Georgia High School for Accelerated Learning-Fulton County, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Georgia High School for Accelerated Learning-Fulton County, Inc., d/b/a Skyview High School (“the School”), a Georgia not-for-profit organization and component unit of the Fulton County Board of Education, as of and for the year ended June 30, 2021 and the related notes to financial statements, which collectively comprise the School’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements 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 entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of Georgia High School for Accelerated Learning-Fulton County, Inc. as of June 30, 2021, and the respective changes in financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Required Supplementary Information on pages 3 through 6 and page 24 through 27 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2021, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on 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.



Atlanta, Georgia
September 20, 2021

SKYVIEW HIGH SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
June 30, 2021

The Board of Directors of Georgia High School for Accelerated Learning-Fulton County, Inc. ("the School") offers readers of the School's financial statements this narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with the School's financial statements.

Financial Highlights

Our basic financial statements provide these insights into the results of this year's operations.

- The School is managed by ALS Education, LLC ("ALS") through a management agreement, assigned to ALS from Accelerated Learning Solutions, Inc. as of May 22, 2020.
- The School's total assets exceeded its liabilities by \$622,970 (net position). This amount includes net investment in capital assets of \$672,145, and an unrestricted net position of \$(49,175).
- The School's total revenues for the year ended June 30, 2021 were \$2,929,069 including \$2,616,000 from state funding. The School's expenditures for the year ended June 30, 2021 were \$2,840,512.

Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements as presented comprise three components: a) government-wide financial statements, b) fund financial statements, and c) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the School's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the School's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.

The statement of activities presents information showing how the School's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying events giving rise to the changes occur, regardless of the timing of related cash flows.

Both of the government-wide financial statements distinguish functions of the School that are principally supported by Fulton County, the State of Georgia, and federal funding sources (governmental activities). Basic instruction, exceptional instruction, and school administration are examples of the School's governmental activities. All funds are used to fulfill the mission of the School.

SKYVIEW HIGH SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
June 30, 2021

The government-wide financial statements include only the School itself, which is a component unit of the Fulton County Board of Education (“the School System”). The School System includes the operations of the School in their operational results.

Fund Financial Statements

A *fund* is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or purposes. The School, like governmental type entities, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the operations of the School are presented in governmental funds only.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The School maintains several individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances. The general fund is considered to be a major fund.

The School adopts an annual appropriated budget for its entire operations. Budgetary comparison schedules have been provided to demonstrate compliance with this budget and can be found as required supplementary information to the basic financial statements.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

SKYVIEW HIGH SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
June 30, 2021

Government-Wide Financial Statement Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of the School, assets and deferred outflows exceeded liabilities and deferred inflows by \$622,970 as of June 30, 2021.

Total Assets and Deferred Outflows	\$ 2,610,306
Total Liabilities and Deferred Inflows	1,987,336
Total Net Position	\$ 622,970

The School's revenues are predominantly from the Fulton County Board of Education, based on student enrollment and awards from state and federal sources.

Revenues	
State funds	\$ 2,616,000
Federal funds	205,257
Other	107,812
Total Revenues	2,929,069
Expenditures	
Instruction	1,415,265
Support services	1,202,895
Non-instructional services	25,781
Other non-cash	196,571
Total Expenditures	2,840,512
Change in Net Position	\$ 88,557

Financial Analysis of the Government's Funds

The focus of the School's *governmental fund* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School's financing requirements. In particular, *fund balance* may serve as a useful measure of a government's net resources available for spending for program purposes at the end of the fiscal year.

The School's governmental fund ("the General Fund") reported an ending fund balance of \$787,316. For the year ended June 30, 2021, the School's revenues and other financing sources (\$2,929,069) exceeded the School's expenditures (\$2,439,063) by \$490,006.

SKYVIEW HIGH SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
June 30, 2021

General Fund Budgetary Highlights

Budgeted revenues exceeded actual revenues by \$3,559. Budgeted expenditures exceeded actual expenditures by \$66,001 due to over budgeted expenditures in instruction, maintenance and operations, and central services.

Capital Assets

As of June 30, 2021, the School's investment in capital assets for its governmental activities totaled \$672,145 (net of accumulated depreciation). This investment in capital assets includes the School's leasehold improvements and equipment.

Economic Factors and Events Affecting Operations

A majority of the School's funding is determined by the number of enrolled students. The School's funding for 2021 was based on 325 students. The School is contractually obligated to serve grades 9th through 12th grade through fiscal year 2021.

Contacting the School's Financial Management

This financial report is designed to provide interested parties a general overview of the School's finances. Questions regarding any of the information provided in this report should be addressed to Georgia High School for Accelerated Learning-Fulton County, Inc. at 11365 Crabapple Road, Roswell, GA 30075.

SKYVIEW HIGH SCHOOL
STATEMENT OF NET POSITION
June 30, 2021

	Governmental Activities
<hr/>	
Assets	
Cash and cash equivalents	\$ 847,524
Accounts receivable:	
Federal government	153,589
State government	19,857
Prepaid expenditures	3,707
Capital assets, depreciable, net	672,145
Total Assets	1,696,822
Deferred Outflows of Resources	
Deferred outflows related to pensions	913,484
Total Deferred Outflows of Resources	913,484
Total Assets and Deferred Outflows of Resources	\$ 2,610,306
Liabilities	
Accounts payable	\$ 237,361
Long term liabilities	
Net pension liability	1,644,804
Total Liabilities	1,882,165
Deferred Inflows of Resources	
Net difference between projected and actual earnings on pension plan investment	105,171
Total Deferred Inflows of Resources	105,171
Net Position	
Unrestricted net position	(49,175)
Net investment in capital assets	672,145
Total Net Position	622,970
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 2,610,306

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to financial statements.

SKYVIEW HIGH SCHOOL
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2021

Functions	Expenses	Program Revenues		Net Revenue (Expense) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Primary Government
				Governmental Activities
Governmental Activities:				
Instruction	\$ 1,415,265	\$ -	\$ 2,616,000	\$ 1,200,735
Support Services:				
Pupil	149,563	-	211,029	61,466
Improvement of instruction	42,421	-	-	(42,421)
Educational media	18,701	-	-	(18,701)
General administration	43,538	-	-	(43,538)
School administration	453,764	-	-	(453,764)
Business administration	225,800	-	-	(225,800)
Maintenance and operation	166,567	-	36,870	(129,697)
Central support	102,541	-	-	(102,541)
Operations of Non-Instructional Services:				
Food services	25,781	-	-	(25,781)
Depreciation	196,571	-	-	(196,571)
Total Governmental Activities	\$ 2,840,512	\$ -	\$ 2,863,899	23,387
General Revenues				
Other contributions				65,170
Total General Revenues				65,170
Change in Net Position				
Net position, beginning of year				534,413
Net Position, End of Year				\$ 622,970

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to financial statements.

SKYVIEW HIGH SCHOOL
BALANCE SHEET – GOVERNMENTAL FUNDS
June 30, 2021

	General Fund
<hr/>	
Assets	
Cash and cash equivalents	\$ 847,524
Accounts receivable:	
Federal government	153,589
State government	19,857
Prepaid expenditures	3,707
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Total Assets	\$ 1,024,677
<hr/>	
Liabilities	
Accounts payable	\$ 237,361
<hr/>	
Total Liabilities	237,361
<hr/>	
Fund Balance	
Unassigned fund balance	787,316
<hr/>	
Total Fund Balance	787,316
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Total Liabilities and Fund Balances	\$ 1,024,677
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This financial statement should only be read in connection with the accompanying independent auditors' report and notes to financial statements.

SKYVIEW HIGH SCHOOL
RECONCILIATION OF THE
BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2021

Total Fund Balance for Governmental Funds	\$ 787,316
Total net position reported for governmental activities in the Statement of Net Position is different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Capital assets, net	672,145
Deferred inflows of resources related to pension	(105,171)
Deferred outflows of resources related to pension	913,484
Certain liabilities are not reported in the fund financial statement because they are not due and payable, but they are presented in the Statement of Net Position as follows:	
Net pension liability	(1,644,804)
Total Net Position of Governmental Activities	\$ 622,970

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to financial statements.

SKYVIEW HIGH SCHOOL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Year Ended June 30, 2021

	General Fund	Debt Service Fund	Total
Revenues			
State funds	\$ 2,616,000	\$ -	\$ 2,616,000
Federal funds	205,257	-	205,257
Other	107,812	-	107,812
Total Revenues	2,929,069	-	2,929,069
Expenditures			
Instruction	1,122,185	-	1,122,185
Support services:			
Pupil	149,563	-	149,563
Improvement of instructional staff	42,420	-	42,420
Educational media	18,701	-	18,701
General administration	43,538	-	43,538
School administration	410,257	-	410,257
Business administration	214,878	-	214,878
Maintenance and operation	166,567	-	166,567
Central services	91,801	-	91,801
School nutrition	19,956	-	19,956
Capital outlay	36,870	-	36,870
Debt service:			
Principal retirement, long-term debt	-	122,327	122,327
Total Expenditures	2,316,736	122,327	2,439,063
Excess of Revenue over Expenditures	612,333	(122,327)	490,006
Other Financing Sources and (Uses)			
Operating transfer in (out)	(122,327)	122,327	-
Total Other Financing Sources and (Uses)	(122,327)	122,327	-
Net Change in Fund Balance	490,006	-	490,006
Fund balance, beginning	297,310	-	297,310
Fund Balance, End of Year	\$ 787,316	\$ -	\$ 787,316

This financial statement should only be read in connection with the accompanying independent auditors' report and notes to financial statements.

SKYVIEW HIGH SCHOOL
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
 TO STATEMENT OF ACTIVITIES
 For the Year Ended June 30, 2021

Net Change in Fund Balance – Total Governmental Funds	\$ 490,006
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>	
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, assets are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense:</p>	
Capital outlay	36,870
Depreciation expense	(196,571)
<p>Payment of obligations are reported as an expenditure in governmental funds, but the payment reduced obligations in the Statement of Activities:</p>	
Principal retirement, long-term debt	122,327
<p>Payment of pension expenses is reported as an expenditure in governmental funds, but the payment creates deferred outflows of resources on the Statement of Net Position:</p>	
Pension expense	(364,075)
<hr/>	
Change in Net Position - Governmental Activities	\$ 88,557

This financial statement should only be read in connection with the accompanying
 independent auditors' report and notes to financial statements.

SKYVIEW HIGH SCHOOL
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Georgia High School for Accelerated Learning-Fulton County, Inc., d/b/a Skyview High School, (“the School”), a Georgia not-for-profit organization, was established in 2015. The School was granted a charter by the Fulton County Board of Education (“School System”) pursuant to O.C.G.A § 20-2-2060 *et seq.*, the Charter Schools Act of 1998 to provide educational services to students in grades 8 through 12. The term of the most recently authorized charter is from July 1, 2016 through June 30, 2021. In March 2021, the Georgia Department of Education approved the School’s charter application for an additional 3 year term (July 1, 2021 through June 30, 2024).

Basis of Presentation

The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States (“GAAP”) as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing government accounting and financial reporting principles. GASB has issued a codification of governmental accounting and financial reporting standards.

Government-Wide and Fund Financial Statements

The government-wide financial statements (Statement of Net Position and Statement of Activities) report on the School as a whole. The Statement of Activities demonstrates the degree to which the direct expenses of the School’s function are offset by program revenues.

The fund financial statements (Balance Sheet – Governmental Funds and Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds) report on the School’s General Fund and Debt Service Fund.

Fund Accounting

The School uses funds to maintain its financial records during the fiscal year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. All of the operations of the School are presented in governmental funds only.

Governmental Funds

Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The School reports the difference between governmental fund assets and liabilities and deferred inflows of resources as fund balance. The School reports the following major governmental funds:

(Continued)

SKYVIEW HIGH SCHOOL
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Governmental Funds (Continued)

General Fund

The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund's balance is available to the School for any purpose provided it is expended or transferred according to the general laws of the State of Georgia.

Measurement Focus

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of the related cash flows. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within 60 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unavailable revenue, and in the presentation of expenses versus expenditures.

(Continued)

SKYVIEW HIGH SCHOOL
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Revenue

The School is primarily funded by the School System based on a rate per student calculated by the School System. Resources provided in this manner are considered to be non-exchange transactions and are recognized in the fiscal year when use of the funds is first permitted. Other funding obtained through the School System, such as funding obtained directly from the federal government are also considered non-exchange transactions and are recognized in the fiscal year in which certain matching or expenditure requirements are met, such as resources obtained for a specific purpose or as a qualifying reimbursement, etc.

Certain charges for services, such as for food services, are considered exchange transactions and are recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

Assets, Liabilities, and Fund Equity

Cash and Cash Equivalents

The School considers all highly liquid investment instruments purchased with a maturity of three months or less to be cash equivalents.

Credit Risk

The School maintains its cash accounts at financial institutions in which amounts up to \$250,000 per institution are insured by the Federal Deposit Insurance Corporation (FDIC). As of June 30, 2021, the School held \$597,524 in uninsured cash balances.

(Continued)

SKYVIEW HIGH SCHOOL
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Fund Equity (Continued)

Capital Assets

Capital assets are stated at cost. Depreciation has been calculated on such assets using the straight-line method over the following estimated useful lives:

<u>Type of Asset</u>	<u>Useful Life</u>
Equipment	3-5 years
Leasehold Improvements	5-7 years

Fund Balances

Fund balances are divided into five categories as defined by GASB 54, as follows:

Nonspendable

Fund balances classified as nonspendable are permanently nonspendable by decree of the donor, such as an endowment, or funds that are not in a spendable form, such as prepaid expenses or inventory on hand.

Restricted

Fund balances classified as restricted are legally restricted under legislation, bond authority, or grantor contract.

Committed

Fund balances classified as committed are commitments of future funds for specific purposes passed by the Board of Directors.

Assigned

Fund balances classified as assigned are funds that are intended by management to be used for a specific purpose, including encumbrances.

Unassigned

Fund balances classified as unassigned are funds available for any purpose.

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the School's policy to use restricted amounts first and then unrestricted amounts as they are needed.

(Continued)

SKYVIEW HIGH SCHOOL
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Fund Equity (Continued)

Net Position

Accounting standards require a Statement of Net Position and a Statement of Activities and Changes in Net Position. It requires the classification of net position into three components – net investment in capital assets; restricted; and unrestricted. These calculations are defined as follows:

Net Investment in Capital Assets

This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and related long-term debt.

Restricted

This component of net position results from constraints placed on net position by creditors, grantors, contributors, and other external parties, including those constraints placed on net position by law through constitutional provisions of enabling legislation adopted by the School.

Unrestricted

This component of net position consists of those assets that do not meet the definition of net investment in capital assets and restricted net position.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that may affect the financial statements. Accordingly, actual results could differ from those estimates.

Income Taxes

The School is a not-for-profit organization exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). However, income from certain activities not directly related to the School's tax-exempt purpose is subject to taxation as unrelated business income.

The School only recognizes the tax benefit from an uncertain tax position taken or expected to be taken in a tax return if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Management has analyzed tax positions taken for filings with the Internal Revenue Service and all state jurisdictions where the School operates. Management believes that income tax filing positions would be sustained upon examination and does not anticipate that any adjustments would result in a material adverse effect on the School's financial condition, results of operations or cash flows. Accordingly, the School has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at June 30, 2021. The School is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

(Continued)

SKYVIEW HIGH SCHOOL
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with GAAP for nongovernmental entities. An annual budget is adopted for the operations of the School.

Subsequent Events

The School has evaluated subsequent events through the filing date of this report. Any significant events that have occurred through that date are included in these notes (see note 6).

NOTE 2 – FACILITIES AGREEMENT

On March 15, 2016, the School entered into an operating lease agreement for facilities to house the School's activities. The lease begins on September 1, 2016 and is for a ten-year term with an expiration date of June 30, 2026. The School has the option to renew for 2 successive periods of 5 years at the lease expiration. The total minimum lease obligations are as follows:

Year End, June 30	Amount
2022	\$ 123,192
2023	123,192
2024	123,192
2025	123,192
2026	92,394
Total	\$ 585,162

NOTE 3 – CONCENTRATIONS

Revenue

For the year ended June 30, 2021, the School received a significant portion of its annual revenue from the Fulton County Board of Education as a part of its charter agreement which is paid to the School in monthly installments.

SKYVIEW HIGH SCHOOL
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 is summarized below:

Description	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
Leasehold Improvement	\$1,145,843	\$ 36,870	\$ -	\$1,182,713
Equipment	445,460	-	-	445,460
Total Capital Assets	1,591,303	36,870	-	1,628,173
Less: Accumulated Depreciation	(759,457)	(196,571)	-	(956,028)
Capital Assets, net	\$ 831,846	\$ (159,701)	\$ -	\$ 672,145

NOTE 5 – RETIREMENT PLAN

Plan Description

All teachers of the School as defined is §47-3-60 of the Official Code of Georgia Annotated (“O.C.G.A.”) and certain other support personnel as defined by §47-3-63 are provided a pension through TRS. TRS, a cost-sharing multiple-employer defined benefit pension plan, is administered by the TRS Board of Trustees (“TRS Board”). Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. TRS issues a publicly available financial report that can be obtained at www.trsga.com/publications.

Benefits Provided

TRS provides service retirement, disability retirement, and death benefits. Normal retirement benefits are determined as 2% of the average of the employee’s two highest paid consecutive years of service, multiplied by the number of years of creditable service up to 40 years. An employee is eligible for normal service retirement after 30 years of creditable service, regardless of age, or after 10 years of service and attainment of age 60. Ten years of service is required for disability and death benefits eligibility. Disability benefits are based on the employee’s creditable service and compensation up to the time of disability. Death benefits equal the amount that would be payable to the employee’s beneficiary had the employee retired on the date of death. Death benefits are based on the employee’s creditable service and compensation up to the date of death.

Contributions

Per Title 47 of *O.C.G.A.*, contribution requirements of active employees and participating employers, as actuarially determined, are established and may be amended by the TRS Board. Pursuant to *O.C.G.A.* §47-3-63, the employer contributions for certain full-time public school support personnel are funded on behalf of the employer by the State of Georgia.

(Continued)

SKYVIEW HIGH SCHOOL
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 5 – RETIREMENT PLAN (Continued)

Contributions (Continued)

Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees were required to contribute 6.00% of their annual pay during fiscal year 2021. The School’s contractually required contribution rate for the year ended June 30, 2021 was 19.06% of the School’s annual payroll. The School’s contributions to TRS were \$146,093 for the year ended June 30, 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

At June 30, 2021, the School reported a net pension liability of \$1,644,804.

The net pension liability was measured as of June 30, 2020. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2019. An expected total pension liability as of June 30, 2020 was determined using standard roll-forward techniques.

The School’s proportion of the net pension liability was based on contributions to TRS during fiscal year ended June 30, 2020. At June 30, 2020, the School’s proportion was 0.006790%, which was an increase of 0.001581% from its proportion measured as of June 30, 2019. For the year ended June 30, 2021, the School recognized pension expense of \$364,075. At June 30, 2021, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 39,615	\$ -
Difference between expected and actual experience	71,632	-
Changes of assumptions	169,417	-
Changes in proportion and differences between School contributions and proportionate share of contributions	486,727	105,171
School contributions subsequent to the measurement date	146,093	-
	\$ 913,484	\$ 105,171

The School’s contributions subsequent to the measurement date of \$146,093 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

(Continued)

SKYVIEW HIGH SCHOOL
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 5 – RETIREMENT PLAN (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ending June 30,	Amount
2022	\$ 297,109
2023	159,885
2024	123,274
2025	81,952

Actuarial Assumptions

The total pension liability as of June 30, 2020, was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.00 – 8.75%, average, including inflation
Investment rate of return	7.25%, net of pension plan investment expense, including inflation

Post-retirement mortality rates for service retirements and beneficiaries were based on the Pub-2010 Teachers Headcount Weighted Below Median Healthy Retiree mortality table (ages set forward one year and adjust 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. Post-retirement mortality rates for disability retirements were based on the Pub-2010 Teachers Mortality Table for Disabled Retirees (ages set forward one year and adjusted 106%) with the MP-2019 Projection scale applied generationally. The rates of improvement were reduced by 20% for all years prior to the ultimate rate. The Pub-2010 Teachers Headcount Weighted Below Median Employee mortality table with ages set forward one year and adjusted 106% as used for death prior to retirement. Future improvement in mortality rates was assumed using the MP-2019 projection scale generationally. These rates of improvement were reduced by 20% for all years prior to the ultimate rate.

The actuarial assumptions used in the June 30, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2013 – June 30, 2018.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

(Continued)

SKYVIEW HIGH SCHOOL
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 5 – RETIREMENT PLAN (Continued)

Actuarial Assumptions (Continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30.00%	(0.10)%
Domestic large equities	51.00%	8.90%
Domestic small equities	1.50%	13.20%
International developed market equities	12.40%	8.90%
International emerging market equities	5.10%	10.90%
	100.00%	

*Rates shown are net of 3.00% assumed rate.

Discount Rate

The discount rate used to measure the total net pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the School's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
School's proportionate share of the net pension liability	\$ 2,608,266	\$ 1,644,804	\$ 855,041

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TRS financial report which is publicly available at www.trsga.com/publications.

SKYVIEW HIGH SCHOOL
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

NOTE 6 – CONTINGENCY EVENT

Certain impacts to public health conditions particular to the coronavirus (COVID-19) outbreak may have an impact on the operations of the School. The extent of the impact to the financial performance of the School will depend on future developments, including (i) the duration and spread of the outbreak, (ii) the restrictions and advisories, (iii) the effects on the financial markets, and (iv) the effects on the economy overall, all of which are highly uncertain and cannot be predicted. If the financial performance of the School is impacted because of these things for an extended period, the School’s financial results may be adversely affected. Final results of the relief measures are not currently known.

In order to reduce the possible impact as described above, the School has updated operations to include online school programs, and added safety precautions to students, visitors, and/or staff who enter the building.

NOTE 7 – GASB STATEMENT NUMBER 87 - LEASES

In June 2017, GASB issued Statement Number 87, *Leases*, (“GASB 87”), which is a comprehensive change for lease arrangements. The objective of GASB 87 is to better meet the informational needs of financial statement users by improving accounting and financial reporting for leases. This statement will require recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as outflows of resources. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. A lessee will be required to recognize a lease liability and an intangible right-to-use asset. Additional qualitative and quantitative disclosures will be required for leases.

GASB 87 will be effective for the year ended June 30, 2022, and the School has not yet determined the effects of the change on the School’s financial statements. The standard is to be applied retroactively; existing leases are to be recognized and measured based on the facts and circumstances of the lease in the period of implementation, not inception of the lease.

These notes should only be read in connection with the accompanying
financial statements and independent auditors’ report.

SKYVIEW HIGH SCHOOL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND – (UNAUDITED)
For the Year Ended June 30, 2021

	Budgeted Amounts	Actual Amounts	Over (Under) Budget
Revenues			
State funds	\$2,746,000	\$ 2,616,000	\$ (130,000)
Federal funds	165,000	205,257	40,257
Other	21,628	107,812	86,184
Total Revenues	2,932,628	2,929,069	(3,559)
Expenditures			
Instruction	1,190,086	1,122,185	(67,901)
Support services:			
Pupil	130,001	149,563	19,562
Improvement of instructional staff	19,321	42,420	23,099
Educational media	7,350	18,701	11,351
General administration	43,649	43,538	(111)
School administration	433,775	410,257	(23,518)
Business administration	202,716	214,878	12,162
Maintenance and operation	250,369	166,567	(83,802)
Transportation	127,077	91,801	(35,276)
Central services	70,720	-	(70,720)
School nutrition	-	19,956	19,956
Capital outlay	30,000	36,870	6,870
Debt service:			
Principal retirement, long-term debt	-	122,327	122,327
Total Expenditures	2,505,064	2,439,063	(66,001)
Net Change in Fund Balance	\$ 427,564	490,006	\$ 62,442
Fund balance, beginning of year		297,310	
Fund Balance, End of Year		\$ 787,316	

This supplementary schedule should only be read in connection with the accompanying independent auditors' report and notes to financial statements.

SKYVIEW HIGH SCHOOL
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 TEACHERS RETIREMENT SYSTEM OF GEORGIA
 For the Years Ended June 30, 2018 through 2021

	2021	2020	2019	2018
School's proportion of the net pension liability	0.006790%	.005209%	.006205%	.005582%
School's proportionate share of the net pension liability	\$ 1,644,804	\$ 1,120,076	\$ 1,151,781	\$ 1,037,432
School's covered-employee payroll during the measurement period	\$ 766,940	\$ 852,020	\$ 635,608	\$ 739,845
School's proportion share of the net pension liability as a percentage of its covered-employee payroll	214.6%	131.5%	181.2%	140.2%
Plan fiduciary net position as a percentage of the total pension liability	77.01%	78.56%	80.27%	79.33%

Note: Schedule is intended to show information for the last ten (10) fiscal years.
 Additional years will be displayed as they become available.

This supplementary schedule should only be read in connection with the
 accompanying independent auditors' report and notes to financial statements.

SKYVIEW HIGH SCHOOL
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CONTRIBUTIONS
 TEACHERS RETIREMENT SYSTEM OF GEORGIA
 For the Years Ended June 30, 2018 through 2021

	2021	2020	2019	2018
Contractually required contributions	146,093	\$ 180,117	\$ 132,842	\$ 124,368
Contributions in relation to the contractually required contribution	146,093	180,117	132,842	124,368
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
School's covered-employee payroll	\$ 766,490	\$ 852,020	\$ 635,608	\$ 739,845
Contributions as a percentage of covered-employee payroll	19.06%	21.14%	20.90%	16.81%

*Note: Schedule is intended to show information for the last ten (10) fiscal years.
 Additional years will be displayed as they become available.*

This supplementary schedule should only be read in connection with the
 accompanying independent auditors' report and notes to financial statements.

SKYVIEW HIGH SCHOOL
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2021

NOTE 1 – CHANGES OF ASSUMPTIONS

In 2010 and later, the expectation of retired life mortality was changed to the RP-2000 Mortality Tables rather than the 1994 Group Annuity Mortality Table, which was used prior to 2010. In 2010, rates of withdrawal, retirement, disability and mortality were adjusted to more closely reflect actual experience. In 2010, assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience.

On November 18, 2015, the Board adopted recommended changes to the economic and demographic assumptions utilized by the System. Primary among the changes were the updates to rates of mortality, retirement, disability, withdrawal and salary increases. The expectation of retired life mortality was changed to RP-2000 White Collar Mortality Table with future mortality improvement projected to 2025 with the Society of Actuaries' projection scale BB (set forward one year for males).

The valuation as June 30, 2019, had changes in the decremental assumptions to reflect the Teacher Retirement Systems experience study.

These notes should only be read in connection with the accompanying
independent audit report and required supplementary information.

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

To the Board of Directors
Georgia High School for Accelerated Learning-Fulton County, Inc.

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 Georgia High School for Accelerated Learning-Fulton County, Inc., d/b/a Skyview High School, (“the School”), which comprise the statement of financial position as of June 30, 2021 and the related statement of activities for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 20, 2021.

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”) to determine the 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 of 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 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. 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.

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 may exist that have not been identified.

Compliance

As part of obtaining reasonable assurance about whether the School's financial statements are free from 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 determination of financial statement amounts. 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.

A handwritten signature in black ink that reads "Marshall Jones". The signature is written in a cursive, flowing style.

Atlanta, Georgia
September 20, 2021