WISSAHICKON CHARTER SCHOOL
PHILADELPHIA, PENNSYLVANIA

FINANCIAL STATEMENTS

JUNE 30, 2025

WISSAHICKON CHARTER SCHOOL

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BARBACANE THORNTON & COMPANY

INDEPENDENT AUDITOR'S REPORT

January 19, 2026

Board of Trustees
Wissahickon Charter School
Philadelphia, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the discretely presented component unit, and each major fund of the Wissahickon Charter School, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Wissahickon Charter School's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, and each major fund of the Wissahickon Charter School, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit 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 Wissahickon Charter School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Board of Trustees
Wissahickon Charter School

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 Wissahickon Charter School's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 opinions. 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 Wissahickon Charter 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 Wissahickon Charter School's ability to continue as a going concern for a reasonable period of time.

Board of Trustees
Wissahickon Charter School

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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 9, budgetary comparison schedule on page 37 and the schedule of the School's proportionate share of the net pension liability - PSERS, schedule of School pension contributions - PSERS, schedule of the School's proportionate share of the net OPEB liability - PSERS, and schedule of School OPEB contributions - PSERS on pages 38 through 41 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 supplementary 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Wissahickon Charter School's basic financial statements. The schedule of expenditures of federal awards on page 47 is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 19, 2026, on our consideration of the Wissahickon Charter School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant

Board of Trustees
Wissahickon Charter School

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 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 Wissahickon Charter School's internal control over financial reporting and compliance.

Barbacane, Thornton & Company LLP

BARBACANE, THORNTON & COMPANY LLP

WISSAHICKON CHARTER SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED
JUNE 30, 2025

The Board of Trustees of the Wissahickon Charter School ("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, 2025. We encourage readers to consider the information presented here in conjunction with the School's financial statements.

FINANCIAL HIGHLIGHTS

- Total governmental activities revenues decreased by $825,204 from $23,794,767 to $22,969,563, primarily due to decrease in federal sources offset by increases in local educational agencies for the year ended June 30, 2025.

- At the close of the current fiscal year, the School reported ending net position of $8,499,381. This net position balance represents an increase in net position of $356,925 for the year ended June 30, 2025.

- At the close of the current fiscal year, the School reported an ending fund balance of $10,970,085 in its governmental funds. Fund balance of the governmental funds increased by $367,439 as a result of revenues exceeding expenditures in the current year.

- The School's cash and investments balance for governmental activities at June 30, 2025 was $12,031,853, representing an increase of $527,798 from June 30, 2024.

OVERVIEW OF THE FINANCIAL STATEMENTS

The management's 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 four components: Management's Discussion and Analysis (this section), the basic financial statements, the required supplementary information, and reporting required under Government Auditing Standards.

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 deferred outflows of resources, less liabilities and deferred inflows of resources 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 event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., expenditures accrued in one year but paid in subsequent years, and depreciation/amortization).

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. The School reports two governmental funds – the General Fund and the Debt Service fund.

Notes to the 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.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, 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 of resources exceeded liabilities and deferred inflows of resources by $8,499,381 as of June 30, 2025.

	2025	2024
Assets:		
Current assets	$ 13,583,845	$ 13,094,026
Noncurrent assets	21,008,115	21,926,911
Total Assets	34,591,960	35,020,937
Deferred outflows of resources	671,862	848,417
Liabilities:		
Current liabilities	3,299,411	3,125,428
Long-term liabilities	22,843,582	23,989,962
Total Liabilities	26,142,993	27,115,390
Deferred inflows of resources	621,448	611,508
Net Position:		
Net investment in capital assets	2,363,882	2,809,901
Restricted	301,137	63,225
Unrestricted	5,834,362	5,269,330
Total Net Position	$ 8,499,381	$ 8,142,456

The School's revenues are predominately from the School District of Philadelphia, based on the student enrollment. For the year ended June 30, 2025, the School's revenues of $22,969,563 exceeded its expenses of $22,612,638 by $356,925.

	2025	2024
REVENUES		
Local Educational Agencies	$ 19,232,025	$ 16,795,588
State sources	299,030	222,478
Federal sources	1,997,377	5,776,175
Other local sources	1,441,131	1,000,526
Total Revenues	22,969,563	23,794,767
EXPENSES		
Instructional programs	11,669,292	9,951,416
Pupil personnel services	1,696,560	424,041
Instructional staff services	560,256	1,057,846
Administrative services	3,617,840	4,941,178
Pupil health	214,258	186,189
Business services	201,874	208,330
Operations and maintenance	1,259,225	1,142,553
Student activities	142,390	99,604
Other support services	-	27,773
Food services	1,162,813	1,156,626
Interest expense	567,240	582,211
Depreciation and amortization	1,520,890	1,430,440
Total Expenses	22,612,638	21,208,207
CHANGE IN NET POSITION	356,925	2,586,560
Net Position - Beginning of Year	8,142,456	5,555,896
NET POSITION - END OF YEAR	$ 8,499,381	$ 8,142,456

Governmental Fund

The focus of the School's *governmental funds* are 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 general fund is the operating fund of the School. At the end of the current year, the unassigned fund balance of the general fund was $2,205,632, and the total fund balance for the governmental funds was $10,970,085.

General Fund Budgetary Highlights

Actual revenues exceeded budgeted revenues by $1,377,617 primarily due to more revenue from local education agencies and other sources. Actual expenditures were less than budgeted expenditures by

$15,973 primarily due to less than budgeted expenditures for instructional programs, operations and maintenance, other support services, and budgetary reserve offset by greater than budgeted expenditures for pupil personnel services, instructional staff services, administrative services, student activities, and capital outlays.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2025, the School's investment in capital assets for its governmental activities totaled $21,008,115 (net of accumulated depreciation and amortization). This investment in capital assets includes leasehold improvements, equipment, furniture and fixtures, right-to-use lease assets - building and right-to-use assets – equipment, and subscription assets.

Major capital asset purchases during the year included the following:

- Leasehold improvements of $111,287
- Equipment of $264,614
- Furniture and fixtures of $44,282
- Right of use assets of $181,911

Additional information on the School's capital assets can be found in Note 3 of this report.

Long-term Debt

As of June 30, 2025, the School reported a lease liability in the amount of $18,623,249 and a subscription liability of $20,984. Additional information on the lease liability can be found in Note 4 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The fiscal and operational stability of our Commonwealth's charter schools are directly linked to the State of Pennsylvania's budget and shifting political realities. This issue manifests itself most clearly in the way that the state determines each charter school's per pupil allotment which is calculated by student's school district of residence and Form PDE-363. Form PDE 363 uses a "state-determined" formula to calculate per pupil allotments.

The School's primary source of revenue, per pupil funding from School District of Philadelphia, is budgeted to increase from $12,754 to $14,949 per regular education student and from $40,053 to $45,573 per special education student. In addition, the School is budgeted to educate 972 students in the 2025-2026 school year. Tuition payments from the School District of Philadelphia are budgeted to increase approximately $3,275,000 for the 2025-2026 school year. The primary driver of this increase is the aforementioned PDE-363 formula that allows school districts to remove their federal expenses from the per-pupil calculation.

CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT

The 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 the Chief Executive Officer, 4700 Wissahickon Avenue, Philadelphia, PA 19144, or call 267-338-1020.

COMPONENT UNIT

The Wissahickon Foundation ("the Foundation") is a component unit of the School and is reported in a separate column in the government-wide financial statements to emphasize that the Foundation is legally separate from the School. Complete financial statements of the Foundation can be obtained at 4700 Wissahickon Avenue, Philadelphia, PA 19144, or call 267-338-1020.

WISSAHICKON CHARTER SCHOOL
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities	Component Unit
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
CURRENT ASSETS:		
Cash	$ 10,034,033	$ 2,684,377
Investments	1,997,820	-
State subsidies receivables	165,415	-
Federal subsidies receivables	442,428	-
Other receivables	29,906	-
Pledge receivables, net	215,974	389,699
Due from component unit	484,953	-
Prepaid expenses	159,989	-
Deposit	53,327	-
Total Current Assets	13,583,845	3,074,076
NONCURRENT ASSETS:		
Property and equipment, net	3,979,580	-
Right-to-use lease asset, net	16,995,158	-
Subscription asset, net	33,377	-
Total Noncurrent Assets	21,008,115	-
TOTAL ASSETS	34,591,960	3,074,076
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred outflows related to pension	644,515	-
Deferred outflows related to OPEB	27,347	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	671,862	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 35,263,822	$ 3,074,076
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$ 862,239	$ -
Accrued salary and benefits	1,751,521	-
Due to primary government	-	484,953
Lease liability - current maturities	670,629	-
Subscription liability - current maturities	15,022	-
Total Current Liabilities	3,299,411	484,953
NONCURRENT LIABILITIES:		
Lease liability	17,952,620	-
Subscription liability	5,962	-
Net pension liability	4,688,000	-
Net OPEB liability	197,000	-
Total Noncurrent Liabilities	22,843,582	-
TOTAL LIABILITIES	26,142,993	484,953
DEFERRED INFLOWS OF RESOURCES:		
Deferred inflows related to OPEB	84,000	-
Deferred inflows related to pension	537,448	-
TOTAL DEFERRED INFLOWS OF RESOURCES	621,448	-
NET POSITION:		
Net investment in capital assets	2,363,882	-
Restricted	301,137	8,559
Unrestricted	5,834,362	2,580,564
TOTAL NET POSITION	8,499,381	2,589,123
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	$ 35,263,822	$ 3,074,076

The accompanying notes are an integral part of these financial statements.

WISSAHICKON CHARTER SCHOOL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

		Program Revenues		Net Revenue (Expense) and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Total Governmental Activities	Component Unit
GOVERNMENTAL ACTIVITIES					
Instructional programs	$ 11,669,292	$ 261,631	$ 1,505,088	$ (9,902,573)	$ -
Pupil personnel services	1,696,560	-	-	(1,696,560)	-
Instructional staff services	560,256	-	-	(560,256)	-
Administrative services	3,617,840	-	-	(3,617,840)	-
Pupil health	214,258	-	19,444	(194,814)	-
Business services	201,874	-	-	(201,874)	-
Operations and maintenance	1,259,225	-	125,355	(1,133,870)	-
Student activities	142,390	56,056	-	(86,334)	-
Food services	1,162,813	-	646,520	(516,293)	-
Interest expense	567,240	-	-	(567,240)	-
Depreciation and amortization	1,520,890	-	-	(1,520,890)	-
TOTAL GOVERNMENTAL ACTIVITIES	$ 22,612,638	$ 317,687	$ 2,296,407	$ (19,998,544)	-
COMPONENT UNIT					
Administrative services	$ 413,710	$ -	$ -		(413,710)
		GENERAL REVENUES:			
		Local educational agencies		19,232,025	-
		Other local sources		1,123,444	348,942
		TOTAL GENERAL REVENUES		20,355,469	348,942
		CHANGE IN NET POSITION		356,925	(64,768)
		NET POSITION, BEGINNING OF YEAR		8,142,456	2,653,891
		NET POSITION, END OF YEAR		$ 8,499,381	$ 2,589,123

The accompanying notes are an integral part of these financial statements.

WISSAHICKON CHARTER SCHOOL
BALANCE SHEETS - GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund	Debt Service Fund	Total Governmental Funds
ASSETS			
Cash	$ 10,034,033	$ -	$ 10,034,033
Investments	1,997,820	-	1,997,820
State subsidies receivable	165,415	-	165,415
Federal subsidies receivable	442,428	-	442,428
Pledges receivable, net	215,974	-	215,974
Other receivables	29,906	-	29,906
Due from component unit	484,953	-	484,953
Prepaid expenditures	159,989	-	159,989
Security deposits	53,327	-	53,327
TOTAL ASSETS	$ 13,583,845	$ -	$ 13,583,845
LIABILITIES AND FUND BALANCE			
LIABILITIES:			
Accounts payable and accrued expenses	$ 862,239	$ -	$ 862,239
Accrued salaries and benefits	1,751,521	-	1,751,521
Total Liabilities	2,613,760	-	2,613,760
FUND BALANCE:			
Nonspendable:			
Prepaid expenditures	159,989	-	159,989
Security deposits	53,327	-	53,327
Restricted	301,137	-	301,137
Committed:			
Future operating costs	8,250,000	-	8,250,000
Unassigned	2,205,632	-	2,205,632
Total Fund Balance	10,970,085	-	10,970,085
TOTAL LIABILITIES AND FUND BALANCE	$ 13,583,845	$ -	$ 13,583,845

The accompanying notes are an integral part of these financial statements.

WISSAHICKON CHARTER SCHOOL
RECONCILIATION OF BALANCE SHEET - GOVERNMENTAL FUNDS
TO STATEMENT OF NET POSITION
JUNE 30, 2025

FUND BALANCE FOR GOVERNMENTAL FUNDS		$ 10,970,085
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund. These assets consist of:		
Property and equipment	$ 10,511,881	
Right-to-use lease asset	20,584,734	
Subscription asset	64,107	
Accumulated depreciation/amortization	(10,152,607)	21,008,115
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Those liabilities consist of:		
Lease liability	(18,623,249)	
Subscription liability	(20,984)	
Net pension liability	(4,688,000)	
Net OPEB liability	(197,000)	(23,529,233)
Deferred inflows and outflows of resources related to the School's pension and OPEB liabilities do not represent current resources or uses of resources and, therefore, are not reported in the funds. Deferred inflows and outflows of resources consist of the following:		
Deferred outflows related to pension	644,515	
Deferred outflows related to OPEB	27,347	
Deferred inflows related to OPEB	(84,000)	
Deferred inflows related to pension	(537,448)	50,414
TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 8,499,381

The accompanying notes are an integral part of these financial statements.

WISSAHICKON CHARTER SCHOOL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	Debt Service Fund	Total Governmental Funds
REVENUES			
Local educational agencies	$ 19,232,025	$ -	$ 19,232,025
State sources	299,030	-	299,030
Federal sources	1,997,377	-	1,997,377
Other sources	1,441,131	-	1,441,131
TOTAL REVENUES	22,969,563	-	22,969,563
EXPENDITURES			
Instructional programs	11,898,522	-	11,898,522
Pupil personnel services	1,696,560	-	1,696,560
Instructional staff services	745,764	-	745,764
Administrative services	3,617,840	-	3,617,840
Pupil health	214,258	-	214,258
Business services	201,874	-	201,874
Operations and maintenance	1,267,351	-	1,267,351
Student activities	142,390	-	142,390
Food services	1,162,813	-	1,162,813
Capital outlays	614,735	-	614,735
Debt service:			
Principal	-	639,898	639,898
Interest	-	567,240	567,240
TOTAL EXPENDITURES	21,562,107	1,207,138	22,769,245
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,407,456	(1,207,138)	200,318
OTHER FINANCING SOURCES (USES)			
Proceeds from lease	167,121	-	167,121
Transfers in (out)	(1,207,138)	1,207,138	-
TOTAL OTHER FINANCING SOURCES (USES)	(1,040,017)	1,207,138	167,121
NET CHANGE IN FUND BALANCE	367,439	-	367,439
FUND BALANCE, BEGINNING OF YEAR	10,602,646	-	10,602,646
FUND BALANCE, END OF YEAR	$ 10,970,085	$ -	$ 10,970,085

The accompanying notes are an integral part of these financial statements.

WISSAHICKON CHARTER SCHOOL
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES
JUNE 30, 2025

NET CHANGE IN FUND BALANCE - GOVERNMENTAL FUNDS	$ 367,439
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount by which depreciation/amortization expense ($1,520,890) exceeded capital outlay ($602,094).	(918,796)
The issuance of long-term debt (e.g. leases and subscriptions) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.	472,777
Pension and OPEB expenses in the statement of activities differ from the amount reported in the governmental funds because pension and OPEB expenses are recognized on the statement of activities based on the School's proportionate share of the expenses of the cost-sharing pension and OPEB plans, whereas pension and OPEB expenditures are recognized in the governmental funds when a requirement to remit contributions to the plans exists.	435,505
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 356,925

The accompanying notes are an integral part of these financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Wissahickon Charter School ("the School") is organized as a nonprofit corporation in Pennsylvania to operate a charter school in accordance with Pennsylvania Act 22 of 1997 ("the Act") and is operating under a charter school contract through June 30, 2027, which may be renewed for an additional term. The School is located in Philadelphia, Pennsylvania. During the 2024-2025 school year, the School served approximately 987 students in grades K through 8.

The School has financial accountability and control over all activities related to the students' education. The School receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. The accompanying financial statements present the School and its component unit, entities for which the government is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government.

The School is not a component unit of another reporting entity. The decision to include a potential component unit in the School's reporting entity is based on several criteria, including legal standing, fiscal dependency, and financial accountability. As described below, the School has identified a discretely presented component unit.

Discretely Presented Component Unit

The Wissahickon Foundation ("the Foundation") is a legally separate, nonprofit component unit of the School. The Foundation's purpose is to support the health, welfare, and educational interests of the School. The majority of the resources and income are for the School. Because the School utilizes these resources for its benefit, the Foundation is considered a component unit of the School and is discretely presented in the School's financial statements. Separately issued financial statements are not prepared for the Foundation.

Basis of Presentation

The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States of America ("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. The GASB has issued a codification of governmental accounting and financial reporting standards.

Government-wide and Fund Financial Statements

The government-wide financial statements (the statement of net position and the 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The fund financial statements (governmental fund balance sheet and statement of governmental fund revenues, expenditures, and changes in fund balance) report on the School's general and debt service funds.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide Financial Statements

The government-wide financial statements (the statement of net position and the 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 the program revenues.

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.

Amounts reported as program revenues include a per-student subsidy from local schools as well as federal and state grants. Internally dedicated resources are reported as general revenues rather than as program revenues.

The government-wide financial statements report net position in one of three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation/ amortization and reduced by the outstanding balances of borrowing attributable to acquiring, constructing, or improving those assets. Net position is reported as restricted when constraints placed on the net position use are either externally imposed by creditors (such as through debt covenants), grantors or contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted."

Fund Financial Statements

The fund financial statements (balance sheets - governmental funds and statements of revenues, expenditures, and changes in fund balance - governmental funds) report on the School's general fund and the debt service fund.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

collected within 60 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, if measurable. The fund utilized by the School and a brief description of its accounting purpose is as follows:

Governmental Funds – The School reports two major funds, the General Fund and Debt Service Fund. The General Fund is the School's primary operating fund. It accounts for all financial resources of the School, except those required to be accounted for in another fund. The Debt Service Fund is used to account for, and report principal and interest paid for the School's lease liability.

Fund balance of the governmental funds is classified as applicable, as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by formal action of the Board of Trustees. The Board is the highest level of decision-making authority for the School. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of Trustees.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Executive Officer may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the School considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the School considers amounts to have been spent first out of committed funds, then assigned funds and, finally, unassigned funds, as needed, unless the Board or Chief Operating Officer have provided otherwise in their commitment or assignment actions.

The School reports the following major governmental funds:

General Fund – The General Fund is the operating fund of the School and accounts for all revenues and expenditures of the School, except for debt transactions reported in the debt service fund.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Debt Service Fund – The Debt Service Fund is used to account for and report financial resources for, and the payment of, principal and interest.

Income Tax Status

The School and Foundation are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and, therefore, have no provision for federal income taxes. The School has been classified as an organization that is not a private foundation under Sections 509(a)(1) and 170(b)(1)(a)(iv) of the Internal Revenue Code. The School did not engage in any unrelated business activities during the fiscal year. Management believes more likely than not that its tax-exempt status and tax positions will be sustained if examined by authorities.

Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with GAAP. An annual budget was only adopted for the general fund.

The budgetary comparison statement represents both the original and final appropriated budget amounts for the reporting period, as there were no amendments. Appropriations lapse at the end of the fiscal year.

Federal and State Subsidies Receivable

Accounts receivable primarily consist of amounts due from the Pennsylvania Department of Education for federal grants and state subsidy programs. Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management determines if an allowance for doubtful accounts is necessary based upon review of outstanding receivables, historical collection experience, and existing economic conditions. Accounts deemed uncollectible are charged off based on this review. As of June 30, 2025, no allowance for doubtful accounts was deemed necessary.

Other Receivables

Other receivables include grants, and other non-contract receivables. The School provides an allowance for doubtful accounts using the allowance method, which is based on management's judgment considering historical information. In addition, an allowance is provided for other accounts when a significant pattern of collectability has occurred. When all collection efforts have been exhausted, the accounts are written off against the related allowance. As of June 30, 2025, no allowance for doubtful accounts was deemed necessary.

Prepaid Expenses

Prepaid expenses include payments to vendors for services applicable to future accounting periods such as insurance premiums. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased. In the governmental funds, reported prepaid items are classified as nonspendable fund balance.

Capital Assets

Capital assets, which include the building, building improvements, furniture and fixtures, equipment and right to use lease assets are reported in the government-wide financial statements. All capital assets are capitalized at cost and updated for additions and retirements during the year. The School does not possess any infrastructure. Improvements are capitalized, and the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life is expensed.

The School will capitalize any asset purchased at a cost greater than $2,500. Capital assets of the School are depreciated using the straight-line method over the useful lives of the assets, which range from 3 to 25 years.

Right to use lease assets consist of copiers and are amortized over the term of the lease.

Subscription assets consist of learning software for students and are amortized over the term of the arrangement.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until then. Certain changes to the net pension and OPEB liabilities are required to be amortized over a period of years; the unamortized portions of these changes are reflected as deferred outflows of resources in the statement of net position.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Certain

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

changes to the net pension and OPEB liabilities are required to be amortized over a period of years; the unamortized portions of these changes are reflected as deferred inflows of resources in the statement of net position.

NOTE 2 CASH AND CASH EQUIVALENTS

Custodial credit risk is the risk that in the event of a bank failure, the School's deposits may not be returned. The School does not have a policy for custodial credit risk on deposits. At June 30, 2025, the carrying amount of the School's deposits was $10,034,033, and the bank balance was $10,068,075. Of the bank balance, $250,000 was covered by federal depository insurance at June 30, 2025, and $9,818,075 was uninsured and subject to custodial credit risk.

Investments

In general, all of the School's investments are categorized as either (1) insured or registered for which the securities are held by the School or its agent in the School's name, (2) uninsured and unregistered for which the securities are held by the broker's or dealer's trust department or agent in the School's name, or (3) uninsured and unregistered for which the securities are held by the broker or dealer, or by its trust department or agency, but not in the School's name.

Of the investments, $1,997,820 is invested in treasury notes from the United States government.

Component Unit

At June 30, 2025, the carrying amount of the Foundation's deposits was $2,684,377, and the bank balance was $2,685,055. Of the bank balance, $250,000 was covered by federal depository insurance, and $2,435,055 was exposed to custodial credit risk because it was uninsured, and the collateral held by the depository's agent was not in the Authority's name.

NOTE 3 CAPITAL ASSETS

Capital asset activity for the year is summarized below:

	Balance 07/01/2024	Additions	Deletions	Balance 06/30/2025
Tenant improvements	$ 7,114,030	$ 111,287	$ -	$ 7,225,317
Equipment	2,257,793	264,614	-	2,522,407
Furniture and fixtures	719,875	44,282	-	764,157
Right-to-use lease assets:				
building and equipment	20,417,613	167,121	-	20,584,734
Subscription assets	49,317	14,790	-	64,107
Total	30,558,628	602,094	-	31,160,722

NOTE 3 CAPITAL ASSETS (cont'd)

	Balance 07/01/2024	Additions	Deletions	Balance 06/30/2025
(cont'd)				
Less: Accumulated depreciation	5,930,010	602,291	-	6,532,301
Less: Accumulated amortization	2,701,707	918,599	-	3,620,306
Total Capital Assets, Net	$ 21,926,911	$ (918,796)	$ -	$ 21,008,115

Depreciation and amortization expense for the year ended June 30, 2025 was $1,520,890. The School's capital assets are shared by multiple functions. Accordingly, it was not considered practical to allocate depreciation and amortization expense in the statement of activities.

NOTE 4 LEASES

Lease Liability: Right-to-use Asset Agreements

The School leases equipment and buildings for school facilities under long-term, noncancelable lease agreements at a rate of 3% through October 2029, July 2043, and January 2046.

Total principal and interest costs for such leases for were $1,219,779 for the year ended June 30, 2025. Total future minimum lease payments under lease agreements are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 670,629	$ 543,996	$ 1,214,625
2027	705,878	524,287	1,230,165
2028	743,530	503,511	1,247,041
2029	782,105	481,620	1,263,725
2030	797,585	458,585	1,256,170
2031-2035	4,513,874	1,905,542	6,419,416
2036-2040	5,307,726	1,166,698	6,474,424
2041-2045	4,763,825	348,274	5,112,099
2046	338,097	2,544	340,641
Total Minimum Lease Payments	$ 18,623,249	$ 5,935,057	$ 24,558,306

NOTE 5 SUBSCRIPTION BASED IT ARRANGEMENTS

The School subscribes to a cyber security software and a cloud storage system under subscription arrangements that expire through June of 2028.

NOTE 5 SUBSCRIPTION BASED IT ARRANGEMENTS (cont'd)

At June 30, 2025, the minimum future rental payments under the subscription arrangement for the remaining period and in the aggregate are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 15,022	$ 839	$ 15,861
2027	2,923	238	3,161
2028	3,039	122	3,161
Total	$ 20,984	$ 1,199	$ 22,183

NOTE 6 LONG-TERM LIABILITIES

A schedule of changes in the long-term liabilities for the year ended June 30, 2025 is as follows:

	Amounts Outstanding 07/01/2024	Additions	Retirements	Amounts Outstanding 06/30/2025	Due Within One Year
Net pension liability	$ 5,294,000	$ -	$ 606,000	$ 4,688,000	$ -
Net OPEB liability	213,000	-	16,000	197,000	-
Lease liability	19,081,582	167,121	625,454	18,623,249	670,629
Subscription liability	35,428	-	14,444	20,984	15,022
Total	$ 24,624,010	$ 167,121	$ 1,261,898	$ 23,529,233	$ 685,651

NOTE 7 LOCAL EDUCATIONAL AGENCY ASSISTANCE (REVENUE)

Charter schools are funded by the local public school district in which each student resides. The rate per student is determined annually and is based on the budgeted total expenditure per average daily membership of the prior school year for each school district. The majority of the students for the School reside in Philadelphia. For the year ended June 30, 2025, the rate for the School District of Philadelphia was approximately $12,709 per year for regular education students plus additional funding for special education students and transportation. The annual rate is paid monthly by the School District of Philadelphia and is prorated if a student enters or leaves during the year. Total revenue from all districts was $19,232,025 for the year ended June 30, 2025.

NOTE 8 GOVERNMENT GRANTS AND REIMBURSEMENT PROGRAMS

The School participates in numerous state and federal grant and reimbursement programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the

NOTE 8 GOVERNMENT GRANTS AND REIMBURSEMENT PROGRAMS (cont'd)

respective grant programs and reimbursement programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the School has not complied with the rules and regulations governing the grants and reimbursement programs, refunds of any money received may be required, and the collectability of any related receivable at June 30, 2025 may be impaired. The School is not aware of any significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

NOTE 9 EMPLOYEE RETIREMENT PLAN, PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

Plan Description

The School contributes to the Public School Employees' Retirement System (PSERS), a governmental cost-sharing multiple-employer defined benefit pension plan that provides retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in the system include all full-time public school employees, part-time hourly public school employees who render at least 500 hours of service in the School year, and part-time per diem public school employees who render at least 80 days of service in the School year in any of the reporting entities in Pennsylvania. Benefit terms and contributions may be amended by passing bills in the Pennsylvania Senate and House of Representatives and sending them to the Governor for approval. PSERS issues a publicly available annual comprehensive financial report that includes the financial statements and required supplementary information for the plan. A copy of this report may be obtained by visiting the PSERS website at www.pa.gov/PSERS.

Benefits Provided

PSERS provides retirement, disability, and death benefits. Members are eligible for monthly retirement benefits upon reaching (a) age 62 with at least one year of credited service; (b) age 60 with 30 or more years of credited service; or (c) 35 or more years of service regardless of age. Act 120 of 2010 ("Act 120") preserves the benefits of existing members and introduced benefit reductions for individuals who become new members on or after July 1, 2011. Act 120 created two new membership classes, Membership Class T-E ("Class T-E") and Membership Class T-F ("Class T-F"). To quality for normal retirement, Class T-E and Class T-F members must work until age 65 with a minimum of three years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service.

Act 5 of 2017 (Act 5) introduced a hybrid benefit with two membership classes and a separate defined contribution plan for individuals who become new members on or after July 1, 2019. Act

NOTE 9 EMPLOYEE RETIREMENT PLAN, PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (cont'd)

5 created two new hybrid membership classes, Membership Class T-G (Class T-G) and Membership Class T-H (Class T-H) and the separate defined contribution membership class, Membership Class DC (Class DC). To qualify for normal retirement, Class T-G and Class T-H members must work until age 67 with a minimum of 3 years of credited service. To qualify for normal retirement, Class T-E and Class T-F members must work until age 65 with a minimum of three years of service, or attain a total combination of age and service that is equal to or greater than 92, with a minimum of 35 years of service. Benefits are generally equal to two percent or two and one-half percent, depending upon the membership class, of the member's final average salary as defined in the Code, multiplied by the number of years of credited service.

Benefits are generally between 1% to 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service. For members whose membership started prior to July 1, 2011, after completion of five years of service, a member's right to the defined benefits is vested and early retirement benefits may be elected. For Class T-E and Class T-F members, the right to benefits is vested after ten years of service.

Participants are eligible for disability retirement benefits after completion of five years of credited service. Such benefits are generally equal to 2% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service, but not less than one-third of such salary nor greater than the benefit the member would have had at normal retirement age. Members over normal retirement age may apply for disability benefits.

Death benefits are payable upon the death of an active member who has reached age 62 with at least one year of credited service (age 65 with at least three years of credited service for Class T-E and Class T-F members, or who has at least five years of credited service for Class T-E and Class T-F members). Such benefits are actuarially equivalent to the benefit that would have been effective if the member had retired on the day before death.

Member Contributions

Active members who joined the system prior to July 22, 1983, contribute at 5.25% (Membership Class T-C) or at 6.50% (Membership Class T-D) of the member's qualifying compensation.

Members who joined the system on or after July 22, 1983, and who were active or inactive as of July 1, 2001, contribute at 6.25% (Membership Class T-C) or at 7.50% (Membership Class T-D) of the member's qualifying compensation.

Members who joined the system after June 30, 2001 and before July 1, 2011, contribute at 7.50% (automatic Membership Class T-D). For all new hires and for members who elected Class T-D membership, the higher contribution rates began with service rendered on or after January 1, 2002.

NOTE 9 EMPLOYEE RETIREMENT PLAN, PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (cont'd)

Members who joined the system after June 30, 2011 automatically contribute at the Membership Class T-E rate of 7.5% (base rate) of the member's qualifying compensation. All new hires after June 30, 2011, who elect Class T-F membership, contribute at 10.3% (base rate) of the member's qualifying compensation. Membership Class T-E and Class T-F are affected by a "shared risk" provision in Act 120 that in future fiscal years could cause the Membership Class T-E contribution rate to fluctuate between 7.5% and 9.5% and Membership Class T-F contribution rate to fluctuate between 10.3% and 12.3%.

Employer Contributions

The School's contractually required annual contribution is based on an actuarially determined amount that, when combined with the employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2025, the rate of the employer contribution was 33.90 percent of covered payroll, which was comprised of 32.92 percent for pension contributions, 0.35 percent for Act 5 defined contribution plan contributions, and 0.63 percent for healthcare contributions. The School's contribution to PSERS for pension contributions for the year ended June 30, 2025 was $566,515.

At June 30, 2025, the School reported a liability of $4,688,000 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by rolling forward PSERS's total pension liability as of June 30, 2023 to June 30, 2024. The School's proportion of the net pension liability was calculated utilizing the School's reported contributions as it relates to the total contributions. At June 30, 2024, the School's proportion was 0.0112%, which was a decrease of 0.0007% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the School recognized pension expense of $154,271. At June 30, 2025, the employer 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
Difference between expected and actual experience	$ -	$ 74,000
Net difference between projected and actual investment earnings	78,000	-
Changes in proportion	-	450,000
Difference between employer contributions and proportionate share of total contributions	-	13,448
Contributions subsequent to the measurement date	566,515	-
Total	$ 644,515	$ 537,448

NOTE 9 EMPLOYEE RETIREMENT PLAN, PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (cont'd)

Deferred outflows of resources reported as $566,515 related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a decrease in pension expense as follows:

Year Ending June 30,	
2026	$ (336,813)
2027	(43,765)
2028	(59,848)
2029	(19,022)
Total	$ (459,448)

Actuarial Assumptions

The total pension liability as of June 30, 2024 was determined by rolling forward the system's total pension liability as of the June 30, 2023 actuarial valuation to June 30, 2024 using the following actuarial assumptions, applied to all periods included in the measurement:

- Valuation date – June 30, 2023
- Actuarial cost method – entry age normal, level percentage of pay
- Investment return – 7.00 percent, includes inflation of 2.50 percent
- Salary growth – effective average of 4.50 percent, comprised of inflation of 2.50 percent and 2.00 percent for real wage growth and for merit and seniority increases
- Mortality rates were based on a blend of 50 percent PubT-2010 and 50 percent PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Improvement Scale.
- The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023 and as of June 30, 2024.

The actuarial assumptions used in the June 30, 2024, valuation were based on the experience study that was performed for the five-year period ending June 30, 2020.

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

NOTE 9 EMPLOYEE RETIREMENT PLAN, PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (cont'd)

The pension plan's policy in regard to the allocation of invested plan assets is established and may be amended by the board. Plan assets are managed with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension.

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global public equity	30.0%	4.8%
Private equity	12.0%	6.7%
Fixed income	33.5%	3.9%
Commodities	5.0%	2.5%
Infrastructure	10.0%	6.4%
Real estate	9.5%	5.9%
Total	100.0%	

The above was the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class as of June 30, 2024.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's 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 Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability, calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1% point lower (6.00%), or 1% point higher (8.00%) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Employer's proportionate share of the net pension liability	$ 6,175,000	$ 4,688,000	$ 3,432,000

NOTE 9 EMPLOYEE RETIREMENT PLAN, PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (cont'd)

Pension Plan Fiduciary Net Position

Detailed information about PSERS' fiduciary net position is available in PSERS Annual Comprehensive Financial Report, which can be found on the system's website at www.pa.gov/PSERS.

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS, BENEFIT EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OTHER POSTEMPLOYMENT BENEFITS

Health Insurance Premium Assistance Program

PSERS provides premium assistance, which is a governmental cost-sharing, multiple-employer other postemployment benefits plan (OPEB) for all eligible retirees who qualify and elect to participate. Employer contribution rates for premium assistance are established to provide reserves in the health insurance account that are sufficient for the payment of premium assistance benefits for each succeeding year. Effective January 1, 2002, under the provisions of Act 9 of 2001, participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of $100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program. As of June 30, 2024, there were no assumed future benefit increases to participating eligible retirees.

Premium Assistance Eligibility Criteria

Retirees of the system can participate in the premium assistance program if they satisfy the following criteria:

- Have 24½ or more years of service, or
- Are a disability retiree, and
- Have 15 or more years of service and retired after reaching superannuation age.

For Class DC members to become eligible for premium assistance, they must satisfy the following criteria:

- Attain Medicare eligibility with 24½ or more eligibility points, or
- Have 15 or more eligibility points and terminated after age 67, and
- Have received all or part of their distributions.

OPEB Plan Description

The School contributes to the Public School Employees' Retirement System (PSERS), a governmental cost-sharing multiple-employer defined benefit OPEB plan that provides

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS, BENEFIT EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OTHER POSTEMPLOYMENT BENEFITS (cont'd)

postemployment benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in the PSERS plan include all full-time public school employees, part-time hourly public school employees who render at least 500 hours of service in the School year, and part-time per diem public school employees who render at least 80 days of service in the School year in any of the reporting entities in Pennsylvania. PSERS issues a publicly available annual comprehensive financial report that includes the financial statements and required supplementary information for the plan. A copy of this report may be obtained by writing to the Public School Employees' Retirement System, P.O. Box 125, Harrisburg, Pennsylvania, 17108-0125, or by visiting the PSERS website at www.pa.gov/PSERS.

Benefits Provided

Participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of $100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, Options Program. Benefit terms and contributions may be amended by passing bills in the Pennsylvania eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program. Benefit terms and contributions may be amended by passing bills in the Pennsylvania Senate and House of Representatives and sending them to the Governor for approval. As of June 30, 2024, there were no assumed future benefit increases to participating eligible retirees.

Employer Contributions

The School's contractually required contribution rate for the fiscal year ended June 30, 2024 was 0.63 percent of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the OPEB plan from the School were $10,842 for the year ended June 30, 2025.

OPEB Liability, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

At June 30, 2025, the School reported a liability of $197,000 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by rolling forward the system's total actuarially determined OPEB liability as of June 30, 2023 to June 30, 2024. The School's proportion of the net OPEB liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 30, 2024, the School's proportion was 0.0111%, which was a decrease of 0.0007% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the School recognized OPEB credit of ($18,172). At June 30, 2025, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS, BENEFIT EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OTHER POSTEMPLOYMENT BENEFITS (cont'd)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1,000	$ 3,000
Changes in proportion	-	51,000
Difference between employer contributions and proportionate share of total contributions	3,505	-
Changes in assumptions	12,000	30,000
Contributions subsequent to the measurement date	10,842	-
Total	$ 27,347	$ 84,000

Deferred outflows of resources reported as $10,842 related to OPEB resulting from School contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	
2026	$ (26,000)
2027	(21,008)
2028	(14,624)
2029	(5,624)
2030	(2,624)
Thereafter	2,385
Total	$ (67,495)

Actuarial Assumptions and Other Inputs

The total OPEB liability as of June 30, 2024 was determined by rolling forward the PSERS total OPEB liability as of the June 30, 2023 actuarial valuation to June 30, 2024 using the following actuarial assumptions, applied to all periods included in the measurement:

- Actuarial cost method – entry age normal, level percentage of pay.
- Investment return – 4.21%, S&P 20-year Municipal Bond Rate.
- Salary growth – effective average of 4.50%, comprised of inflation of 2.50%, and 2.00% for real wage growth and for merit or seniority increases.
- Premium Assistance reimbursement is capped at $1,200 per year.

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS, BENEFIT EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OTHER POSTEMPLOYMENT BENEFITS (cont'd)

- Assumed healthcare cost trends were applied to retirees with less than $1,200 in Premium Assistance per year.
- Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Improvement Scale.
- Participation rate:
  - Eligible retirees will elect to participate pre-age 65 at 50%.
  - Eligible retirees will elect to participate post-age 65 at 70%.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study that was performed for the five-year period ending June 30, 2022.

The following assumptions were used to determine the contribution rate:

- The results of the actuarial valuation as of June 30, 2022 determined the employer contribution rate for fiscal year 2024.
- Cost method – amount necessary to assure solvency of Premium Assistance through the third fiscal year after the valuation date
- Asset valuation method – Market value
- Participation rate – 63% of eligible retirees are assumed to elect Premium Assistance.
- Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale

Investments consist primarily of short-term assets designed to protect the principal of the plan assets. The expected rate of return on OPEB plan investments was determined using the OPEB asset allocation policy and best estimates of geometric real rates of return for each asset class.

The OPEB plan's policy in regard to the allocation of invested plan assets is established and may be amended by the PSERS Board. Under the program, as defined in the retirement code, employer contribution rates for Premium Assistance are established to provide reserves in the health insurance account that are sufficient for the payment of Premium Assistance benefits for each succeeding year.

Following is the PSERS Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class as of June 30, 2024.

Asset Class	Target Allocation	Long-term Expected Real of Return
Cash	100.0%	1.7%
	100.0%	

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS, BENEFIT EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OTHER POSTEMPLOYMENT BENEFITS (cont'd)

Discount Rate

The discount rate used to measure the total OPEB liability was 4.21% at June 30, 2024, an increase from 4.13% in the prior year. Under the plan's funding policy, contributions are structured for short-term funding of Premium Assistance. The funding policy sets contribution rates necessary to assure solvency of Premium Assistance through the third fiscal year after the actuarial valuation date. The Premium Assistance account is funded to establish reserves that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Due to the short-term funding policy, the OPEB plan's fiduciary net position was not projected to be sufficient to meet projected future benefit payments; therefore, the plan is considered to be a pay-as-you-go plan. A discount rate of 4.21%, which represents the S&P 20-year Municipal Bond Rate at June 30, 2024, was applied to all projected benefit payments to measure the total OPEB liability.

Sensitivity of the System's Net OPEB Liability to Change in Healthcare Cost Trend Rates

Healthcare cost trends were applied to retirees receiving less than $1,200 in annual Premium Assistance. As of June 30, 2024, retirees Premium Assistance benefits are not subject to future healthcare cost increases. The annual Premium Assistance reimbursement for qualifying retirees is capped at a maximum of $1,200. As of June 30, 2024, 92,149 retirees were receiving the maximum amount allowed of $1,200 per year, and 489 members were receiving less than the maximum amount allowed of $1,200 per year. The actual number of retirees receiving less than the $1,200 per year cap is a small percentage of the total population and has a minimal impact on healthcare cost trends as depicted below.

The following presents the School's share of the Premium Assistance net OPEB liability at June 30, 2024, calculated using healthcare cost trends as well as what the system's net OPEB liability would be if the healthcare cost trends were one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Healthcare Cost Trend	1% Increase
School's proportionate share of the net OPEB liability	$ 197,000	$ 197,000	$ 197,000

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

The following presents the net OPEB liability, calculated using the discount rate of 4.21%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.21%) or one percentage-point higher (5.21%) than the current rate:

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS, BENEFIT EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OTHER POSTEMPLOYMENT BENEFITS (cont'd)

	1% Decrease 3.21%	Current Discount Rate 4.21%	1% Increase 5.21%
School's proportionate share of the net OPEB liability	$ 223,000	$ 197,000	$ 176,000

OPEB Plan Fiduciary Net Position

Detailed information about PSERS' fiduciary net position is available in the PSERS Annual Comprehensive Financial Report, which can be found on the system's website at www.psers.pa.gov.

NOTE 11 RISK MANAGEMENT

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School carries commercial insurance for such risks. There has been no significant reduction in insurance coverage from the previous year in any of the School's policies. Settled claims resulting from these risks have not exceeded commercial insurance coverage in the past three years.

NOTE 12 BANK LINE OF CREDIT

The School has available a $750,000 bank line of credit to be used for working capital purposes. Interest is charged on the outstanding balance at the bank's prime rate. The effective rate was 7.50% at June 30, 2025. The line of credit is unsecured, due on demand, and expires on July 31, 2026. Interest expense on the bank line of credit was $0 for the year ended June 30, 2025. There were no draws on the line of credit during the year, and there was no outstanding balance on the bank line of credit at June 30, 2025.

NOTE 13 INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2025 were as follows:

	Transfer In	Transfer Out
General Fund	$ -	$ 1,207,138
Debt Service Fund	1,207,138	-
Total	$ 1,207,138	$ 1,207,138

Transfers represent funds used for the payment of long term liabilities.

NOTE 13 INTERFUND TRANSFERS (cont'd)

The interfund transfers were used to fund the debt service fund.

NOTE 14 CONTINGENCIES

The School participates in various federal and state grant programs, which are subject to program compliance audits. Accordingly, the School's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the School anticipates such amounts, if any, will be immaterial.

The School is, from time-to-time, involved in claims and lawsuits incidental to its operations. Management is not aware of any matters for which the ultimate resolution would have an adverse effect on the financial position of the School.

NOTE 15 EMPLOYEE BENEFIT PLAN

The School has a 403(b) Retirement Plan, a defined contribution plan under Section 403(b) of the Internal Revenue Code, which employees of the School are required to contribute. Employees hired after July 1, 2014, must contribute a minimum 5% of their qualified compensation, with the School matching up to 5% of their qualified compensation. The School's contribution to the plan for the period ended June 30, 2025 was $389,882.

Employees are immediately vested in their own contributions and earnings on those contributions when they are eligible to participate in the plan. In addition, Employees become immediately vested in School contributions and earnings on School contributions once they are eligible in the plan.

The School's liability to the plan at June 30, 2025 was $35,659.

NOTE 16 PLEDGES RECEIVABLE

Pledges receivables are deemed to be fully collectible and are comprised of the School reported the following amounts at June 30, 2025:

Due within one year	$ 146,631
Due within two to three years	85,000
Total value of pledges receivable	231,631
Less: discount on pledges receivable (6%)	(15,657)
Reported value of pledges receivable	$ 215,974

NOTE 16 PLEDGES RECEIVABLE (cont'd)

Pledges receivables are deemed to be fully collectible and are comprised of the Foundation (a discretely presented component unit of the School) reported the following amounts at June 30, 2025:

Due within one year	$ 223,021
Due within two to three years	200,000
Total value of pledges receivable	423,021
Less: discount on pledges receivable (6%)	(33,322)
Reported value of pledges receivable	$ 389,699

NOTE 17 SUBSEQUENT EVENTS

The School has evaluated all subsequent events through January 19, 2026, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

WISSAHICKON CHARTER SCHOOL
BUDGETARY COMPARISON STATEMENT - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual Revenues/	Variance with Final Budget Positive
	Original	Final	Expenditures	(Negative)
REVENUES				
Local educational agencies	$ 17,983,050	$ 17,983,050	$ 19,232,025	$ 1,248,975
State sources	220,099	220,099	299,030	78,931
Federal sources	2,050,280	2,050,280	1,997,377	(52,903)
Other sources	1,338,517	1,338,517	1,441,131	102,614
TOTAL REVENUES	21,591,946	21,591,946	22,969,563	1,377,617
EXPENDITURES				
Instructional programs	10,829,905	10,829,905	11,898,522	(1,068,617)
Pupil personnel services	409,702	409,702	1,696,560	(1,286,858)
Instructional staff services	1,384,449	1,384,449	745,764	638,685
Administrative services	4,362,199	4,362,199	3,617,840	744,359
Pupil health	200,353	200,353	214,258	(13,905)
Business services	216,757	216,757	201,874	14,883
Operations and maintenance	2,922,882	2,922,882	1,267,351	1,655,531
Student activities	82,196	82,196	142,390	(60,194)
Food services	1,169,637	1,169,637	1,162,813	6,824
Capital outlays	-	-	614,735	(614,735)
TOTAL EXPENDITURES	21,578,080	21,578,080	21,562,107	15,973
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	13,866	13,866	1,407,456	1,393,590
OTHER FINANCING SOURCES (USES)				
Proceeds from lease	-	-	167,121	167,121
Transfers out	-	-	(1,207,138)	(1,207,138)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(1,040,017)	(1,040,017)
NET CHANGE IN FUND BALANCE	13,866	13,866	367,439	353,573
FUND BALANCE, BEGINNING OF YEAR	10,602,646	10,602,646	10,602,646	-
FUND BALANCE, END OF YEAR	$ 10,616,512	$ 10,616,512	$ 10,970,085	$ 353,573

The accompanying notes are an integral part of these financial statements.

WISSAHICKON CHARTER SCHOOL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Pennsylvania Public School Employees' Retirement System (PSERS)

	MEASUREMENT DATE									
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
School's proportion of the net pension liability	0.0112%	0.0119%	0.0127%	0.0131%	0.0137%	0.0157%	0.0178%	0.0189%	0.0214%	0.0228%
School's proportion of the net pension liability - dollar value	$ 4,688,000	$ 5,294,000	$ 5,646,000	$ 5,378,000	$ 6,746,000	$ 7,345,000	$ 8,545,000	$ 9,334,000	$ 10,606,000	$ 9,876,000
School's covered employee payroll	$ 1,774,279	$ 1,792,000	$ 1,853,000	$ 1,800,000	$ 1,950,000	$ 2,263,000	$ 2,400,000	$ 2,521,000	$ 2,770,000	$ 2,935,000
School's proportionate share of the net pension liability as a percentage of its covered employee payroll	264.22%	295.42%	304.70%	298.78%	345.95%	324.57%	356.04%	370.25%	382.89%	336.49%
Plan fiduciary net position as a percentage of the total pension liability	64.63%	61.85%	61.30%	63.70%	54.30%	55.70%	54.00%	51.80%	50.10%	54.40%

Note: The above information is presented as of the Plan's measurement date.

WISSAHICKON CHARTER SCHOOL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF SCHOOL PENSION CONTRIBUTIONS
Pennsylvania Public School Employees' Retirement System (PSERS)

	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Contractually required contribution	$ 566,515	$ 587,109	$ 609,000	$ 634,000	$ 618,000	$ 645,000	$ 732,000	$ 739,000	$ 681,000	$ 656,000
Contributions in relation to the contractually required contribution	566,515	587,109	609,000	634,000	618,000	645,000	732,000	739,000	681,000	656,000
Contribution excess	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School's covered employee payroll	$ 1,720,884	$ 1,774,279	$ 1,792,000	$ 1,853,000	$ 1,800,000	$ 1,950,000	$ 2,263,000	$ 2,400,000	$ 2,521,000	$ 2,770,000
Contributions as a percentage of covered employee payroll	32.92%	33.09%	34.00%	34.20%	34.50%	33.20%	32.30%	30.80%	27.00%	23.70%

WISSAHICKON CHARTER SCHOOL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
Pennsylvania Public School Employees' Retirement System (PSERS)

	MEASUREMENT DATE							
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
School's proportion of the net OPEB liability	0.0111%	0.0118%	0.0127%	0.0131%	0.0136%	0.0157%	0.0178%	0.1890%
School's proportion of the net OPEB liability - dollar value	$ 197,000	$ 213,000	$ 232,000	$ 309,000	$ 294,000	$ 334,000	$ 371,000	$ 385,000
School's covered employee payroll	1,774,279	1,792,000	1,853,000	1,800,000	1,950,000	2,263,000	2,400,000	2,521,000
School's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	11.10%	11.89%	12.52%	17.17%	15.08%	14.76%	15.46%	15.27%
Plan fiduciary net position as a percentage of the total OPEB liability	7.13%	7.22%	5.30%	5.30%	5.69%	5.56%	5.56%	5.73%

Note: The above information is presented as of the Plan's measurement date.

In accordance with GASB Statement No. 75, this schedule has been prepared prospectively as the above information for the preceding years is not readily available. This schedule will accumulate each year until sufficient information to present a ten-year trend is available.

WISSAHICKON CHARTER SCHOOL
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF SCHOOL OPEB CONTRIBUTIONS
Pennsylvania Public School Employees' Retirement System (PSERS)

	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Contractually required contribution	$ 10,842	$ 13,307	$ 13,000	$ 15,000	$ 15,000	$ 18,000	$ 19,000	$ 21,000
Contributions in relation to the contractually required contribution	10,842	13,307	13,000	15,000	15,000	18,000	19,000	21,000
Contribution excess	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School's covered employee payroll	$ 1,720,884	$ 1,774,279	$ 1,792,000	$ 1,853,000	$ 1,800,000	$ 1,950,000	$ 2,263,000	$ 2,400,000
Contributions as a percentage of covered employee payroll	0.63%	0.64%	0.73%	0.81%	0.82%	0.92%	0.84%	0.88%

In accordance with GASB Statement No. 75, this schedule has been prepared prospectively as the above information for the preceding years is not readily available. This schedule will accumulate each year until sufficient information to present a ten-year trend is available.

SINGLE AUDIT SUPPLEMENT

BTCPA
BARBACANE THORNTON & COMPANY

INDEPENDENT AUDITOR'S 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*

January 19, 2026

Board of Trustees
Wissahickon Charter School
Philadelphia, Pennsylvania

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 the governmental activities, the discretely presented component unit, and each major fund of the Wissahickon Charter School, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Wissahickon Charter School's basic financial statements, and have issued our report thereon dated January 19, 2026.

Report on Internal Control Over Financial Reporting

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

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Board of Trustees
Wissahickon Charter School

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 were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Wissahickon Charter 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 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 Wissahickon Charter School'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 Wissahickon Charter School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Barbacane, Thornton & Company LLP

BARBACANE, THORNTON & COMPANY LLP

INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE

January 19, 2026

Board of Trustees
Wissahickon Charter School
Philadelphia, Pennsylvania

Report on Compliance for Major Federal Program

Opinion on Major Federal Program

We have audited the Wissahickon Charter School's compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on the Wissahickon Charter School's major federal program for the year ended June 30, 2025. The Wissahickon Charter School's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and recommendations.

In our opinion, the Wissahickon Charter School complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2025.

Basis for Opinion on Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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We are required to be independent of the Wissahickon Charter School and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Wissahickon Charter School's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts, or grant agreements applicable to the Wissahickon Charter School's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Wissahickon Charter School's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Wissahickon Charter School's compliance with the requirements of the major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, 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 Wissahickon Charter School's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Wissahickon Charter School's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Wissahickon Charter School's internal control over compliance. Accordingly, no such opinion is expressed.

Board of Trustees
Wissahickon Charter School

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Barbacane, Thornton & Company LLP

BARBACANE, THORNTON & COMPANY LLP

WISSAHICKON CHARTER SCHOOL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025

Federal Grantor / Pass-Through Grantor / Program Title	Source Code	Federal Assistance Listing Number	Pass-Through Grantor's Number	Grant Period Beginning/ Ending Date	Grant Amount	Total Received for the Year	Accrued (Unearned) Revenue at July 1, 2024	Recognized Revenue	Federal Expenditures	Accrued (Unearned) Revenue at June 30, 2025	Passed Through to Subrecipients
U.S. Department of Agriculture											
Passed through Pennsylvania Department of Education											
Food and Nutrition Services - Fresh Fruit & Vegetables	I	10.582	N/A	7/1/24-6/30/25	$ 24,779	$ 17,348	$ 5,883	$ 24,779	$ 24,779	$ 13,314	$ -
Total ALN 10.582						17,348	5,883	24,779	24,779	13,314	-
Child Nutrition Cluster:											
Food and Nutrition Services - School Breakfast Program	I	10.553	N/A	7/1/23-6/30/24	90,079	3,445	3,445	-	-	-	-
Food and Nutrition Services - School Breakfast Program	I	10.553	N/A	7/1/24-6/30/25	96,583	82,712	-	96,583	96,583	13,871	-
Total ALN 10.553						86,157	3,445	96,583	96,583	13,871	-
Food and Nutrition Services - National School Lunch Program	I	10.555	N/A	7/1/23-6/30/24	453,784	17,397	17,397	-	-	-	-
Food and Nutrition Services - National School Lunch Program	I	10.555	N/A	7/1/24-6/30/25	484,351	410,677	-	484,351	484,351	73,674	-
Passed through Pennsylvania Department of Agriculture											
Values of Donated Commodities	I	10.555	N/A	7/1/24-6/30/25	39,890	39,890	-	39,890	39,890	-	-
Total ALN 10.555						467,964	17,397	524,241	524,241	73,674	-
Total Child Nutrition Cluster						554,121	20,842	620,824	620,824	87,545	-
Total U.S. Department of Agriculture						571,469	26,725	645,603	645,603	100,859	-
U.S. Department of Education											
Passed through Pennsylvania Department of Education											
Title I - Improving Basic Programs	I	84.010	013-241032	7/22/23-9/30/24	1,009,180	130,921	130,921	-	-	-	-
Title I - Improving Basic Programs	I	84.010	013-251032	7/31/24-9/30/25	996,354	926,260	-	996,354	996,354	70,094	-
Total ALN 84.010						1,057,181	130,921	996,354	996,354	70,094	-
Title II - Improving Teacher Quality	I	84.367	020-241032	7/22/23-9/30/24	59,860	8,098	8,098	-	-	-	-
Title II - Improving Teacher Quality	I	84.367	020-251032	7/31/24-9/30/25	56,340	35,088	-	56,340	56,340	21,252	-
Total ALN 84.367						43,186	8,098	56,340	56,340	21,252	-
Title IV, Part A - Student Support and Academic Enrichment	I	84.424	144-241032	7/22/23-9/30/24	70,914	14,183	14,183	-	-	-	
Title IV, Part A - Student Support and Academic Enrichment	I	84.424	144-251032	7/31/24-9/30/25	75,999	48,857	-	75,999	75,999	27,142	-
Total ALN 84.424						63,040	14,183	75,999	75,999	27,142	-
ARP ESSER	I	84.425U	223-211032	3/13/20-9/30/24	6,819,238	495,944	495,944	-	-	-	-
ARP ESSER 7% Learning Loss	I	84.425U	225-211032	3/13/20-9/30/24	378,577	41,300	41,300	-	-	-	-
ARP ESSER 7% Afterschool	I	84.425U	225-211032	3/13/20-9/30/24	75,715	8,259	8,259	-	-	-	-
ARP ESSER 7% Summer	I	84.425U	225-211032	3/13/20-9/30/24	75,715	8,260	8,260	-	-	-	-
Total ALN 84.425						553,763	553,763	-	-	-	-
Passed through the School District of Philadelphia											
Special Education Cluster											
IDEA Part B - Special Education Grants to States	I	84.027	N/A	7/1/23-6/30/24	237,424	237,424	237,424	-	-	-	-
IDEA Part B - Special Education Grants to States	I	84.027	N/A	7/1/24-6/30/25	223,081	-	-	223,081	223,081	223,081	-
Total Special Education Cluster						237,424	237,424	223,081	223,081	223,081	-
Total U.S. Department of Education						1,954,594	944,389	1,351,774	1,351,774	341,569	-
Total Expenditures of Federal Awards						$ 2,526,063	$ 971,114	$ 1,997,377	$ 1,997,377	$ 442,428	$ -

Source Code:
I = Indirect Funding

See accompanying notes to the schedule of expenditures of federal awards.

WISSAHICKON CHARTER SCHOOL

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE 1 GENERAL INFORMATION

The accompanying schedule of expenditures of federal awards presents the activities of the federal financial assistance programs of the Wissahickon Charter School ("the School"). Financial awards received directly from federal agencies, as well as financial assistance passed through other governmental agencies or nonprofit organizations, are included in the schedule.

NOTE 2 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the School and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.*

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

The schedule of expenditures of federal awards presents only a selected portion of the activities of the School. It is not intended to, nor does it, present either the balance sheet, revenue, expenditures, or changes in fund balances of governmental funds. The financial activity for the aforementioned awards is reported in the School's statement of activities and statement of revenue, expenditures, and changes in fund balance – governmental funds.

NOTE 4 INDIRECT COST RATE

The School has not elected to use the 10% de minimis indirect cost rate allowed under Uniform Guidance.

NOTE 5 NONCASH COMMODITIES

The fair value of the noncash commodities are recorded as provided by the Pennsylvania Department of Agriculture.

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

WISSAHICKON CHARTER SCHOOL

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

PART A – SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued [*unmodified, qualified, adverse, or disclaimer*]:

Unmodified

Internal control over financial reporting:

• Material weakness(es) identified?	______ Yes	X No
• Significant deficiency(ies) identified?	______ Yes	X None reported
• Noncompliance material to financial statements noted?	______ Yes	X No

Federal Awards

Internal control over major program:

• Material weakness(es) identified?	______ Yes	X No
• Significant deficiency(ies) identified?	______ Yes	X None reported

Type of auditor's report issued on compliance for major program [*unmodified, qualified, adverse, or disclaimer*]:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	______ Yes	X No

Identification of major program:

Assistance Listing Number	Name of Federal Program or Cluster
84.010	Title I – Improving Basic Programs

Dollar threshold used to distinguish between Type A and Type B programs: $ 750,000

Auditee qualified as low-risk auditee?	X Yes	______ No

PART B – FINDINGS RELATED TO FINANCIAL STATEMENTS

STATUS OF PRIOR YEAR FINDINGS

None.

CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None.

PART C – FINDINGS RELATED TO FEDERAL AWARDS

STATUS OF PRIOR YEAR FINDINGS

None.

CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None.