



**CONSOLIDATED FINANCIAL REPORT
JUNE 30, 2022**

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES

CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1 – 3
FINANCIAL STATEMENTS	
Consolidated Statements of Financial Position	4
Consolidated Statements of Activities	5 – 6
Consolidated Statements of Functional Expenses	7
Consolidated Statements of Cash Flows	8
Notes to Consolidated Financial Statements	9 – 24
SUPPLEMENTARY INFORMATION	
Schedule of Schools Financial Position Alliance College-Ready Public Schools	25 – 27
Schedule of Schools Activities Alliance College-Ready Public Schools	28 – 30
<i>Consolidating Statements</i>	
Financial Position of Alliance College-Ready Public Schools and Subsidiaries	31
Activities of Alliance College-Ready Public Schools and Subsidiaries	32
Financial Position of Alliance College-Ready Public Schools Facilities Corporation and Subsidiaries	33 – 35
Activities of Alliance College-Ready Public Schools Facilities Corporation and Subsidiaries	36 – 38
Financial Position of Alliance College-Ready Public Schools and Affiliates	39
Activities of Alliance College-Ready Public Schools and Affiliates	40

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Alliance College-Ready Public Schools

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Alliance College-Ready Public Schools and its affiliates (Alliance), which comprise the consolidated statements of financial position as of June 30, 2022 and 2021, the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Alliance College-Ready Public Schools and its affiliates as of June 30, 2022 and 2021, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States, and the Education Audit Appeals Panel's *2021-22 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. 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 Alliance 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 opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS 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 GAS, 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 Alliance'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 Alliance's ability to continue as a going concern for a reasonable period of time.

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the 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 December 13, 2022, on our consideration of Alliance's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Alliance's internal control over financial reporting and compliance.

Singer Lewak LLP

December 13, 2022

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
June 30, 2022 and 2021

ASSETS

	2022	2021
Current assets		
Cash and cash equivalents	\$ 132,705,608	\$ 99,152,432
Grants and contracts receivable	30,218,644	49,891,393
Assets limited as to use	12,256,109	33,404,258
Right of use assets	825,919	747,720
Prepaid expenses and other assets	2,944,611	2,776,690
Total current assets	178,950,891	185,972,493
Noncurrent assets		
Rent receivable	941,220	930,627
Assets limited as to use	16,020,565	14,950,288
Other assets	535,768	653,740
Right of use assets	3,747,483	4,540,901
Property and equipment, net	243,606,724	245,090,206
Total noncurrent assets	264,851,760	266,165,762
Total assets	\$ 443,802,651	\$ 452,138,255

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable and accrued expenses	\$ 13,914,178	\$ 12,018,440
Refundable advances	13,247,311	10,792,345
Lease liabilities	780,246	697,179
Bonds and notes payable, net	7,054,599	23,282,401
Total current liabilities	34,996,334	46,790,365
Noncurrent liabilities		
Bonds and notes payable, net	207,197,811	214,884,453
Lease liabilities	3,916,591	4,662,242
Other liabilities	416,932	397,191
Total noncurrent liabilities	211,531,334	219,943,886
Total liabilities	246,527,668	266,734,251
Net assets		
Without donor restrictions	196,169,122	181,006,959
With donor restrictions	1,105,861	4,397,045
Total net assets	197,274,983	185,404,004
Total liabilities and net assets	\$ 443,802,651	\$ 452,138,255

See notes to consolidated financial statements.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
CONSOLIDATED STATEMENT OF ACTIVITIES
Year Ended June 30, 2022

	Without donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Federal revenue	\$ 38,736,617	\$ -	\$ 38,736,617
State revenue	145,632,288	-	145,632,288
Local revenues	36,917,175	-	36,917,175
Grants and contributions	3,331,193	2,182,948	5,514,141
Rental income	499,299	-	499,299
Other school revenues	780,641	-	780,641
Interest and other income	763,064	-	763,064
Net assets released from restrictions	5,474,132	(5,474,132)	-
Total revenue and support	<u>232,134,409</u>	<u>(3,291,184)</u>	<u>228,843,225</u>
Expenses			
Program services	199,175,838	-	199,175,838
General and administrative	17,796,408	-	17,796,408
Total expenses	<u>216,972,246</u>	<u>-</u>	<u>216,972,246</u>
Change in net assets	15,162,163	(3,291,184)	11,870,979
Net assets, beginning of year	<u>181,006,959</u>	<u>4,397,045</u>	<u>185,404,004</u>
Net assets, end of year	<u>\$ 196,169,122</u>	<u>\$ 1,105,861</u>	<u>\$ 197,274,983</u>

See notes to consolidated financial statements.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
CONSOLIDATED STATEMENT OF ACTIVITIES
Year Ended June 30, 2021

	Without donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Federal revenue	\$ 37,655,938	\$ -	\$ 37,655,938
State revenue	141,539,107	-	141,539,107
Local revenues	35,204,585	-	35,204,585
Grants and contributions	1,984,029	2,817,695	4,801,724
Rental income	474,962	-	474,962
Other school revenues	54,421	-	54,421
Interest and other income	2,345,661	-	2,345,661
Net assets released from restrictions	2,523,843	(2,523,843)	-
	<u>221,782,546</u>	<u>293,852</u>	<u>222,076,398</u>
Expenses			
Program services	175,173,999	-	175,173,999
General and administrative	12,210,912	-	12,210,912
	<u>187,384,911</u>	<u>-</u>	<u>187,384,911</u>
Change in net assets before other changes	34,397,635	293,852	34,691,487
Other changes			
Loss on disposal of property and equipment	(148,183)	-	(148,183)
Gain on debt extinguishment	2,383,674	-	2,383,674
	<u>36,633,126</u>	<u>293,852</u>	<u>36,926,978</u>
Change in net assets after other changes	36,633,126	293,852	36,926,978
Net assets, beginning of year	<u>144,373,833</u>	<u>4,103,193</u>	<u>148,477,026</u>
Net assets, end of year	<u>\$ 181,006,959</u>	<u>\$ 4,397,045</u>	<u>\$ 185,404,004</u>

See notes to consolidated financial statements.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended June 30, 2022 and 2021

	2022		
	Program Services	General and Administrative	Total
Salaries and benefits	\$ 121,358,274	\$ 10,298,187	\$ 131,656,461
Books and supplies	17,342,387	110,168	17,452,555
Professional fees and services	10,620,468	5,544,378	16,164,846
Pupil services	13,651,848	-	13,651,848
Operations and housekeeping	11,358,033	1,637,323	12,995,356
Interest	11,902,610	-	11,902,610
Depreciation and amortization	7,381,498	104,278	7,485,776
Facilities, repairs, and other leases	5,560,720	102,074	5,662,794
Total expenses by function	<u>\$ 199,175,838</u>	<u>\$ 17,796,408</u>	<u>\$ 216,972,246</u>

	2021		
	Program Services	General and Administrative	Total
Salaries and benefits	\$ 114,686,429	\$ 8,012,613	\$ 122,699,042
Books and supplies	13,461,644	70,537	13,532,181
Professional fees and services	7,901,844	2,169,114	10,070,958
Pupil services	4,984,205	137	4,984,342
Operations and housekeeping	8,511,327	1,375,271	9,886,598
Interest	12,405,096	-	12,405,096
Depreciation and amortization	8,291,675	173,101	8,464,776
Facilities, repairs, and other leases	4,931,779	410,139	5,341,918
Total expenses by function	<u>\$ 175,173,999</u>	<u>\$ 12,210,912</u>	<u>\$ 187,384,911</u>

See notes to consolidated financial statements.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended June 30, 2022 and 2021

	2022	2021
Cash flows from operating activities		
Change in net assets	\$ 11,870,979	\$ 36,926,978
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	7,485,776	9,056,566
Amortization of financing costs	(886,589)	(520,990)
Gain on debt extinguishment	-	(2,383,674)
Loss on disposal of property and equipment	-	(148,183)
Changes in operating assets and liabilities:		
Promises to give	-	333,333
Related party receivables	-	5,743,934
Grants and contracts receivable	19,672,749	(28,469,677)
Prepaid expenses and other assets	(167,921)	244,805
Rent receivable	(10,593)	(16,037)
Other noncurrent assets	117,972	45,211
Accounts payable and accrued expenses	1,948,373	(5,552,165)
Refundable advances	2,454,966	10,792,345
Other noncurrent liabilities	19,741	14,955
Net cash provided by operating activities	<u>42,505,453</u>	<u>26,067,401</u>
Cash flows from investing activities		
Purchases of property and equipment	(6,002,294)	(5,529,377)
Proceeds from notes receivable	-	6,378,594
Net cash provided by (used in) investing activities	<u>(6,002,294)</u>	<u>849,217</u>
Cash flows from financing activities		
Principal payments on debt	(23,027,855)	(14,594,837)
Net cash used in financing activities	<u>(23,027,855)</u>	<u>(14,594,837)</u>
Net change in cash, cash equivalents, and restricted cash	13,475,304	12,321,781
Cash, cash equivalents, and restricted cash, beginning of year	<u>147,506,978</u>	<u>135,185,197</u>
Cash, cash equivalents, and restricted cash, end of year	<u>\$ 160,982,282</u>	<u>\$ 147,506,978</u>
Schedule of supplemental cash flow information		
Cash paid for interest	<u>\$ 7,041,767</u>	<u>\$ 7,544,253</u>

See notes to consolidated financial statements.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION

Alliance College-Ready Public Schools (Alliance) is a nonprofit charter management organization committed to creating high-performance, small, college-ready middle schools and high schools in California. Alliance has had a local presence, an extended history and credibility in the California market and education reform efforts since 1999. Alliance launched its mission to create small, high-performance charter schools in 2003. The first Alliance high school opened its doors in August 2004.

The mission of Alliance is to open and operate a network of small, high-performing high schools and middle schools in low-income communities in California with historically under-performing schools that will annually demonstrate student academic achievement growth, and graduate students ready for success in college. Alliance's goal is to open high schools of 500 to 600 students and middle schools of 375 to 450 students. Alliance strives to truly change the life trajectories of its scholars and communities, with a goal of 75% of Alliance graduates completing a four-year college degree.

Alliance's five core values build a strong school culture where Alliance principals, teachers, staff, and parents work together to prepare scholars for success in college and future careers. Alliance schools provide powerful learning experiences through interdisciplinary projects and integration of real-world applications into the classroom. Close relationships between scholars, teachers, and staff encourage teamwork and accountability while ensuring that no scholar slips through the cracks.

High Expectations for All Scholars – challenging, standards-based curriculum is premised on the belief that all scholars can perform at high levels.

Small Personalized Learning Environments – each scholar is part of an advisory group of about 25 scholars. Scholars thrive where they develop close relationships with teachers and all adults in the building.

Increased Instructional Time – longer school year and school days adding up to 38 more school days per year than local public schools. Uninterrupted two-hour block courses to encourage deeper focus and discovery.

Highly Qualified Educators – all staff are held accountable for scholar success and uses data to appraise improvement efforts. Extensive training programs for school leaders to better support highly motivated educational innovators.

Parents as Partners – Parent Engagement Specialists at each school are highly involved in training and engaging parents to ensure that learning does not end with the school day.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Principles of Consolidation

The consolidated financial statements of Alliance include the accounts of Alliance and its wholly owned subsidiaries:

- Alliance College-Ready Public Schools
- 1918 Broadway Charter Financing LLC
- Alliance Schools R.E. Holdings LLC
- 113 S. Rowan Charter Financing LLC

The consolidated financial statements of Alliance also include the accounts of Alliance for College-Ready Public Schools Facilities Corporation and its wholly owned subsidiaries (Alliance Facilities):

- Alliance for College-Ready Public Schools Facilities Corporation
- 5151 Titan LLC
- 1918 Broadway Charter Facilities LLC
- 7907 Santa Fe Avenue Charter Facilities LLC
- 1552 Rockwood Street Charter Facilities LLC
- 113 S. Rowan Charter Facilities LLC
- 2023 Union LLC
- 1111 W. Manchester Charter Facilities LLC
- 10704 Wilmington LLC
- 10101 Broadway Charter Facilities LLC
- 3640 East 1st Street Charter Facilities LLC
- 54th Street Lions LLC
- 11410 Avalon LLC
- 4610 S. Main Street Charter Facilities LLC
- 5886 Compton Avenue Charter Facilities LLC
- 49th And Main Charter Facilities LLC
- 461 W. 9th Street Charter Facilities LLC
- 11933 Allegheny Charter Facilities LLC
- 2071 HP Saturn LLC
- 9719 Main Street Charter Facilities LLC
- 70th Street Charter Facilities LLC

The subsidiaries are set up for the purpose of holding and managing the real estate property built or acquired to house Alliance schools. All material intercompany accounts and transactions of the consolidated subsidiaries have been eliminated in consolidation.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation (Continued)

The consolidated financial statements include the following schools:

- Alliance Gertz-Ressler High School/Richard Merkin 6–12 Complex
- Alliance Collins Family College-Ready Academy High School
- Alliance Judy Ivie Burton Technology Academy High School
- Alliance Marc and Eva Stern Math and Science School
- Alliance Dr. Olga Mohan High School
- Alliance Patti and Peter Neuwirth Leadership Academy
- Alliance Ouchi – O’Donovan 6–12 Complex
- Alliance Piera Barbaglia Shaheen Health Services Academy
- Alliance Morgan McKinzie High School
- Alliance Leichtman-Levine Family Foundation Environmental Science High School
- Alliance Cindy and Bill Simon Technology Academy High School
- Alliance Tennenbaum Family Technology High School
- Alliance Susan and Eric Smidt Technology High School
- Alliance Ted K. Tajima High School
- Alliance Renee and Meyer Luskin Academy High School
- Alliance Margaret M. Bloomfield Technology Academy High School
- Alliance Jack H. Skirball Middle School
- Alliance College-Ready Middle Academy No. 4
- Alliance College-Ready Middle Academy No. 8
- Alliance Kory Hunter Middle School
- Alliance Virgil Roberts Leadership Academy
- Alliance College-Ready Middle Academy No. 12
- Alliance Marine – Innovation and Technology 6-12 Complex
- Alliance Alice M. Baxter College-Ready High School – Closed effective June 30, 2021
- Alliance College-Ready Middle Academy No. 5 – Closed effective June 30, 2021

Use of Estimates

The preparation of financial statements in conformity with U.S. 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Alliance considers all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted for other long-term purposes or contractually restricted are excluded from this definition.

As of June 30, 2022, and 2021, a reconciliation of cash, cash equivalents, and restricted cash reported within the statements of financial position to the sum of corresponding amounts within the statements of cash flows is as follows:

	2022	2021
Cash and cash equivalents	\$132,705,608	\$ 99,152,432
Assets limited as to use, current portion	12,256,109	33,404,258
Assets limited as to use, noncurrent portion	16,020,565	14,950,288
	<u>\$160,982,282</u>	<u>\$147,506,978</u>

Promises to Give

Alliance records unconditional promises to give expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities.

Grants and contracts Receivable

Grants and contracts receivable are reported at net realizable value. Alliance determines the allowance for uncollectable grants and contracts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable. At June 30, 2022 and 2021, Alliance determined no allowance was deemed necessary.

Property and Equipment

Property and equipment additions over \$5,000 are stated at cost, or if donated, at fair market value at the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 2 to 50 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of Long-lived Assets

Alliance reviews long-lived assets for indicators of impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment would be recorded in circumstances where undiscounted cash flows expected to be generated by an asset are less than the carrying value of that asset. As of June 30, 2022, and 2021, there were no events or changes in circumstances indicating the carrying amount of long-lived assets may not be recoverable.

Leases

Alliance determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the statements of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease income is recognized on a straight-line basis over the lease term.

Income Taxes

Alliance is exempt from federal and state income taxes under Internal Revenue Code §501(c)(3) and California Revenue and Taxation Code §23701(d). Accordingly, no provision for income taxes is included in the accompanying financial statements. Alliance, its subsidiaries and its affiliates file annual informational tax returns in the U.S. federal and California jurisdictions. Management has analyzed the tax positions taken by Alliance, and has concluded that, as of June 30, 2022 and 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. Alliance is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- Net Assets without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and that may be expendable for any purpose in performing the primary objectives of Alliance.
- Net Assets with Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and Revenue Recognition

Revenue is recognized when earned. A portion of revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when Alliance incurs expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position. A portion of the funding is based upon the average daily attendance (ADA) of each school.

Contributions are recognized when cash, securities or other assets, or an unconditional promise to give is received.

Functional Allocation of Expenses

Expenses that can be identified with a specific program or supporting service are charged directly to the related program or supporting service. Certain expenses that are associated with the program or supporting service have been allocated among the program and supporting services benefited based on estimates of time and effort.

Concentrations of Risk

Alliance manages deposit concentration risk by placing cash and money market accounts with financial institutions believed by Alliance to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market and mutual funds. To date, Alliance has not experienced losses in any of these accounts.

Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies and foundations supportive of Alliance’s mission.

NOTE 3 – FINANCIAL ASSETS AND LIQUIDITY RESOURCES

As of June 30, 2022, and 2021, the following table reflects Alliance’s financial assets available to meet general expenditures within one year of the statement of financial position.

	2022	2021
Cash and cash equivalents	\$132,705,608	\$ 99,152,432
Grants and contracts receivable	30,218,644	49,891,393
Financial assets available to meet general expenditures within one year	\$162,924,252	\$149,043,825

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 – FINANCIAL ASSETS AND LIQUIDITY RESOURCES (Continued)

Alliance considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. Alliance manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

NOTE 4 – GRANTS AND CONTRACTS RECEIVABLE

Grants and contracts receivable consisted of the following at June 30:

	2022	2021
Federal agencies	\$ 10,881,310	\$ 5,800,173
State apportionment and other state revenue	19,000,630	42,994,324
Local revenue	336,704	1,096,896
	<u>\$ 30,218,644</u>	<u>\$ 49,891,393</u>

NOTE 5 – ASSETS LIMITED AS TO USE

Assets limited as to use consists of cash and cash equivalents held by several trustees for reserve fund requirements for notes payable (see Note 8) and consisted of the following at June 30:

	2022	2021
Facilities maintenance reserve	\$ 1,780,711	\$ 1,586,141
Sinking funds and bond reserve	14,239,854	13,364,147
Construction draws and interest payments	8,621,151	29,656,964
Funds restricted to support specific initiatives	3,634,958	3,747,294
	28,276,674	48,354,546
Less current portion	(12,256,109)	(33,404,258)
Noncurrent portion	<u>\$ 16,020,565</u>	<u>\$ 14,950,288</u>

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30:

	2022	2021
Land	\$ 57,935,403	\$ 57,935,403
Buildings and building improvements	222,002,708	220,164,339
Construction in progress	6,659,137	2,744,430
Furniture and equipment	4,898,482	8,296,619
Software	560,657	571,096
	292,056,387	289,711,887
Accumulated depreciation	(48,449,663)	(44,621,681)
Total	\$243,606,724	\$245,090,206

Included in property and equipment as of June 30, 2022 and 2021, is \$7,768,602, net of accumulated depreciation, of land, building and improvements classified as held-for-sale.

As discussed in Note 10, Alliance has built a school facility on land that is leased from the Trustees of the California State University (the Trustees). This lease expires on June 30, 2048, at which point the facility will revert to the Trustees. The carrying value of the facility included in property and equipment at June 30 is as follows:

	2022	2021
Buildings and building improvements	\$ 12,730,483	\$ 12,730,483
Accumulated depreciation	(4,349,582)	(4,031,320)
Total	\$ 8,380,901	\$ 8,699,163

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7 – BONDS AND NOTES PAYABLE

At June 30, 2022 and 2021, bonds and notes payable consisted of the following:

		<u>2022</u>	<u>2021</u>
Charter School Financing Partnership subordinated loan.	\$	-	\$ 46,725
Bonds payable, including Series 2011 A, 2011B RB-3, and 2011B RB-4 totaling \$7,676,275, \$1,690,474, and \$2,339,216, respectively, to the Community Development Trust, LP, bearing interest at a rate of 6.6% per annum with interest payments due quarterly. The note matures on September 15, 2030, at which time all unpaid principal and interest becomes due. The notes are secured by a trust deed on the 1918 Broadway Charter Financing LLC property.		11,705,965	11,705,965
California School Finance Authority Charter School Revenue Bonds, Series 2013 – Term bonds of \$10,750,000 maturing on June 15, 2034, with an interest rate of 6.50%, secured by a trust deed on the 7907 Santa Fe Avenue Charter Facilities LLC property.		10,750,000	10,750,000
California School Finance Authority Charter School Revenue Bonds, 2014 Series A and B – Term bonds of \$5,000,000 and \$3,975,000 mature on March 15, 2034, with an interest rate of 5.74% and 7.75% per annum, respectively; secured by a trust deed on the 461 W. 9 th Street Charter Facilities LLC property.		7,360,370	8,534,808
California School Finance Authority School Facility Revenue Bonds: Series 2015A&B bond issued for \$55,260,000, matures July 1, 2045, with an interest rate of 4% to 5% plus an original premium of \$3,216,960. Secured by trust deed on properties. Series 2016A&B bonds issued for \$19,100,000, matures July 1, 2051 with an interest rate of 3% to 5% plus an original premium of \$2,766,371. Series 2016C&D bond issued for \$57,995,000, matures July 1, 2052, with an interest rate of 4.5% to 5.25% less an original discount of \$109,096. The bonds are secured by trust deeds on properties.		130,444,955	132,612,416
California Statewide Communities Development Authority School Facility Revenue Bonds, Series 2011 term bond.		-	20,039,996

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7 – BONDS AND NOTES PAYABLE (Continued)

	2022	2021
California Statewide Communities Development Authority School Facility Revenue Bonds, Series 2012 – Term bonds of \$475,000 maturing on July 1, 2022, with an interest rate of 5.125%; term bonds of \$1,820,000 matures July 1, 2032, with an interest rate of 6.10%; term bonds of \$6,160,000 mature on July 1, 2047, with an interest rate of .375%. The bonds are secured by a trust deed on property.	\$ 8,060,000	\$ 8,115,000
California School Finance Authority School Facilities Revenue Bonds Statewide Communities Development Authority Insured Educational Facilities Revenue Bonds, 2013A Series A – Term bonds of \$15,690,000 mature on July 1, 2048 with an interest rate of 5.25% to 6.40%. The bonds are secured by a trust deed on the property.	14,079,979	14,290,170
Charter School Facilities Grant totaling \$4,612,506 and \$10,134,671, respectively, bearing interest at a rate of 2%. Payment terms to be determined upon operations of charter school facilities in which the proceeds were used.	9,689,494	10,084,267
Promissory note to PCSD 1111 West Manchester Ave LLC for \$1,450,000 maturing on July 1, 2024. The note is non-interest bearing, principal payments of \$207,000 are due annually commencing on July 1, 2018; secured by a trust deed on the property.	415,000	622,000
Alliance Facilities Corp entered into a loan agreement with Equitable Facilities Fund and borrowed \$26,916,709 on December 6, 2019 bearing interest at a rate of 5% per annum plus an original premium of \$1,038,352.	<u>26,713,241</u>	<u>27,218,685</u>
	219,219,004	244,020,032
Less deferred financing cost	(4,966,594)	(5,853,178)
Less current portion	<u>(7,054,599)</u>	<u>(23,282,401)</u>
Total noncurrent bonds and notes payable	<u>\$207,197,811</u>	<u>\$214,884,453</u>

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7 – BONDS AND NOTES PAYABLE (Continued)

In conjunction with certain long-term debt agreements, Alliance has agreed, among other things, to (1) maintain certain debt coverage ratios, (2) maintain certain insurance coverage limits and (3) limit the amount of liens, except those in favor of the lender. At June 30, 2022, Alliance was in compliance with the consolidated covenant requirements. An independent consultant may be engaged if a majority of the debt holders so choose. At June 30, 2022, Alliance complied with all of its reporting requirements under its debt agreements.

As of June 30, 2022, aggregate future maturities of bonds and notes payable and sinking fund requirements for each of the next five years ending June 30, and thereafter are as follows:

2023		\$ 7,054,599
2024		3,941,805
2025		3,944,728
2026		4,426,638
2027		4,633,540
Thereafter		<u>189,379,408</u>
		213,380,718
Bond premiums, net		5,838,286
Less deferred financing cost		<u>(4,966,594)</u>
		<u>\$ 214,252,410</u>

NOTE 8 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at June 30, 2022 and 2021 are restricted by donors for the following purposes:

	<u>2022</u>	<u>2021</u>
Graduate scholarships	\$ 399,560	\$ 663,843
School operations	320,964	705,240
Professional development	183,805	219,956
School programs	<u>201,532</u>	<u>2,808,006</u>
	<u>\$ 1,105,861</u>	<u>\$ 4,397,045</u>

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8 – NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose specified by the donors, as follows for the years ended June 30,:

	2022	2021
Facilities	\$ -	\$ 29,867
Graduate scholarships	600,465	504,335
School operations	2,100,791	73,109
Professional development	36,151	72,434
School programs	2,736,725	-
Technology	-	1,286,596
	5,474,132	1,966,341
Passage of time	-	557,502
	\$ 5,474,132	\$ 2,523,843

NOTE 9 – RENTAL INCOME UNDER OPERATING LEASES

An unrelated party leases a portion of the property located at 2021 Saturn Avenue, Huntington Park, California, under a noncancelable operating lease. The lease requires monthly base payments of \$24,600, plus supplemental rent equal to 20% of all facility reimbursements from the federal and state government received by the lessee. The lease expires on June 30, 2042 and has two options to extend with terms of ten years each. The future minimum rentals to be received under this noncancelable operating lease at June 30, 2022 are as follows:

Years Ending June 30,		
2023	\$	446,419
2024		451,999
2025		457,649
2026		463,369
2027		469,161
Thereafter		7,682,656
	\$	9,971,253

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 9 – RENTAL INCOME UNDER OPERATING LEASES (Continued)

The total carrying value of the Alliance’s investment in property under operating leases included in property and equipment at June 30 is as follows:

	2022	2021
Land	\$ 7,000,000	\$ 7,000,000
Buildings and building improvements	6,897,197	6,894,437
Accumulated depreciation	(2,135,598)	(1,985,785)
	<u>\$ 11,761,599</u>	<u>\$ 11,908,652</u>

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Leases

Alliance has a ground lease agreement with the Trustees of the California State University (the Trustees) for the use of a lot on which Alliance built a school facility and leased to one of the Alliance-affiliated schools. The lease expires June 30, 2048. There is no lease payment required under this lease; instead, at the end of the lease term or upon termination, all right, title and interest in and to all improvements and equipment constructed or installed shall be transferred to the California State University. The related party income and expense has been eliminated upon consolidation.

In addition, Alliance is obligated to establish an Extraordinary Repair Fund (the Fund) in an interest-bearing state trust account for the purpose of replacement or renewal of the assets constructed on the site or for the cost of demolition. Annual installment payments into the Fund of \$25,000 and \$75,000 which start in years 2017 and 2034, respectively, and will continue until the end of the lease term, or until the Fund reaches \$1,500,000. If the balance in the Fund exceeds the total costs of renewal or demolition upon the termination of the lease, the excess balance is to be refunded to Alliance. As of June 30, 2022, and 2021, Alliance has recorded an asset retirement obligation of \$416,932 and \$397,191, respectively, relating to this lease.

Alliance is obligated under various noncancelable operating and financing lease agreements for equipment, office, school facilities and land. The leases require monthly payments ranging from \$539 to \$54,167 and expire through August 2049. Several of the leases have options to extend the terms from one to five years, per the agreements. The weighted-average discount rate applied to calculate lease liabilities as of June 30, 2022, was 6.5%. For the years ended June 30, 2022, and 2021, rent expense totaled \$2,612,831, and \$2,839,111, respectively.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 10 – COMMITMENTS AND CONTINGENCIES (Continued)

Future maturities on lease liabilities for the years ending June 30, are as follows:

2023		\$	780,247
2024			790,995
2025			152,517
2026			45,670
2027			48,730
Thereafter			<u>2,878,678</u>
			4,696,837
Less present value discount			<u>(123,435)</u>
Total			<u>\$ 4,573,402</u>

Legal Proceedings

Alliance is, from time to time, the subject of litigation, claims and assessments arising out of matters occurring in its normal business operations. Alliance has insurance coverage to provide protection against certain contingencies. In the opinion of management, resolution of these matters will not have a material adverse effect on the Alliance’s financial position or results of operations.

NOTE 11 – EMPLOYEE RETIREMENT PLANS

Qualified employees are covered under multiple-employer defined-benefit pension plans maintained by agencies of the State of California (the State). Academic employees are members of the State Teachers’ Retirement System (STRS), and classified employees are members of the Public Employees’ Retirement System.

The risks of participating in these multiemployer defined-benefit pension plans are different from single-employer plans because: (a) assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers, (b) the required member, employer and state contribution rates are set by the California Legislature and detailed in Teachers’ Retirement Law and the Public Employees’ Retirement Law, and (c) if Alliance-affiliated schools choose to stop participating in the multiemployer plan, it may be required to pay a withdrawal liability to the plan. The Alliance-affiliated schools have no plans to withdraw from these multiemployer plans.

Copies of the STRS annual financial report may be obtained from the STRS’s headquarter, 100 Waterfront Place, West Sacramento, California 95605 and www.calstrs.com.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 – EMPLOYEE RETIREMENT PLANS (Continued)

Funding Policy

Active plan members hired on or before December 31, 2012 and on or after January 1, 2013 are required to contribute 9.20% and 8.56% of their salaries, respectively. The Alliance-affiliated schools are required to contribute at an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the STRS Teachers’ Retirement Board. The required employer contribution rate for fiscal years 2022 and 2021 was 18.10% and 16.49% of annual payroll, respectively. The contribution requirements of the plan members are established and may be amended by State statute.

Alliance-affiliated schools’ contributions to STRS for each of the last three years were as follows:

<u>Years Ended June 30,</u>	<u>Required Contribution</u>	<u>Employer Contribution</u>	<u>Percent Contributed</u>
2020	\$ 11,551,499	17.55%	100%
2021	\$ 10,740,694	16.49%	100%
2022	\$11,805,785	18.10%	100%

Public Employees’ Retirement System (CalPERS)

Plan Description

Alliance-affiliated schools contribute to the School Employer Pool under the California Public Employees’ Retirement System (CalPERS), a cost-sharing, multiple-employer, public employee retirement system defined-benefit pension plan administered by CalPERS (Plan EIN 94-6207465). The plan provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees’ Retirement Law. CalPERS issues a separate comprehensive annual financial report that includes required supplementary information. According to the most recently available Schools Pool Actuarial Valuation Report for the year ended June 30, 2021, the Schools Pool total plan assets are \$86.5 billion, the total actuarial present value of accumulated plan benefits is \$131.0 billion, contributions from all employers totaled \$3.5 billion, and the plan is 78.3% funded. The Alliance-affiliated schools did not contribute more than 5% of the total contributions to the plan.

Copies of the CalPERS’ annual financial report may be obtained from the CalPERS Executive Office, 400 Q Street, Sacramento, California 95811 and www.calpers.ca.gov.

Funding Policy

Active plan members are required to contribute 7.00% of their salaries for PEPPRA or Classic status, respectively; currently, the Alliance-affiliated schools contribute the employees’ portion for California School Employees Association and confidential staff members. The Alliance-affiliated schools are required to contribute at an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal years 2022 and 2021 was 22.91% and 28.10% of annual payroll, respectively.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 – EMPLOYEE RETIREMENT PLANS (Continued)

The Alliance-affiliated schools’ contributions to CalPERS for each of the last three fiscal years were as follows:

<u>Years Ended June 30,</u>	<u>Required Contribution</u>	<u>Employer Contribution</u>	<u>Percent Contributed</u>
2020	\$ 2,950,700	25.81%	100%
2021	\$ 3,275,483	28.10%	100%
2022	\$ 3,235,151	22.91%	100%

The State of California may make additional direct payments for retirement benefits to STRS or CalPERS on behalf of all participating employers in the State. The revenue and expenditures associated with these payments, if any, have not been included in these financial statements.

Defined-contribution Plan

Eligible employees of Alliance can participate in a 403(b) plan sponsored by Alliance. Participants can elect to contribute up to 5% of their pretax annual compensation, as defined in the Plan, subject to Section 403(b) of the Internal Revenue Code contribution limitations. Until December 2021, Alliance made a contribution of 5% of the participant’s eligible salary. Alliance’s total contribution for the years ended June 30, 2022 and 2021, was \$310,530 and \$545,099, respectively.

NOTE 12 – RELATED PARTY CONTRIBUTIONS

During the years ended June 30, 2022 and 2021, Alliance received contributions from a related affiliate amounting to \$5,473,848 and \$4,426,905, respectively.

NOTE 13 – SUBSEQUENT EVENTS

Management has evaluated subsequent events for recognition and disclosures through December 13, 2022, the date on which the financial statements were issued, and determined no reportable events occurred.

SUPPLEMENTARY INFORMATION

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS
SCHEDULE OF SCHOOLS FINANCIAL POSITION
June 30, 2022

	Alliance College-Ready Public Schools	Alliance Gertz-Ressler Richard Merkin 6-12 Complex	Alliance Judy Ivie Burton Technology Academy High	Alliance Collins Family College-Ready High	Alliance Dr. Olga Mohan High	Alliance Marc & Eva Stern Math and Science	Alliance Ouchi - O'Donovan 6-12 Complex	Alliance Patti And Peter Neuwirth Leadership Academy	Alliance Piera Barbaglia Shaheen Health Services Academy
ASSETS									
Current assets									
Cash and cash equivalents	\$ 35,149,473	\$ 4,649,256	\$ 9,638,563	\$ 8,524,538	\$ 5,986,821	\$ 6,389,251	\$ 9,331,484	\$ 3,248,223	\$ 1,901,628
Related party receivables	6,561,491	-	-	94,475	-	-	-	-	-
Grants and contracts receivable	84,860	2,560,120	1,502,746	1,501,206	1,160,222	1,404,958	2,528,449	1,622,746	1,190,762
Assets limited to use	3,634,958	-	-	-	-	-	-	-	-
Right of use assets	-	108,321	93,213	80,352	-	156,690	156,177	70,611	97,023
Prepaid expenses and other assets	1,250,390	44,584	19,659	17,984	16,667	10,854	119,548	16,551	11,532
Total current assets	46,681,172	7,362,281	11,254,181	10,218,555	7,163,710	7,961,753	12,135,658	4,958,131	3,200,945
Noncurrent assets									
Related party notes receivable	3,623,479	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	23,200	-	22,300
Investments in affiliates	3,589,837	-	-	-	-	-	-	-	-
Right of use assets	-	15,543,090	6,875,406	8,285,713	-	7,988,042	10,890,797	8,788,245	8,319,544
Property and equipment, net	244,624	6,594,148	2,109,545	1,330,519	428,201	850,155	4,928,981	615,428	48,960
Total noncurrent assets	7,457,940	22,137,238	8,984,951	9,616,232	428,201	8,838,197	15,842,978	9,403,673	8,390,804
Total assets	\$ 54,139,112	\$ 29,499,519	\$ 20,239,132	\$ 19,834,787	\$ 7,591,911	\$ 16,799,950	\$ 27,978,636	\$ 14,361,804	\$ 11,591,749
LIABILITIES AND NET ASSETS									
Current liabilities									
Accounts payable and accrued expenses	\$ 3,056,675	\$ 821,699	\$ 244,265	\$ 280,467	\$ 697,153	\$ 229,620	\$ 793,436	\$ 283,088	\$ 287,915
Refundable advances	124,038	1,071,074	760,862	751,770	731,640	736,463	800,741	614,406	721,592
Related party payables	-	233,616	108,606	-	95,259	69,662	222,364	118,149	57,074
Lease liabilities	-	99,659	97,387	109,527	-	160,321	155,173	61,645	-
Notes payable	-	-	-	-	-	-	-	-	108,180
Total current liabilities	3,180,713	2,226,048	1,211,120	1,141,764	1,524,052	1,196,066	1,971,714	1,077,288	1,174,761
Noncurrent liabilities									
Notes payable	-	-	-	-	-	-	-	-	601,380
Lease liabilities	-	15,267,822	7,025,958	9,155,538	-	8,060,147	10,864,712	8,844,352	9,014,853
Total noncurrent liabilities	-	15,267,822	7,025,958	9,155,538	-	8,060,147	10,864,712	8,844,352	9,616,233
Total liabilities	3,180,713	17,493,870	8,237,078	10,297,302	1,524,052	9,256,213	12,836,426	9,921,640	10,790,994
Net assets									
Without donor restrictions	50,054,070	12,005,649	11,975,737	9,537,485	6,057,933	7,543,737	15,142,210	4,440,164	744,145
With donor restrictions	904,329	-	26,317	-	9,926	-	-	-	56,610
Total net assets	50,958,399	12,005,649	12,002,054	9,537,485	6,067,859	7,543,737	15,142,210	4,440,164	800,755
Total liabilities and net assets	\$ 54,139,112	\$ 29,499,519	\$ 20,239,132	\$ 19,834,787	\$ 7,591,911	\$ 16,799,950	\$ 27,978,636	\$ 14,361,804	\$ 11,591,749

See independent auditor's report.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS
SCHEDULE OF SCHOOLS FINANCIAL POSITION
June 30, 2022

	Alliance Morgan McKinzie High	Alliance Leichtman- Levine Family Foundation Environmental Science High	Alliance Cindy and Bill Simon Technology Academy High	Alliance Tennenbaum Family Technology High	Alliance Susan and Eric Smidt Technology High	Alliance Ted K. Tajima High	Alliance Renee and Meyer Luskin Academy High	Alliance Margaret M. Bloomfield Technology Academy High	Alliance Marine - Innovation and Technology 6-12 Complex
ASSETS									
Current assets									
Cash and cash equivalents	\$ 1,048,053	\$ 3,668,107	\$ 3,474,428	\$ 486,838	\$ 1,364,128	\$ 1,944,367	\$ 4,968,872	\$ 5,306,675	\$ 2,264,032
Related party receivables	-	-	-	-	-	-	-	-	-
Grants and contracts receivable	801,857	1,034,034	1,561,679	645,006	1,155,918	1,112,008	1,255,948	1,167,339	2,212,785
Assets limited to use	-	-	-	-	-	-	-	-	-
Right of use assets	-	626,728	117,379	-	88,667	103,467	123,464	69,813	175,508
Prepaid expenses and other assets	109,459	84,474	14,991	9,626	11,919	7,634	10,159	30,094	23,993
Total current assets	1,959,369	5,413,343	5,168,477	1,141,470	2,620,632	3,167,476	6,358,443	6,573,921	4,676,318
Noncurrent assets									
Related party notes receivable	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Investments in affiliates	-	-	-	-	-	-	-	-	-
Right of use assets	-	784,426	8,026,676	-	9,943,945	8,122,497	8,642,427	7,259,536	16,093,650
Property and equipment, net	20,242,058	60,284	379,260	78,411	669,839	221,880	428,596	134,211	433,329
Total noncurrent assets	20,242,058	844,710	8,405,936	78,411	10,613,784	8,344,377	9,071,023	7,393,747	16,526,979
Total assets	\$ 22,201,427	\$ 6,258,053	\$ 13,574,413	\$ 1,219,881	\$ 13,234,416	\$ 11,511,853	\$ 15,429,466	\$ 13,967,668	\$ 21,203,297
LIABILITIES AND NET ASSETS									
Current liabilities									
Accounts payable and accrued expenses	\$ 233,365	\$ 102,321	\$ 138,199	\$ 153,193	\$ 209,859	\$ 131,740	\$ 268,283	\$ 176,804	\$ 450,589
Refundable advances	557,872	462,433	550,362	311,425	672,685	548,016	615,052	651,512	668,950
Related party payables	119,556	100,197	81,295	58,097	62,929	31,645	88,097	103,293	142,474
Lease liabilities	-	626,728	87,138	-	92,668	123,760	123,760	89,397	162,715
Notes payable	594,558	-	-	-	-	100,000	-	-	750,000
Total current liabilities	1,505,351	1,291,679	856,994	522,715	1,038,141	935,161	1,095,192	1,021,006	2,174,728
Noncurrent liabilities									
Notes payable	8,935,376	-	-	-	-	-	-	-	550,000
Lease liabilities	-	784,426	8,296,948	-	9,935,944	8,642,626	8,642,627	7,944,990	16,439,610
Total noncurrent liabilities	8,935,376	784,426	8,296,948	-	9,935,944	8,642,626	8,642,627	7,944,990	16,989,610
Total liabilities	10,440,727	2,076,105	9,153,942	522,715	10,974,085	9,577,787	9,737,819	8,965,996	19,164,338
Net assets									
Without donor restrictions	11,760,700	4,170,984	4,420,471	697,166	2,260,331	1,934,066	5,691,647	5,001,672	2,014,399
With donor restrictions	-	10,964	-	-	-	-	-	-	24,560
Total net assets	11,760,700	4,181,948	4,420,471	697,166	2,260,331	1,934,066	5,691,647	5,001,672	2,038,959
Total liabilities and net assets	\$ 22,201,427	\$ 6,258,053	\$ 13,574,413	\$ 1,219,881	\$ 13,234,416	\$ 11,511,853	\$ 15,429,466	\$ 13,967,668	\$ 21,203,297

See independent auditor's report.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS
SCHEDULE OF SCHOOLS FINANCIAL POSITION
June 30, 2022

ASSETS	Alliance Jack H. Skirball Middle	Alliance College- Ready Middle Academy 4	Alliance College- Ready Middle Academy 8	Alliance Kory Hunter Middle	Alliance Virgil Roberts Leadership Academy	Alliance College- Ready Middle Academy 12	Total	Eliminating Entries	Alliance College- Ready Public Schools Total
Current assets									
Cash and cash equivalents	\$ 1,652,551	\$ 3,896,809	\$ 3,361,384	\$ 4,016,190	\$ 1,300,868	\$ 4,416,700	\$ 127,989,239	\$ -	\$ 127,989,239
Related party receivables	-	-	-	-	-	-	6,655,966	(3,497,197)	3,158,769
Grants and contracts receivable	1,023,970	1,096,171	959,613	762,663	788,369	1,085,215	30,218,644	-	30,218,644
Assets limited to use	-	-	-	-	-	-	3,634,958	-	3,634,958
Right of use assets	48,386	87,260	43,283	84,502	65,140	88,266	2,484,250	-	2,484,250
Prepaid expenses and other assets	95,543	4,909	45,937	26,424	19,650	15,227	2,017,808	(170,555)	1,847,253
Total current assets	2,820,450	5,085,149	4,410,217	4,889,779	2,174,027	5,605,408	173,000,865	(3,667,752)	169,333,113
Noncurrent assets									
Related party notes receivable	-	-	-	-	-	-	3,623,479	(800,000)	2,823,479
Other assets	-	-	-	-	-	-	45,500	-	45,500
Investments in affiliates	-	-	-	-	-	-	3,589,837	-	3,589,837
Right of use assets	4,959,103	6,996,847	4,882,772	6,271,334	7,032,230	6,369,190	162,075,470	-	162,075,470
Property and equipment, net	487,165	1,427,551	394,726	97,227	108,756	896,579	43,210,433	-	43,210,433
Total noncurrent assets	5,446,268	8,424,398	5,277,498	6,368,561	7,140,986	7,265,769	212,544,719	(800,000)	211,744,719
Total assets	\$ 8,266,718	\$ 13,509,547	\$ 9,687,715	\$ 11,258,340	\$ 9,315,013	\$ 12,871,177	\$ 385,545,584	\$ (4,467,752)	\$ 381,077,832
LIABILITIES AND NET ASSETS									
Current liabilities									
Accounts payable and accrued expenses	\$ 186,890	\$ 182,129	\$ 192,769	\$ 175,423	\$ 163,985	\$ 187,953	\$ 9,647,820	\$ (170,555)	\$ 9,477,265
Refundable advances	343,313	287,052	351,652	386,282	258,747	269,372	13,247,311	-	13,247,311
Related party payables	88,850	51,399	103,683	53,354	39,456	118,142	2,147,197	(2,147,197)	-
Lease liabilities	48,097	84,565	49,236	92,820	62,971	92,820	2,420,387	-	2,420,387
Notes payable	-	-	-	-	200,000	-	1,752,738	(1,350,000)	402,738
Total current liabilities	667,150	605,145	697,340	707,879	725,159	668,287	29,215,453	(3,667,752)	25,547,701
Noncurrent liabilities									
Notes payable	-	-	-	-	-	-	10,086,756	(800,000)	9,286,756
Lease liabilities	4,950,138	6,919,468	5,067,300	6,481,970	6,957,509	6,481,970	165,778,908	-	165,778,908
Total noncurrent liabilities	4,950,138	6,919,468	5,067,300	6,481,970	6,957,509	6,481,970	175,865,664	(800,000)	175,065,664
Total liabilities	5,617,288	7,524,613	5,764,640	7,189,849	7,682,668	7,150,257	205,081,117	(4,467,752)	200,613,365
Net assets									
Without donor restrictions	2,637,552	5,984,934	3,923,075	4,068,491	1,581,068	5,710,920	179,358,606	-	179,358,606
With donor restrictions	11,878	-	-	-	51,277	10,000	1,105,861	-	1,105,861
Total net assets	2,649,430	5,984,934	3,923,075	4,068,491	1,632,345	5,720,920	180,464,467	-	180,464,467
Total liabilities and net assets	\$ 8,266,718	\$ 13,509,547	\$ 9,687,715	\$ 11,258,340	\$ 9,315,013	\$ 12,871,177	\$ 385,545,584	\$ (4,467,752)	\$ 381,077,832

See independent auditor's report.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS
SCHEDULE OF SCHOOLS ACTIVITIES
Year Ended June 30, 2022

	Alliance College-Ready Public Schools	Alliance Gertz-Ressler Richard Merkin 6-12 Complex	Alliance Judy Ivie Burton Technology Academy High	Alliance Collins Family College-Ready High	Alliance Dr. Olga Mohan High	Alliance Marc & Eva Stern Math and Science	Alliance Ouchi - O'Donovan 6-12 Complex	Alliance Patti And Peter Neuwirth Leadership Academy	Alliance Piera Barbaglia Shaheen Health Services Academy
Revenue and support									
Federal revenue	\$ 533,258	\$ 2,712,129	\$ 1,662,426	\$ 1,653,321	\$ 1,322,097	\$ 1,500,340	\$ 3,238,015	\$ 2,103,953	\$ 1,619,052
State revenue	-	11,522,862	7,730,320	7,504,492	5,476,710	7,088,133	11,346,641	7,207,920	5,953,215
Local revenues	-	2,971,485	1,877,494	1,832,738	1,415,738	1,713,282	2,956,103	1,738,658	1,431,103
Private grants and contributions	5,229,198	-	-	-	5,250	20,750	-	-	18,100
Management fees	21,962,379	-	-	-	-	-	-	-	-
Other school revenues	3,329	93,515	63,841	45,299	25,732	35,897	84,086	35,690	18,806
Investment gain in subsidiaries	335,798	-	-	-	-	-	-	-	-
Interest and other income	274,230	48,296	38,915	8,566	15,311	33,017	65,955	39,943	12,789
Total revenue and support	28,338,192	17,348,287	11,372,996	11,044,416	8,260,838	10,391,419	17,690,800	11,126,164	9,053,065
Expenses									
Salaries and benefits	16,969,984	8,544,613	5,944,630	5,872,122	4,539,133	5,781,297	9,348,115	6,044,401	4,794,268
Books and supplies	166,434	1,426,636	624,761	887,013	556,079	764,302	1,601,327	957,032	824,082
Professional fees and services	6,510,551	765,883	503,375	383,938	283,160	391,737	775,215	418,145	324,672
Pupil services	100,000	1,063,653	273,217	461,633	718,675	653,315	862,767	601,061	397,809
Operations and housekeeping	2,423,856	656,968	394,952	446,411	405,051	434,503	964,008	357,987	510,817
Interest	-	-	-	-	-	-	-	-	15,327
Depreciation and amortization	104,278	305,284	110,485	230,685	102,368	201,274	364,209	206,368	66,138
Facilities, repairs, and other leases	103,599	1,549,178	892,628	1,024,796	606,680	916,163	1,367,771	815,928	792,188
Management fees	-	1,714,606	1,122,341	1,099,057	822,184	1,032,341	1,748,594	1,099,691	902,205
Total expenses	26,378,702	16,026,821	9,866,389	10,405,655	8,033,330	10,174,932	17,032,006	10,500,613	8,627,506
Change in net assets	1,959,490	1,321,466	1,506,607	638,761	227,508	216,487	658,794	625,551	425,559
Net assets, beginning of year	48,998,909	10,684,183	10,495,447	8,898,724	5,840,351	7,327,250	14,483,416	3,814,613	375,196
Net assets, end of year	\$ 50,958,399	\$ 12,005,649	\$ 12,002,054	\$ 9,537,485	\$ 6,067,859	\$ 7,543,737	\$ 15,142,210	\$ 4,440,164	\$ 800,755

See independent auditor's report.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS
SCHEDULE OF SCHOOLS ACTIVITIES
Year Ended June 30, 2022

	Alliance Morgan McKinzie High	Alliance Leichtman- Levine Family Foundation Environmental Science High	Alliance Cindy and Bill Simon Technology Academy High	Alliance Tennenbaum Family Technology High	Alliance Susan and Eric Smidt Technology High	Alliance Ted K. Tajima High	Alliance Renee and Meyer Luskin Academy High	Alliance Margaret M. Bloomfield Technology Academy High	Alliance Marine - Innovation and Technology 6-12 Complex
Revenue and support									
Federal revenue	\$ 1,586,905	\$ 1,306,077	\$ 1,856,431	\$ 956,441	\$ 1,584,058	\$ 1,279,249	\$ 1,228,269	\$ 1,537,211	\$ 2,684,006
State revenue	5,563,208	4,759,700	5,991,919	2,662,617	4,612,443	5,806,888	6,321,192	6,834,904	11,376,672
Local revenues	1,383,245	1,129,382	1,432,122	696,904	1,076,260	1,384,192	1,471,772	1,656,233	2,921,941
Private grants and contributions	30,000	-	-	-	30,293	4,300	-	10,000	13,500
Management fees	-	-	-	-	-	-	-	-	-
Other school revenues	39,327	28,124	39,529	13,790	16,989	2,866	39,820	3,362	121,848
Investment gain in subsidiaries	-	-	-	-	-	-	-	-	-
Interest and other income	24,979	18,455	10,881	8,877	6,472	12,149	12,766	26,421	65,195
Total revenue and support	8,627,664	7,241,738	9,330,882	4,338,629	7,326,515	8,489,644	9,073,819	10,068,131	17,183,162
Expenses									
Salaries and benefits	4,853,621	3,701,454	4,475,217	2,417,504	4,328,249	4,361,956	4,857,599	4,835,659	8,235,146
Books and supplies	989,383	564,148	881,493	454,844	544,663	571,758	500,195	614,446	915,332
Professional fees and services	399,912	329,052	308,534	178,520	324,956	348,281	422,522	335,870	662,575
Pupil services	212,037	319,915	544,494	454,328	528,954	156,790	488,988	478,691	2,077,095
Operations and housekeeping	407,545	273,915	355,948	171,930	(275,362)	296,990	249,276	322,982	891,432
Interest	182,809	-	-	-	-	-	-	-	-
Depreciation and amortization	385,225	49,501	93,284	13,917	161,094	57,891	123,080	46,572	181,438
Facilities, repairs, and other leases	137,052	942,823	907,925	411,332	1,008,057	863,857	840,469	963,800	1,738,415
Management fees	856,350	719,539	925,073	431,620	725,588	847,485	897,071	1,003,862	1,699,640
Total expenses	8,423,934	6,900,347	8,491,968	4,533,995	7,346,199	7,505,008	8,379,200	8,601,882	16,401,073
Change in net assets	203,730	341,391	838,914	(195,366)	(19,684)	984,636	694,619	1,466,249	782,089
Net assets, beginning of year	11,556,970	3,840,557	3,581,557	892,532	2,280,015	949,430	4,997,028	3,535,423	1,256,870
Net assets, end of year	\$ 11,760,700	\$ 4,181,948	\$ 4,420,471	\$ 697,166	\$ 2,260,331	\$ 1,934,066	\$ 5,691,647	\$ 5,001,672	\$ 2,038,959

See independent auditor's report.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS
SCHEDULE OF SCHOOLS ACTIVITIES
Year Ended June 30, 2022

	Alliance Jack H. Skirball Middle	Alliance College- Ready Middle Academy 4	Alliance College- Ready Middle Academy 8	Alliance Kory Hunter Middle	Alliance Virgil Roberts Leadership Academy	Alliance College- Ready Middle Academy 12	Total	Eliminating Entries	Alliance College- Ready Public Schools Total
Revenue and support									
Federal revenue	\$ 1,227,644	\$ 1,323,726	\$ 1,272,963	\$ 1,006,673	\$ 1,315,838	\$ 1,147,022	\$ 37,657,104	\$ -	\$ 37,657,104
State revenue	4,311,046	4,799,254	4,409,447	4,956,669	4,270,085	5,125,951	145,632,288	-	145,632,288
Local revenues	1,184,312	1,352,541	1,241,713	1,399,939	1,176,431	1,473,587	36,917,175	-	36,917,175
Private grants and contributions	100,000	-	-	10,000	42,750	-	5,514,141	-	5,514,141
Management fees	-	-	-	-	-	-	21,962,379	(21,962,379)	-
Other school revenues	11,154	25,066	13,044	398	-	19,129	780,641	-	780,641
Investment gain in subsidiaries	-	-	-	-	-	-	335,798	-	335,798
Interest and other income	19,570	28,924	22,720	8,646	394	36,253	839,724	-	839,724
Total revenue and support	6,853,726	7,529,511	6,959,887	7,382,325	6,805,498	7,801,942	249,639,250	(21,962,379)	227,676,871
Expenses									
Salaries and benefits	3,484,728	3,886,393	3,810,672	3,798,216	3,474,040	3,297,444	131,656,461	-	131,656,461
Books and supplies	794,915	591,220	582,587	650,692	484,087	505,126	17,452,555	-	17,452,555
Professional fees and services	447,341	303,529	313,235	277,504	291,596	319,535	15,619,638	-	15,619,638
Pupil services	620,020	544,521	650,913	391,630	468,427	679,017	13,747,950	-	13,747,950
Operations and housekeeping	341,259	254,211	337,968	261,069	360,439	276,982	11,121,137	-	11,121,137
Interest	-	-	-	-	-	-	198,136	-	198,136
Depreciation and amortization	111,407	127,587	65,164	67,170	38,056	74,500	3,286,975	-	3,286,975
Facilities, repairs, and other leases	517,783	643,248	532,748	694,549	662,965	704,588	19,638,542	-	19,638,542
Management fees	682,331	747,816	692,431	737,349	680,529	774,676	21,962,379	(21,962,379)	-
Total expenses	6,999,784	7,098,525	6,985,718	6,878,179	6,460,139	6,631,868	234,683,773	(21,962,379)	212,721,394
Change in net assets	(146,058)	430,986	(25,831)	504,146	345,359	1,170,074	14,955,477	-	14,955,477
Net assets, beginning of year	2,795,488	5,553,948	3,948,906	3,564,345	1,286,986	4,550,846	165,508,990	-	165,508,990
Net assets, end of year	\$ 2,649,430	\$ 5,984,934	\$ 3,923,075	\$ 4,068,491	\$ 1,632,345	\$ 5,720,920	\$ 180,464,467	\$ -	\$ 180,464,467

See independent auditor's report.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
June 30, 2022

ASSETS	Alliance College- Ready Public Schools	Alliance Schools R.E. Holdings LLC	1918 Broadway Charter Financing LLC	113 S. Rowan Charter Financing LLC	Total	Eliminating Entries	Consolidated Total
Current assets							
Cash and cash equivalents	\$ 127,989,239	\$ -	\$ 109,113	\$ 96,276	\$ 128,194,628	\$ -	\$ 128,194,628
Related party receivables	3,158,769	-	-	-	3,158,769	-	3,158,769
Grants and contracts receivable	30,218,644	-	-	-	30,218,644	-	30,218,644
Assets limited as to use	3,634,958	-	19,067	-	3,654,025	-	3,654,025
Right of use assets	2,484,250	-	-	-	2,484,250	-	2,484,250
Prepaid expenses and other assets	1,847,253	-	-	-	1,847,253	-	1,847,253
Total current assets	169,333,113	-	128,180	96,276	169,557,569	-	169,557,569
Noncurrent assets							
Related party notes receivable	2,823,479	-	11,705,965	-	14,529,444	-	14,529,444
Assets limited as to use	-	-	1,700,016	-	1,700,016	-	1,700,016
Other assets	45,500	-	321,914	-	367,414	-	367,414
Investment in affiliates	3,589,837	-	-	-	3,589,837	(3,589,837)	-
Right of use assets	162,075,470	-	-	-	162,075,470	-	162,075,470
Property and equipment, net	43,210,433	1,095,888	-	-	44,306,321	-	44,306,321
Total noncurrent assets	211,744,719	1,095,888	13,727,895	-	226,568,502	(3,589,837)	222,978,665
Total assets	\$ 381,077,832	\$ 1,095,888	\$ 13,856,075	\$ 96,276	\$ 396,126,071	\$ (3,589,837)	\$ 392,536,234
LIABILITIES AND NET ASSETS							
Current liabilities							
Accounts payable and accrued expenses	\$ 9,477,265	\$ -	\$ 104,487	\$ -	\$ 9,581,752	\$ -	\$ 9,581,752
Refundable advances	13,247,311	-	-	-	13,247,311	-	13,247,311
Lease liabilities	2,420,387	-	-	-	2,420,387	-	2,420,387
Notes payable	402,738	-	-	-	402,738	-	402,738
Total current liabilities	25,547,701	-	104,487	-	25,652,188	-	25,652,188
Noncurrent liabilities							
Notes payable	9,286,756	-	11,353,915	-	20,640,671	-	20,640,671
Lease liabilities	165,778,908	-	-	-	165,778,908	-	165,778,908
Total long-term liabilities	175,065,664	-	11,353,915	-	186,419,579	-	186,419,579
Total liabilities	200,613,365	-	11,458,402	-	212,071,767	-	212,071,767
Net assets							
Without donor restrictions	179,358,606	-	-	-	179,358,606	-	179,358,606
With donor restrictions	1,105,861	-	-	-	1,105,861	-	1,105,861
Member's equity	-	1,095,888	2,397,673	96,276	3,589,837	(3,589,837)	-
Total net assets	180,464,467	1,095,888	2,397,673	96,276	184,054,304	(3,589,837)	180,464,467
Total liabilities and net assets	\$ 381,077,832	\$ 1,095,888	\$ 13,856,075	\$ 96,276	\$ 396,126,071	\$ (3,589,837)	\$ 392,536,234

See independent auditor's report.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES
Year Ended June 30, 2022

	Alliance College- Ready Public Schools	Alliance Schools R.E. Holdings LLC	1918 Broadway Charter Financing LLC	113 S. Rowan Charter Financing LLC	Total	Eliminating Entries	Consolidated Total
Revenue and support							
Federal revenue	\$ 37,657,104	\$ -	\$ 544,266	\$ -	\$ 38,201,370	\$ -	\$ 38,201,370
State revenue	145,632,288	-	-	-	145,632,288	-	145,632,288
Local revenues	36,917,175	-	-	-	36,917,175	-	36,917,175
Private grants and contributions	5,514,141	-	-	-	5,514,141	-	5,514,141
Other school revenues	780,641	-	-	-	780,641	-	780,641
Investment gain in subsidiaries	335,798	-	-	-	335,798	(335,798)	-
Interest and other income	839,724	-	773,139	10	1,612,873	(4)	1,612,869
Total revenue and support	<u>227,676,871</u>	<u>-</u>	<u>1,317,405</u>	<u>10</u>	<u>228,994,286</u>	<u>(335,802)</u>	<u>228,658,484</u>
Expenses							
Salaries and benefits	131,656,461	-	-	-	131,656,461	-	131,656,461
Books and supplies	17,452,555	-	-	-	17,452,555	-	17,452,555
Depreciation and amortization	3,286,975	71,571	-	-	3,358,546	-	3,358,546
Facilities, repairs, and other leases	19,638,542	-	2,100	-	19,640,642	-	19,640,642
Interest	198,136	-	817,127	-	1,015,263	-	1,015,263
Operations and housekeeping	11,121,137	-	42,721	-	11,163,858	-	11,163,858
Professional fees and services	15,619,638	-	45,218	2,876	15,667,732	-	15,667,732
Pupil services	13,747,950	-	-	-	13,747,950	-	13,747,950
Total expenses	<u>212,721,394</u>	<u>71,571</u>	<u>907,166</u>	<u>2,876</u>	<u>213,703,007</u>	<u>-</u>	<u>213,703,007</u>
Change in net assets	14,955,477	(71,571)	410,239	(2,866)	15,291,279	(335,802)	14,955,477
Member contributions	-	-	1,010	1,010	2,020	(2,020)	-
Member distributions	-	-	(100,000)	-	(100,000)	100,000	-
Net assets, beginning of year	<u>165,508,990</u>	<u>1,167,459</u>	<u>2,086,424</u>	<u>98,132</u>	<u>168,861,005</u>	<u>(3,352,015)</u>	<u>165,508,990</u>
Net assets, end of year	<u>\$ 180,464,467</u>	<u>\$ 1,095,888</u>	<u>\$ 2,397,673</u>	<u>\$ 96,276</u>	<u>\$ 184,054,304</u>	<u>\$ (3,589,837)</u>	<u>\$ 180,464,467</u>

See independent auditor's report.

ALLIANCE FOR COLLEGE-READY PUBLIC SCHOOLS FACILITIES CORPORATION AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
June 30, 2022

	Alliance for College-Ready Public Schools Facilities						
	Corporation	2023 Union LLC	2071 HP Saturn LLC	5151 Titan LLC	11410 Avalon LLC	54th Street Lions LLC	10704 Wilmington LLC
ASSETS							
Current assets							
Cash and cash equivalents	\$ 672,707	\$ 215,459	\$ 173,001	\$ 146,872	\$ 176,998	\$ 321,519	\$ 103,668
Related party receivables	-	22,722	-	-	4,284	13,398	-
Assets limited as to use	6,583,888	1,253,400	-	-	-	-	-
Right of use assets	-	24,307	-	-	-	-	-
Prepaid expenses and other assets	10,136	3,941	-	-	-	185,181	-
Total current assets	<u>7,266,731</u>	<u>1,519,829</u>	<u>173,001</u>	<u>146,872</u>	<u>181,282</u>	<u>520,098</u>	<u>103,668</u>
Noncurrent assets							
Rent receivable	-	-	1,840,220	75,736	-	-	240,031
Assets limited as to use	8,773,477	211,475	-	350,000	-	-	-
Other assets	-	34,000	-	-	-	-	-
Investment in affiliates	133,570,177	-	-	-	-	-	-
Right of use assets	-	308,323	-	-	-	-	-
Property and equipment, net	-	10,552,999	11,761,599	8,507,859	7,059,211	15,226,659	6,372,539
Total noncurrent assets	<u>142,343,654</u>	<u>11,106,797</u>	<u>13,601,819</u>	<u>8,933,595</u>	<u>7,059,211</u>	<u>15,226,659</u>	<u>6,612,570</u>
Total assets	<u>\$ 149,610,385</u>	<u>\$ 12,626,626</u>	<u>\$ 13,774,820</u>	<u>\$ 9,080,467</u>	<u>\$ 7,240,493</u>	<u>\$ 15,746,757</u>	<u>\$ 6,716,238</u>
LIABILITIES AND NET ASSETS							
Current Liabilities							
Accounts payable and accrued expenses	\$ 3,201,903	\$ 529,472	\$ 21,589	\$ -	\$ 52,210	\$ 130,579	\$ 4,512
Related party payables	583,985	-	87,253	57,494	-	-	47,232
Lease liabilities	-	24,739	-	-	-	-	-
Notes payable	2,070,000	220,000	-	-	359,192	838,027	-
Total current liabilities	<u>5,855,888</u>	<u>774,211</u>	<u>108,842</u>	<u>57,494</u>	<u>411,402</u>	<u>968,606</u>	<u>51,744</u>
Noncurrent liabilities							
Related party note payable	-	-	-	-	-	-	-
Notes payable	125,760,933	13,394,338	-	-	5,632,936	13,142,131	-
Lease liabilities	-	596,142	-	-	9,254	27,088	-
Other liabilities	-	-	-	416,932	-	-	-
Total noncurrent liabilities	<u>125,760,933</u>	<u>13,990,480</u>	<u>-</u>	<u>416,932</u>	<u>5,642,190</u>	<u>13,169,219</u>	<u>-</u>
Total liabilities	<u>131,616,821</u>	<u>14,764,691</u>	<u>108,842</u>	<u>474,426</u>	<u>6,053,592</u>	<u>14,137,825</u>	<u>51,744</u>
Net assets (deficit)							
Without donor restrictions	17,993,564	-	-	-	-	-	-
Member's equity (deficit)	-	(2,138,065)	13,665,978	8,606,041	1,186,901	1,608,932	6,664,494
Total net assets (deficit)	<u>17,993,564</u>	<u>(2,138,065)</u>	<u>13,665,978</u>	<u>8,606,041</u>	<u>1,186,901</u>	<u>1,608,932</u>	<u>6,664,494</u>
Total liabilities and net assets	<u>\$ 149,610,385</u>	<u>\$ 12,626,626</u>	<u>\$ 13,774,820</u>	<u>\$ 9,080,467</u>	<u>\$ 7,240,493</u>	<u>\$ 15,746,757</u>	<u>\$ 6,716,238</u>

See independent auditor's report.

ALLIANCE FOR COLLEGE-READY PUBLIC SCHOOLS FACILITIES CORPORATION AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
June 30, 2022

	10101 Broadway Charter LLC	9719 Main Street Charter LLC	70th Street Charter LLC	1918 Broadway Charter LLC	4610 S. Main Street Charter LLC	7907 Santa Fe Avenue Charter LLC	5886 Compton Avenue Charter LLC
ASSETS							
Current assets							
Cash and cash equivalents	\$ 123,335	\$ 152,042	\$ 313,755	\$ 190,204	\$ 103,856	\$ 140,753	\$ 102,626
Related party receivables	-	-	-	-	8,318	-	-
Assets limited as to use	-	-	-	-	393,146	88,274	-
Right of use assets	48,787	-	-	-	-	-	-
Prepaid expenses and other assets	14,520	69,693	374,498	205,730	68,012	-	-
Total current assets	<u>186,642</u>	<u>221,735</u>	<u>688,253</u>	<u>395,934</u>	<u>573,332</u>	<u>229,027</u>	<u>102,626</u>
Noncurrent assets							
Rent receivable	154,728	-	495	-	47,142	705,038	218,954
Assets limited as to use	-	-	-	-	667,828	4,279,704	-
Other assets	6,500	-	8,000	-	-	95,854	-
Investment in affiliates	-	-	-	-	-	-	-
Right of use assets	2,562,623	-	-	-	-	-	-
Property and equipment, net	4,273,671	4,466,527	18,789,567	18,201,620	7,541,420	10,486,178	8,130,974
Total noncurrent assets	<u>6,997,522</u>	<u>4,466,527</u>	<u>18,798,062</u>	<u>18,201,620</u>	<u>8,256,390</u>	<u>15,566,774</u>	<u>8,349,928</u>
Total assets	<u>\$ 7,184,164</u>	<u>\$ 4,688,262</u>	<u>\$ 19,486,315</u>	<u>\$ 18,597,554</u>	<u>\$ 8,829,722</u>	<u>\$ 15,795,801</u>	<u>\$ 8,452,554</u>
LIABILITIES AND NET ASSETS							
Current Liabilities							
Accounts payable and accrued expenses	\$ 66	\$ 183	\$ 16,093	\$ 3,002	\$ 254,423	\$ 34,720	\$ 6,721
Related party payables	26,658	43,857	84,324	21,577	-	11,848	35,280
Lease liabilities	-	-	-	-	-	-	-
Notes payable	-	-	-	-	80,000	-	-
Total current liabilities	<u>26,724</u>	<u>44,040</u>	<u>100,417</u>	<u>24,579</u>	<u>334,423</u>	<u>46,568</u>	<u>42,001</u>
Noncurrent liabilities							
Related party note payable	-	-	-	11,705,965	-	1,297,500	-
Notes payable	-	-	-	(13,902)	7,564,514	10,470,449	-
Lease liabilities	2,724,053	80,073	76,890	4,001	-	-	-
Other liabilities	-	-	-	-	-	-	-
Total noncurrent liabilities	<u>2,724,053</u>	<u>80,073</u>	<u>76,890</u>	<u>11,696,064</u>	<u>7,564,514</u>	<u>11,767,949</u>	<u>-</u>
Total liabilities	<u>2,750,777</u>	<u>124,113</u>	<u>177,307</u>	<u>11,720,643</u>	<u>7,898,937</u>	<u>11,814,517</u>	<u>42,001</u>
Net assets (deficit)							
Without donor restrictions	-	-	-	-	-	-	-
Member's equity (deficit)	4,433,387	4,564,149	19,309,008	6,876,911	930,785	3,981,284	8,410,553
Total net assets (deficit)	<u>4,433,387</u>	<u>4,564,149</u>	<u>19,309,008</u>	<u>6,876,911</u>	<u>930,785</u>	<u>3,981,284</u>	<u>8,410,553</u>
Total liabilities and net assets	<u>\$ 7,184,164</u>	<u>\$ 4,688,262</u>	<u>\$ 19,486,315</u>	<u>\$ 18,597,554</u>	<u>\$ 8,829,722</u>	<u>\$ 15,795,801</u>	<u>\$ 8,452,554</u>

See independent auditor's report.

ALLIANCE FOR COLLEGE-READY PUBLIC SCHOOLS FACILITIES CORPORATION AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
June 30, 2022

	1552 Rockwood Street Charter LLC	49th and Main Charter LLC	113 S. Rowan Charter LLC	461W. 9th Street LLC	11933 Allegheny Charter LLC	1111 W. Manchester Charter LLC	Total
ASSETS							
Current assets							
Cash and cash equivalents	\$ 381,923	\$ 159,898	\$ 179,158	\$ 356,842	\$ 124,639	\$ 371,725	\$ 4,510,980
Related party receivables	-	-	13,464	-	-	-	62,186
Assets limited as to use	-	-	-	283,376	-	-	8,602,084
Right of use assets	-	-	-	-	94,231	-	167,325
Prepaid expenses and other assets	-	21,850	-	-	-	143,797	1,097,358
Total current assets	<u>381,923</u>	<u>181,748</u>	<u>192,622</u>	<u>640,218</u>	<u>218,870</u>	<u>515,522</u>	<u>14,439,933</u>
Noncurrent assets							
Rent receivable	540,423	117,334	190,481	-	333,166	598,285	5,062,033
Assets limited as to use	-	-	-	38,065	-	-	14,320,549
Other assets	-	-	-	-	24,000	-	168,354
Investment in affiliates	-	-	-	-	-	-	133,570,177
Right of use assets	-	-	-	-	92,110	-	2,963,056
Property and equipment, net	<u>11,836,319</u>	<u>10,487,268</u>	<u>6,491,158</u>	<u>7,673,761</u>	<u>20,373,231</u>	<u>12,161,508</u>	<u>200,394,068</u>
Total noncurrent assets	<u>12,376,742</u>	<u>10,604,602</u>	<u>6,681,639</u>	<u>7,711,826</u>	<u>20,822,507</u>	<u>12,759,793</u>	<u>356,478,237</u>
Total assets	\$ 12,758,665	\$ 10,786,350	\$ 6,874,261	\$ 8,352,044	\$ 21,041,377	\$ 13,275,315	\$ 370,918,170
LIABILITIES AND NET ASSETS							
Current Liabilities							
Accounts payable and accrued expenses	\$ 3,523	\$ 7,430	\$ 66,683	\$ 20,463	\$ 3,881	\$ -	\$ 4,357,453
Related party payables	52,887	35,405	-	1,972,792	90,709	44,620	3,195,921
Lease liabilities	-	-	-	-	96,913	-	121,652
Notes payable	-	-	123,722	3,548,300	-	207,000	7,446,241
Total current liabilities	<u>56,410</u>	<u>42,835</u>	<u>190,405</u>	<u>5,541,555</u>	<u>191,503</u>	<u>251,620</u>	<u>15,121,267</u>
Noncurrent liabilities							
Related party note payable	-	-	-	1,525,979	-	-	14,529,444
Notes payable	-	-	6,010,231	3,503,756	-	208,000	185,673,386
Lease liabilities	-	-	-	-	95,899	-	3,613,400
Other liabilities	-	-	-	-	-	-	416,932
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>6,010,231</u>	<u>5,029,735</u>	<u>95,899</u>	<u>208,000</u>	<u>204,233,162</u>
Total liabilities	<u>56,410</u>	<u>42,835</u>	<u>6,200,636</u>	<u>10,571,290</u>	<u>287,402</u>	<u>459,620</u>	<u>219,354,429</u>
Net assets (deficit)							
Without donor restrictions	-	-	-	-	-	-	17,993,564
Member's equity (deficit)	<u>12,702,255</u>	<u>10,743,515</u>	<u>673,625</u>	<u>(2,219,246)</u>	<u>20,753,975</u>	<u>12,815,695</u>	<u>133,570,177</u>
Total net assets (deficit)	<u>12,702,255</u>	<u>10,743,515</u>	<u>673,625</u>	<u>(2,219,246)</u>	<u>20,753,975</u>	<u>12,815,695</u>	<u>151,563,741</u>
Total liabilities and net assets	\$ 12,758,665	\$ 10,786,350	\$ 6,874,261	\$ 8,352,044	\$ 21,041,377	\$ 13,275,315	\$ 370,918,170

See independent auditor's report.

ALLIANCE FOR COLLEGE-READY PUBLIC SCHOOLS FACILITIES CORPORATION AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES
Year Ended June 30, 2022

	Alliance for College-Ready Public Schools Facilities Corporation							
	2023 Union LLC	2071 HP Saturn LLC	5151 Titan LLC	11410 Avalon LLC	54th Street Lions LLC	10704 Wilmington LLC	10101 Broadway Charter LLC	
Revenue, gains, and support								
Federal revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Private grants and contributions	100,000	-	-	-	-	-	-	-
Rental income	-	1,342,565	1,251,433	739,108	431,267	1,037,314	733,861	805,890
Investment gain in subsidiaries	3,470,824	-	-	-	-	-	-	-
Interest and other income	27,316	1,416	14,594	-	-	4,118	-	-
Total revenue and support	<u>3,598,140</u>	<u>1,343,981</u>	<u>1,266,027</u>	<u>739,108</u>	<u>431,267</u>	<u>1,041,432</u>	<u>733,861</u>	<u>805,890</u>
Expenses								
Depreciation and amortization	-	223,820	149,815	323,145	201,295	293,167	139,287	157,313
Facilities, repairs, and other leases	7,759	87,690	31,052	19,741	5,702	78,727	6,184	233,376
Interest	6,152,094	904,106	-	-	545,345	1,272,407	-	-
Operations and housekeeping	78,604	191,727	97,944	-	53,670	133,478	64,514	73,872
Professional fees and services	428,811	2,879	2,874	2,878	2,875	2,875	2,875	2,875
Pupil services	-	-	-	-	-	-	-	-
Total expenses	<u>6,667,268</u>	<u>1,410,222</u>	<u>281,685</u>	<u>345,764</u>	<u>808,887</u>	<u>1,780,654</u>	<u>212,860</u>	<u>467,436</u>
Change in net assets	(3,069,128)	(66,241)	984,342	393,344	(377,620)	(739,222)	521,001	338,454
Member contributions	-	-	-	-	6,499,160	15,161,952	-	-
Member distributions	-	-	(1,151,981)	(692,354)	(6,268,943)	(14,625,991)	(633,838)	(559,600)
Net assets (deficit), beginning of year	21,062,692	(2,071,824)	13,833,617	8,905,051	1,334,304	1,812,193	6,777,331	4,654,533
Net assets (deficit), end of year	<u>\$ 17,993,564</u>	<u>\$ (2,138,065)</u>	<u>\$ 13,665,978</u>	<u>\$ 8,606,041</u>	<u>\$ 1,186,901</u>	<u>\$ 1,608,932</u>	<u>\$ 6,664,494</u>	<u>\$ 4,433,387</u>

See independent auditor's report.

ALLIANCE FOR COLLEGE-READY PUBLIC SCHOOLS FACILITIES CORPORATION AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES
Year Ended June 30, 2022

	9719 Main Street Charter LLC	70th Street Charter LLC	1918 Broadway Charter LLC	4610 S. Main Street Charter LLC	7907 Santa Fe Avenue Charter LLC	5886 Compton Avenue Charter LLC	1552 Rockwood Street Charter LLC	49th and Main Charter LLC
Revenue, gains, and support								
Federal revenue	\$ -	\$ -	\$ -	\$ -	\$ 535,247	\$ -	\$ -	\$ -
Private grants and contributions	-	-	-	-	-	-	-	-
Rental income	583,934	1,358,128	888,834	730,021	684,976	599,022	752,894	606,955
Investment gain in subsidiaries	-	-	-	-	-	-	-	-
Interest and other income	33,629	42	2,938	6,872	1,440	24	2,584	10
Total revenue and support	<u>617,563</u>	<u>1,358,170</u>	<u>891,772</u>	<u>736,893</u>	<u>1,221,663</u>	<u>599,046</u>	<u>755,478</u>	<u>606,965</u>
Expenses								
Depreciation and amortization	102,666	462,891	342,613	142,119	238,186	139,148	224,590	166,165
Facilities, repairs, and other leases	19,721	7,396	22,970	3,717	10,060	8,761	35,685	44,576
Interest	-	-	774,288	534,415	611,625	-	-	-
Operations and housekeeping	21,240	139,020	175,107	82,088	132,008	79,127	72,461	86,573
Professional fees and services	2,877	3,888	9,456	2,877	2,877	2,878	2,876	2,877
Pupil services	-	-	700	-	-	-	-	-
Total expenses	<u>146,504</u>	<u>613,195</u>	<u>1,325,134</u>	<u>765,216</u>	<u>994,756</u>	<u>229,914</u>	<u>335,612</u>	<u>300,191</u>
Change in net assets	471,059	744,975	(433,362)	(28,323)	226,907	369,132	419,866	306,774
Member contributions	-	-	100,000	-	-	-	-	-
Member distributions	(541,186)	(1,211,006)	-	-	-	(519,163)	(691,682)	(519,032)
Net assets (deficit), beginning of year	<u>4,634,276</u>	<u>19,775,039</u>	<u>7,210,273</u>	<u>959,108</u>	<u>3,754,377</u>	<u>8,560,584</u>	<u>12,974,071</u>	<u>10,955,773</u>
Net assets (deficit), end of year	<u>\$ 4,564,149</u>	<u>\$ 19,309,008</u>	<u>\$ 6,876,911</u>	<u>\$ 930,785</u>	<u>\$ 3,981,284</u>	<u>\$ 8,410,553</u>	<u>\$ 12,702,255</u>	<u>\$ 10,743,515</u>

See independent auditor's report.

ALLIANCE FOR COLLEGE-READY PUBLIC SCHOOLS FACILITIES CORPORATION AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES
Year Ended June 30, 2022

	113 S. Rowan Charter LLC	461W. 9th Street LLC	11933 Allegheny Charter LLC	1111 W. Manchester Charter LLC	Total	Eliminating Entries	Consolidated Total
Revenue, gains, and support							
Federal revenue	\$ -	\$ -	\$ -	\$ -	\$ 535,247	\$ -	\$ 535,247
Private grants and contributions	-	-	-	-	100,000	-	100,000
Rental income	442,178	22,000	1,566,670	692,852	15,269,902	-	15,269,902
Investment gain in subsidiaries	-	-	-	-	3,470,824	(3,470,824)	-
Interest and other income	10	13,183	-	1,001	109,177	-	109,177
Total revenue and support	<u>442,188</u>	<u>35,183</u>	<u>1,566,670</u>	<u>693,853</u>	<u>19,485,150</u>	<u>(3,470,824)</u>	<u>16,014,326</u>
Expenses							
Depreciation and amortization	125,999	144,994	423,570	178,719	4,179,502	-	4,179,502
Facilities, repairs, and other leases	-	12,688	151,567	5,383	792,755	-	792,755
Interest	270,229	693,782	-	-	11,758,291	-	11,758,291
Operations and housekeeping	74,837	101,058	174,170	-	1,831,498	-	1,831,498
Professional fees and services	2,974	30,246	2,874	1,868	517,510	-	517,510
Pupil services	-	3,198	-	-	3,898	-	3,898
Total expenses	<u>474,039</u>	<u>985,966</u>	<u>752,181</u>	<u>185,970</u>	<u>19,083,454</u>	<u>-</u>	<u>19,083,454</u>
Change in net assets	(31,851)	(950,783)	814,489	507,883	401,696	(3,470,824)	(3,069,128)
Member contributions	-	-	-	-	21,761,112	(21,761,112)	-
Member distributions	(243,973)	-	(1,241,477)	(539,004)	(29,439,230)	29,439,230	-
Net assets (deficit), beginning of year	<u>949,449</u>	<u>(1,268,463)</u>	<u>21,180,963</u>	<u>12,846,816</u>	<u>158,840,163</u>	<u>(137,777,471)</u>	<u>21,062,692</u>
Net assets (deficit), end of year	<u>\$ 673,625</u>	<u>\$ (2,219,246)</u>	<u>\$ 20,753,975</u>	<u>\$ 12,815,695</u>	<u>\$ 151,563,741</u>	<u>\$ (133,570,177)</u>	<u>\$ 17,993,564</u>

See independent auditor's report.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
June 30, 2022

	Consolidated Alliance College- Ready Public Schools	Consolidated Alliance for College- Ready Public Schools Facilities Corporation	Eliminating Entries	Consolidated Total
ASSETS				
Current assets				
Cash and cash equivalents	\$ 128,194,628	\$ 4,510,980	\$ -	\$ 132,705,608
Related party receivables	3,158,769	62,186	(3,220,955)	-
Grants and contracts receivable	30,218,644	-	-	30,218,644
Assets limited as to use	3,654,025	8,602,084	-	12,256,109
Right of use assets	2,484,250	167,325	(1,825,656)	825,919
Prepaid expenses and other assets	1,847,253	1,097,358	-	2,944,611
Total current assets	<u>169,557,569</u>	<u>14,439,933</u>	<u>(5,046,611)</u>	<u>178,950,891</u>
Noncurrent assets				
Related party notes receivable	14,529,444	-	(14,529,444)	-
Rent receivable	-	5,062,033	(4,120,813)	941,220
Assets limited as to use	1,700,016	14,320,549	-	16,020,565
Other assets	367,414	168,354	-	535,768
Right of use assets	162,075,470	2,963,056	(161,291,043)	3,747,483
Property and equipment, net	44,306,321	200,394,068	(1,093,665)	243,606,724
Total noncurrent assets	<u>222,978,665</u>	<u>222,908,060</u>	<u>(181,034,965)</u>	<u>264,851,760</u>
Total assets	<u>\$ 392,536,234</u>	<u>\$ 237,347,993</u>	<u>\$ (186,081,576)</u>	<u>\$ 443,802,651</u>
LIABILITIES AND NET ASSETS				
Current liabilities				
Accounts payable and accrued expenses	\$ 9,581,752	\$ 4,357,453	\$ (25,027)	\$ 13,914,178
Refundable advances	13,247,311	-	-	13,247,311
Related party payables	-	3,195,921	(3,195,921)	-
Lease liabilities	2,420,387	121,652	(1,761,793)	780,246
Notes payable	402,738	7,446,241	(794,380)	7,054,599
Total current liabilities	<u>25,652,188</u>	<u>15,121,267</u>	<u>(5,777,121)</u>	<u>34,996,334</u>
Noncurrent liabilities				
Related party note payable	-	14,529,444	(14,529,444)	-
Notes payable	20,640,671	185,673,386	883,754	207,197,811
Lease liabilities	165,778,908	3,613,400	(165,475,717)	3,916,591
Other liabilities	-	416,932	-	416,932
Total noncurrent liabilities	<u>186,419,579</u>	<u>204,233,162</u>	<u>(179,121,407)</u>	<u>211,531,334</u>
Total liabilities	<u>212,071,767</u>	<u>219,354,429</u>	<u>(184,898,528)</u>	<u>246,527,668</u>
Net assets				
Without donor restrictions	179,358,606	17,993,564	(1,183,048)	196,169,122
With donor restrictions	1,105,861	-	-	1,105,861
Total net assets	<u>180,464,467</u>	<u>17,993,564</u>	<u>(1,183,048)</u>	<u>197,274,983</u>
Total liabilities and net assets	<u>\$ 392,536,234</u>	<u>\$ 237,347,993</u>	<u>\$ (186,081,576)</u>	<u>\$ 443,802,651</u>

See independent auditor's report.

ALLIANCE COLLEGE-READY PUBLIC SCHOOLS AND AFFILIATES
CONSOLIDATING STATEMENT OF ACTIVITIES
Year Ended June 30, 2022

	Consolidated Alliance College-Ready Public Schools	Consolidated Alliance for College-Ready Public Schools Facilities Corporation	Eliminating Entries	Consolidated Total
Revenue and support				
Federal revenue	\$ 38,201,370	\$ 535,247	\$ -	\$ 38,736,617
State revenue	145,632,288	-	-	145,632,288
Local revenues	36,917,175	-	-	36,917,175
Private grants and contributions	5,514,141	100,000	(100,000)	5,514,141
Rental income	-	15,269,902	(14,770,603)	499,299
Investment gain in subsidiaries	-	-	-	-
Other school revenues	780,641	-	-	780,641
Interest and other income	1,612,869	109,177	(958,982)	763,064
	<u>228,658,484</u>	<u>16,014,326</u>	<u>(15,829,585)</u>	<u>228,843,225</u>
Total revenue and support				
	<u>228,658,484</u>	<u>16,014,326</u>	<u>(15,829,585)</u>	<u>228,843,225</u>
Expenses				
Salaries and benefits	131,656,461	-	-	131,656,461
Books and supplies	17,452,555	-	-	17,452,555
Professional fees and services	15,667,732	517,510	(20,396)	16,164,846
Pupil services	13,747,950	3,898	(100,000)	13,651,848
Operations and housekeeping	11,163,858	1,831,498	-	12,995,356
Interest	1,015,263	11,758,291	(870,944)	11,902,610
Depreciation and amortization	3,358,546	4,179,502	(52,272)	7,485,776
Facilities, repairs, and other leases	19,640,642	792,755	(14,770,603)	5,662,794
	<u>213,703,007</u>	<u>19,083,454</u>	<u>(15,814,215)</u>	<u>216,972,246</u>
Total expenses				
	<u>213,703,007</u>	<u>19,083,454</u>	<u>(15,814,215)</u>	<u>216,972,246</u>
Change in net assets	14,955,477	(3,069,128)	(15,370)	11,870,979
Member contributions	-	-	-	-
Member distributions	-	-	-	-
Net assets, beginning of year	<u>165,508,990</u>	<u>21,062,692</u>	<u>(1,167,678)</u>	<u>185,404,004</u>
Net assets, end of year	<u>\$ 180,464,467</u>	<u>\$ 17,993,564</u>	<u>\$ (1,183,048)</u>	<u>\$ 197,274,983</u>

See independent auditor's report.