



Friendship Aspire Arkansas, Inc.

Friendship Aspire Academy Public
Charter Schools

FRIENDSHIP ASPIRE ACADEMY ARKANSAS

PULASKI COUNTY, ARKANSAS

REGULATORY BASIS FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

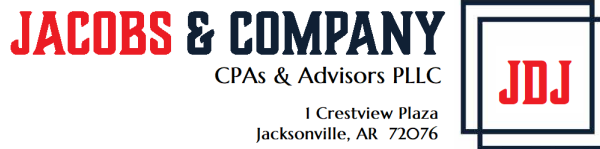
YEAR ENDED JUNE 30, 2025

with

INDEPENDENT AUDITORS' REPORT

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PULASKI COUNTY, ARKANSAS
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Friendship Aspire Academy

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of each major governmental fund, and the aggregate remaining fund information of Friendship Aspire Academy Arkansas (the "Charter School"), as of June 30, 2025, and the related notes to the financial statements, which collectively comprise the Charter School's regulatory basis financial statements as listed in the table of contents.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major governmental fund and the aggregate remaining fund information of the Charter School, as of June 30, 2025, and the respective regulatory basis changes in financial position and the respective regulatory budgetary comparison for the general and special revenue funds for the year then ended in accordance with the financial reporting provisions of Arkansas Code Ann. § 10-4-413 (c) as provided in Act 2201 of 2005 described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Friendship Aspire Academy Arkansas as of June 30, 2025, or the changes in financial position for the year then ended.

Basis for Opinion

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 responsibility under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Friendship Aspire Academy Arkansas 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.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described more fully in Note 1, to meet the financial reporting requirements of the State of Arkansas, the Charter School has prepared the financial statements using financial reporting practices prescribed or permitted by Arkansas Code Ann. § 10-4-413 (c) as provided in Act 2201 of 2005, which is a basis other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determined, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with financial reporting practices prescribed or permitted by the Arkansas Code Ann. § 10-4-413 (c) as provided in Act 2201 of 2005, as described in Note 1, to meet the requirements of the State of Arkansas. Management is also responsible 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 Charter School's ability to continue as a going concern for twelve months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

To the Board of Directors
Friendship Aspire Academy Arkansas

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the regulatory basis 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 regulatory basis financial statements. The information has been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory basis financial statements or to the regulatory basis 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 regulatory financial statements as a whole.

Other Information

Management is responsible for the other information included in the report. The other information comprises of the Schedule of Capital Assets but does not include the regulatory basis financial statements, supplementary information, and our other auditors' report thereon. Our opinion on the regulatory basis financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the regulatory basis financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the regulatory basis financial statements, or the other information otherwise appears to be material misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it our report.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 20, 2026, on our consideration of the Charter School's internal control over financial reporting and on our test 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 the Charter School's internal control over financial reporting and compliance.

Jacobs & Company CPA's, PLLC

Jacksonville, Arkansas
March 20, 2026

**FRIENDSHIP ASPIRE ACADEMY ARKANSAS
PULASKI COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
JUNE 30, 2025**

	Governmental Funds			
	Major			
	General Revenue	Special Revenue	Other Aggregate	Fiduciary
ASSETS				
Cash and cash equivalents	\$ 941,776	\$ -	\$ -	\$ 24
Accounts receivable	-	71,686	75,986	-
Total Assets	<u>\$ 941,776</u>	<u>\$ 71,686</u>	<u>\$ 75,986</u>	<u>\$ 24</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable and accrued liabilities	\$ 1,373	\$ 25,176	\$ 39,138	\$ -
Due to student groups	-	-	-	24
Total Liabilities	<u>1,373</u>	<u>25,176</u>	<u>39,138</u>	<u>24</u>
Fund Balances				
Restricted	190,415	46,510	36,848	-
Unassigned	749,988	-	-	-
Total Fund Balances	<u>940,403</u>	<u>46,510</u>	<u>36,848</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 941,776</u>	<u>\$ 71,686</u>	<u>\$ 75,986</u>	<u>\$ 24</u>

**FRIENDSHIP ASPIRE ACADEMY ARKANSAS
PULASKI COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS - REGULATORY BASIS
YEAR ENDED JUNE 30, 2025**

	Major		Other
	General Revenue	Special Revenue	Aggregate
REVENUES			
State assistance	\$ 12,542,068	\$ 18,797	\$ 645,954
Federal assistance	-	5,889,713	-
Other revenues	320,334	4,654	-
Total Revenues	<u>12,862,402</u>	<u>5,913,164</u>	<u>645,954</u>
EXPENDITURES			
Regular programs	5,412,749	1,694,203	-
Special education	437,360	447,555	-
Career and Technical education	102,978	-	-
Compensatory education	479,099	1,410,890	-
Other instructional programs	74,410	-	-
Support services - students	209,858	387,673	-
Support services - instructional staff	546,403	732,087	-
Support services - general administration	1,097,765	149,223	-
Support services - school administration	1,119,123	119,254	-
Support services - business services	179,865	-	-
Support services - M & O	2,517,831	16,930	612,538
Student transportation services	460,243	-	-
Food services operations	4,912	1,059,372	-
Non-programmed expenses	22,328	1,081	-
Construction	-	-	-
Total Expenditures	<u>12,664,924</u>	<u>6,018,268</u>	<u>612,538</u>
Excess of Revenues Over (Under) Expenditures	<u>197,478</u>	<u>(105,104)</u>	<u>33,416</u>
Other Financings Sources (Uses)			
Transfers In (Out)	(101,383)	101,383	-
Total Other Financing Sources (Uses)	<u>(101,383)</u>	<u>101,383</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	96,095	(3,721)	33,416
FUND BALANCE - BEGINNING OF YEAR	<u>844,308</u>	<u>50,231</u>	<u>3,432</u>
FUND BALANCE - END OF YEAR	<u>\$ 940,403</u>	<u>\$ 46,510</u>	<u>\$ 36,848</u>

**FRIENDSHIP ASPIRE ACADEMY ARKANSAS
PULASKI COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL AND SPECIAL REVENUE FUNDS - REGULATORY BASIS
YEAR ENDED JUNE 30, 2025**

	General			Special Revenue		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State assistance	\$ 12,618,219	\$ 12,542,068	\$ (76,151)	\$ 18,796	\$ 18,797	\$ 1
Federal assistance	-	-	-	6,439,006	5,889,713	(549,293)
Other revenues	55,577	320,334	264,757	5,000	4,654	(346)
Total Revenues	<u>12,673,796</u>	<u>12,862,402</u>	<u>188,606</u>	<u>6,462,802</u>	<u>5,913,164</u>	<u>(549,638)</u>
EXPENDITURES						
Regular programs	6,108,807	5,412,749	696,058	1,518,611	1,694,203	(175,592)
Special education	334,651	437,360	(102,709)	419,223	447,555	(28,332)
	82,376	102,978	(20,602)	-	-	-
Compensatory education	506,811	479,099	27,712	854,641	1,410,890	(556,249)
Other instructional programs	116,957	74,410	42,547	-	-	-
Support services - students	182,162	209,858	(27,696)	289,387	387,673	(98,286)
Support services - instructional staff	330,614	546,403	(215,789)	702,860	732,087	(29,227)
Support services - general administration	1,426,615	1,097,765	328,850	149,223	149,223	-
Support services - school administration	1,130,737	1,119,123	11,614	-	119,254	(119,254)
Support services - central services	181,507	179,865	1,642	20,000	-	20,000
Support services - M & O	2,403,122	2,517,831	(114,709)	16,930	16,930	-
Student transportation services	472,604	460,243	12,361	-	-	-
Non-programmed expenses	17,019	22,328	(5,309)	1,081	1,081	-
Construction	-	-	-	-	-	-
Food services operations	-	4,912	(4,912)	1,191,515	1,059,372	132,143
Total Expenditures	<u>13,293,982</u>	<u>12,664,924</u>	<u>629,058</u>	<u>5,163,471</u>	<u>6,018,268</u>	<u>(854,797)</u>
Excess of Revenues Over (Under)						
Expenditures	<u>(620,186)</u>	<u>197,478</u>	<u>(817,664)</u>	<u>1,299,331</u>	<u>(105,104)</u>	<u>(1,404,435)</u>
Other Financings Sources (Uses)						
Transfers In (Out)	<u>(101,383)</u>	<u>(101,383)</u>		<u>101,383</u>	<u>101,383</u>	
Total Other Financing Sources (Uses)	<u>(101,383)</u>	<u>(101,383)</u>	<u>-</u>	<u>101,383</u>	<u>101,383</u>	<u>-</u>
Excess of Revenues Over (Under)						
Expenditures	<u>(721,569)</u>	<u>96,095</u>	<u>(817,664)</u>	<u>1,400,714</u>	<u>(3,721)</u>	<u>(1,404,435)</u>
FUND BALANCE - BEGINNING OF YEAR	<u>844,308</u>	<u>844,308</u>	<u>-</u>	<u>50,231</u>	<u>50,231</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 122,739</u>	<u>\$ 940,403</u>	<u>\$ (817,664)</u>	<u>\$ 1,450,945</u>	<u>\$ 46,510</u>	<u>\$ (1,404,435)</u>

See Independent Auditor's Report and Accompanying Notes to Financial Statements.

**FRIENDSHIP ASPIRE ACADEMY ARKANSAS
PULASKI COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Board of Education, a seven member group, is the level of government, which has responsibilities over all activities related to public elementary and secondary school education within the jurisdiction of the Friendship Aspire Academy Arkansas (Charter School). The Charter School is an open-enrollment charter school, and the sponsoring entity is Friendship Arkansas, Inc. There are no component units.

Description of Funds

Fund financial statements are provided for governmental funds. The operations of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures.

Major individual governmental funds are reported as separate columns in the fund financial statements:

General Fund – is the Charter School’s primary operating fund. It accounts for all financial resources of the school, except those required to be accounted for in another fund.

Special Revenue Fund – Used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Special Revenue Fund includes federal revenues and the related expenditures, restricted for specific educational programs or projects, including the Charter School’s food services operations. The Special Revenue Fund also includes required matching for those federal programs, program income required to be used to further the objectives of those programs, and transfers from the general fund to supplement such programs.

Other governmental funds, presented in the aggregate, consist of the following:

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets. The Capital Projects Fund excludes those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Fiduciary Fund types include the following:

Custodial Funds - Custodial Funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities).

**FRIENDSHIP ASPIRE ACADEMY – LITTLE ROCK
PULASKI COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting

The financial statements are prepared in accordance with a regulatory basis of accounting (RBA), which is an Other Comprehensive Basis of Accounting (OCBOA). This basis of accounting is prescribed by Arkansas Code Annotated § 10-4-413 (c), as provided in Act 2201 of 2005, and requires that financial statements be presented on a fund basis with, as a minimum, the general fund and special revenue fund presented separately, and all other funds included in the audit presented in the aggregate. The law also stipulates that the financial statements consist of a balance sheet; a statement of revenues, expenditures, and changes in fund balances; a comparison of the final adopted budget to the actual expenditures for the general fund and special revenue funds of the Charter School; notes to financial statements; and a supplemental schedule of capital assets, including land, buildings, and equipment. The law further stipulates that the State Board of Education shall promulgate the rules necessary to administer the regulatory basis of presentation.

The RBA is not in accordance with generally accepted accounting principles (GAAP). GAAP require that basic financial statements present government-wide financial statements. Additionally, GAAP require the following major concepts: Management's Discussion and Analysis, accrual basis of accounting for government-wide financial statements, including depreciation expense, modified accrual basis of accounting for fund financial statements, separate financial statements for fiduciary fund types, separate identification of special and extraordinary items, inclusion of capital assets and debt in the financial statements, specific procedures for the identification of major governmental funds and applicable note disclosures. The RBA does not require government-wide financial statements or the previously identified concepts.

The accompanying financial statements are presented on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for purposes of recording specific activities or attaining certain objectives. Revenues are reported by major sources and expenditures are reported by major function. Other transactions, which are not reported as revenues or expenditures, are reported as other financing sources and uses. Transactions related to the recording of installment contracts and capital leases are reported as other financing sources.

Revenue Recognition Policies

Revenues are recognized when they become susceptible to accrual in accordance with the RBA.

Interfund Receivables and Payables

Interfund receivables and payables result from services rendered from one fund to another or from interfund loans

**FRIENDSHIP ASPIRE ACADEMY ARKANSAS
PULASKI COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Information on capital assets and related depreciation is reported on the Schedule of Capital Assets. Capital assets are capitalized at historical cost or estimated historical cost, if actual data is not available. Capital assets purchased are recorded as expenditures in the applicable fund at the time of purchase. Donated capital assets are reported at acquisition value when received. The Charter School maintains a threshold level of \$1,000 for capitalizing equipment. Library holdings are not capitalized.

No salvage value is taken into consideration for depreciation purposes. All capital assets, other than land and construction in progress, are depreciated using the straight-line method over the following useful lives:

<u>Asset Class</u>	<u>Estimated Useful Life in Years</u>
Equipment	5 - 20

Income Taxes

The Charter School is exempt from income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code and comparable provisions of state income tax laws. Consequently, no provision for income taxes is reflected in the accompanying financial statements. Additionally, the Charter has been classified as an organization that is not a private foundation under Section 509(a).

Budget and Budgetary Accounting

The Charter School is required by state law to prepare an annual budget. The annual budget is prepared on a fiscal year basis. The Charter School does not prepare and submit amended budgets during the fiscal year. The State Department of Education's regulations allow for the cash basis or the modified accrual basis. However, the majority of the Charter Schools employ the cash basis method.

The Charter School budgets intra-fund transfers. Significant variances may result in the comparison of transfers at the Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General and Special Revenue Funds – Regulatory Basis because only interfund transfers are reported at the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds – Regulatory Basis. Additionally, the Charter School routinely budgets restricted federal programs as part of the special revenue fund. Significant variances may result in the budgetary comparison of the revenues and expenditures of the special revenue fund because of the reclassification of those federal programs primarily utilized for capital projects to the other aggregate funds for reporting purposes.

Budgetary perspective differences are not considered to be significant, because the structure of the information utilized in preparing the budget and the applicable fund financial statements is essentially the same.

**FRIENDSHIP ASPIRE ACADEMY ARKANSAS
PULASKI COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Receivables and Payables

Interfund receivables and payables result from services rendered from one fund to another or from interfund loans.

Fund Balance Classifications

GASB Codification Section 1800.142, *Fund Balance Reporting and Governmental Fund Type Definitions*, defines different types of fund balances that a governmental entity must use for financial reporting purposes. GASB requires the fund balance amounts to be reported within one of the following fund balance categories:

Nonspendable Fund Balance - includes amounts that are not in a spendable form or are required to be maintained intact. The Charter School does not have a nonspendable fund balance at year end.

Restricted Fund Balance – includes amounts that can only be spent for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

Committed Fund Balance – includes amounts that can only be used for specific purposes determined by a formal action of the Charter School's Board of Governance.

Assigned Fund Balance – includes amounts intended to be used by the Charter's School's management for specific purposes but does not meet the criteria to be classified as restricted or committed.

Unassigned Fund Balance – includes the residual amount for the Charter School's general fund and includes all spendable amounts not contained in the other classifications.

Stabilization Arrangements

The Charter School's Board of Education has not formally set aside amounts for use in emergency situations or when revenue shortages or budgetary imbalances arise.

Minimum Fund Balance Policies

The Charter School's Board of Education has not formally adopted a minimum fund balance policy.

Encumbrances

The Charter School does not utilize encumbrance accounting.

Use of Estimates

The preparation of financial statements in conformity with the regulatory basis of accounting requires management to make estimates and assumptions that affect reported amounts of certain assets and liabilities and various disclosures in the financial statements. Accordingly, actual results could differ from those estimates.

**FRIENDSHIP ASPIRE ACADEMY ARKANSAS
PULASKI COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 2: CASH DEPOSITS WITH FINANCIAL INSTITUTIONS

Cash deposits are carried at cost (carrying value). A comparison of the bank balance and carrying value is as follows:

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 250,000	\$ 250,000
Collateralized:		
Collateral held by the Charter School's agent, pledging bank or pledging bank's trust department or agent in the Charter School's name	627,485	1,012,250
Total Deposits	<u>\$ 877,485</u>	<u>\$ 1,262,250</u>

NOTE 3: ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2025 was comprised of the following:

Description	Governmental Funds		
	Major		
	General	Special Revenue	Other Aggregate
State assistance	\$ -	\$ -	\$ 75,986
Federal assistance	-	71,686	-
Totals	<u>\$ -</u>	<u>\$ 71,686</u>	<u>\$ 75,986</u>

NOTE 4: ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The accounts payable and accrued liabilities at June 30, 2025 were comprised of the following:

Description	Governmental Funds		
	Major		
	General	Special Revenue	Other Aggregate
Vendor payables	\$ 1,373	\$ 25,176	\$ 39,138
Totals	<u>\$ 1,373</u>	<u>\$ 25,176</u>	<u>\$ 39,138</u>

**FRIENDSHIP ASPIRE ACADEMY – LITTLE ROCK
PULASKI COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 5: COMMITMENTS

The Charter School was contractually obligated for the following at June 30, 2025:

Operating Lease (noncapital lease with initial noncancellable lease terms in excess of one year)

General description of lease and leasing arrangements:

Real property for 360 months, beginning July 3, 2018 with monthly payments to the Friendship Education Foundation. Rental payments are based on up to 15 percent of the current fiscal year incoming revenue, payable in 12 equal monthly installments.

Future minimum rental payments:

<u>Year Ended June 30,</u>	<u>Amount</u>
2026	\$ 1,511,604
2027	1,511,604
2028	1,511,604
2029	1,511,604
2030	1,511,604
Thereafter	<u>27,208,872</u>
Total	<u>\$34,766,892</u>

Rental payments for the operating leases described above were approximately \$1,877,638 for the year ended June 30, 2025.

NOTE 6: NOTE PAYABLE

Note payable for the purchase of a Van to Ally Bank; monthly payments of \$1,061.42 beginning October 2024; interest rate of 8.84%, maturing October 2029.

Future minimum principal payments:

<u>Year Ended June 30,</u>	<u>Amount</u>
2026	\$ 9,090
2027	9,927
2028	10,841
2029	11,839
2030	<u>3,126</u>
Total	<u>\$ 44,823</u>

**FRIENDSHIP ASPIRE ACADEMY ARKANSAS
PULASKI COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 7: COMPENSATED ABSENCES

Charter School employees are entitled to paid vacation and sick leave, depending on the length of service and other factors. It is impractical to estimate the amount of compensation for future absences, and accordingly, no liability has been recorded in the accompanying financial statements. Costs of compensated absences are recognized when actually paid to employees. Additionally, compensated absences are not includable in the financial statements under the Regulatory Basis of Accounting (RBA) as adopted by the State of Arkansas and administered by the Arkansas State Board of Education.

NOTE 8: SIGNIFICANT CONCENTRATION

The Charter School is economically dependent on funding received through state and federal assistance. Approximately 98.3% of total revenues were from state and federal sources for the year ending June 30, 2025. Additionally, the Charter School's received \$324,988 from other school sources (1.7% of total revenues).

NOTE 9: RETIREMENT PLAN

Arkansas Teacher Retirement System

Plan Description: The Charter School contributes to the Arkansas Teacher Retirement System (ATRS), a cost-sharing multiple-employer defined benefit pension plan that covers all Arkansas public school employees, except certain non-teachers. ATRS, administered by a Board of Trustees, provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State law and can be amended only by the Arkansas General Assembly. The Arkansas Teacher Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for ATRS. That report may be obtained by writing to Arkansas Teacher Retirement System, 1400 West Third Street, Little Rock, Arkansas 72201, by calling 1-800-666-2877, or by visiting the ATRS website at www.arters.gov.

Funding Policy: ATRS has contributory and noncontributory plans. Contributory members are required by State law to contribute 7% of their salaries. Each participating employer is required by State law to contribute at a rate determined by the Board of Trustees, based on the annual actuarial valuation. The current employer rate is 15% of covered salaries, the maximum allowed by State law. The Charter School's contributions to ATRS for the year ended June 30, 2025 were \$1,284,238, equal to the required contributions for each year.

Net Pension Liability: The Arkansas Department of Education has stipulated that, under the regulatory basis of accounting, the requirements of Governmental Accounting Standards Board Statement No. 68 would be limited to disclosure of the Charter School's proportionate share of the collective net pension liability. The Charter School's proportionate share of the collective net pension liability at June 30, 2024 (actuarial valuation date and measurement date) was \$8,266,232

**FRIENDSHIP ASPIRE ACADEMY ARKANSAS
PULASKI COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 10: CONTINGENCIES

The Charter School participates in federally assisted grant programs. The Charter School is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of non-compliance which would result in the disallowance of program expenditures.

NOTE 11: ON-BEHALF PAYMENTS

The allocation of the health insurance premiums paid by the Arkansas Department of Education to the Employee Benefits Division, paid on-behalf of the Charter School's employees, was \$289,608 for the year ending June 30, 2025.

NOTE 12: RISK MANAGEMENT

The Charter 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 Charter School carries commercial insurance for board liability, employee liability, building, contents, and workers' compensation.

The Charter School participates in the Arkansas Fidelity Bond Trust Fund administered by the Governmental Bonding Board. This program provides coverage for actual losses sustained by its members through fraudulent or dishonest acts committed by officials or employees. Each loss is limited to \$300,000 with a \$2,500 deductible. Premiums for coverage are paid by the Chief Fiscal Officer of the State of Arkansas from funds withheld from the Public School Fund.

Settled claims have not exceeded coverage during the fiscal year.

**FRIENDSHIP ASPIRE ACADEMY ARKANAS
PULASKI COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

**NOTE 13: DETAILS OF GOVERNMENTAL FUND BALANCE CLASSIFICATIONS
DISPLAYED IN THE AGGREGATE**

Description	Governmental Funds		
	Major		
	General	Special Revenue	Other Aggregate
Fund Balances:			
Restricted for:			
Enhanced student achievement funding	\$ 95,362	\$ -	\$ -
Building fund	-	-	36,848
School recognition	16,433	-	-
Learning grant	51,622	-	-
Special education programs	22,803	40,270	-
Other	4,195	6,240	-
Total Restricted	<u>190,415</u>	<u>46,510</u>	<u>36,848</u>
Unassigned	<u>749,988</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 940,403</u>	<u>\$ 46,510</u>	<u>\$ 36,848</u>

NOTE 14: SERVICE AGREEMENT

The Charter School entered into a Management Service Agreement with Friendship Education Foundation (Foundation) as of March 25, 2018. The Management Service Agreement grants the Foundation the power and authority, on behalf of the Charter School and consistent with federal and Arkansas law to prepare the Charter School's annual budget; to assist in the purchase, lease or rental of furniture, equipment and supplies; to support the Board in raising funds, donations and grants; to perform or subcontract the business administration of the school to include maintaining accurate financial and business records pertaining to the operation of the School; to establish, implement, and evaluate an educational program and curriculum for the Charter School; to conduct professional development; to select instructional materials, equipment, and supplies; and to take such other actions that may be necessary or desirable to properly and efficiently operate the Charter School.

**FRIENDSHIP ASPIRE ACADEMY ARKANAS
PULASKI COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 14: SERVICE AGREEMENT – CONTINUED

For the services provided, the Foundation or agreed upon designee receives management fees up to 12% of the budgeted Charter School revenue to be received by the Charter School. Upon receipt of any Charter School revenue, payment is to be remitted to the Foundation within 5 business days if any management fees are due. Unpaid management fees shall be accrued and subject to five percent interest if not paid by the Charter School within 10 days of their scheduled due date. In addition to the management fee, the Charter School is responsible for reimbursing the Foundation for all start-up expenses incurred prior to July 1, 2018, that are approved by the Charter School.

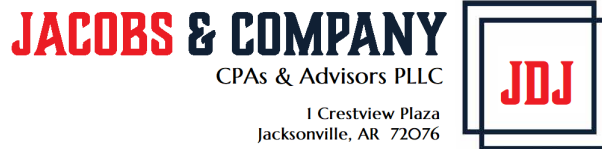
There were no fees or reimbursements required to be paid during the year ended June 30, 2025.

NOTE 15: SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 20, 2026, the date which the financial statements were available for issue.

**FRIENDSHIP ASPIRE ACADEMY ARKANSAS
PULASKI COUNTY, ARKANSAS
SCHEDULE OF CAPITAL ASSETS
YEAR ENDED JUNE 30, 2025
(UNAUDITED)**

	Balance <u>June 30, 2025</u>
DEPRECIABLE CAPITAL ASSETS:	
Equipment	<u>\$ 3,819,124</u>
Total depreciable capital assets	<u>3,819,124</u>
LESS ACCUMULATED DEPRECIATION FOR:	
Equipment	<u>495,851</u>
Total accumulated depreciation	<u>495,851</u>
 CAPITAL ASSETS, NET	 <u><u>\$ 3,323,273</u></u>



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

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Friendship Aspire Academy Arkansas

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of each governmental fund of Friendship Aspire Academy Arkansas, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Charter School's regulatory basis financial statements and have issued our report thereon dated March 26, 2026. We have issued an adverse opinion because the Charter School prepared the financial statements on the basis of the financial reporting provisions of Arkansas Code, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. However, the financial statements present fairly, in all material respects, the respective regulatory basis financial position of each major governmental fund of the Charter School as of June 30, 2025, and the respective regulatory basis changes in the financial position thereof and the respective regulatory basis budgetary comparison for the general and special revenue funds for the year then ended, on the basis of accounting described in Note 1.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Friendship Aspire Academy Arkansas's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Friendship Aspire Academy Arkansas's internal control. Accordingly, we do not express an opinion on the effectiveness Friendship Aspire Academy Arkansas's internal control.

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

in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

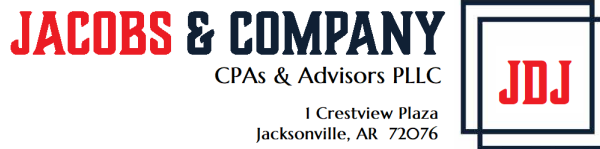
As part of obtaining reasonable assurance about whether Friendship Aspire Academy Arkansas's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have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

Purpose of This Report

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

Jacobs & Company CPA's, PLLC

Jacksonville, Arkansas
March 20, 2026



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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Independent Auditors' Report

To the Board of Trustees
Friendship Aspire Academy Arkansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Friendship Aspire Academy Arkansas's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Friendship Aspire Academy Arkansas's major federal program for the year ended June 30, 2024. Friendship Aspire Academy Arkansas's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Friendship Aspire Academy Arkansas complied, in all material respects, with the types of 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 Each 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 responsibility under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the 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 each major federal program. Our audit does not provide a legal determination of the 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 Charter School's federal programs.

Auditors' Responsibility for the Audit of Compliance

Our objective is 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 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 Charter School's compliance with the requirements of each 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 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 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 Charter School's internal control over compliance. Accordingly, no such opinion is expressed.

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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been 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.

Jacobs & Company CPA's, PLLC

Jacksonville, Arkansas
March 20, 2026

AUDITOR INFORMATION SHEET

FRIENDSHIP ASPIRE ACADEMY ARKANSAS
3615 W. 25th Street
LITTLE ROCK, ARKANSAS 72204

TELEPHONE: (501) 500-9332
SUPERINTENDENT: PHONG TRAN
CONTACT PERSON: SCOTT McRae, BUSINESS MANAGER –

LEAD AUDITOR:	LISA STEPHENS, CPA
FIRM NAME:	JACOBS & COMPANY CPAS & ADVISORS PLLC
ADDRESS:	1 CRESTVIEW PLAZA JACKSONVILLE, ARKANSAS 72076
TELEPHONE:	(501) 286-6003
FAX:	(901) 425-9009
EMAIL:	lisa@lisastephenscpa.com
LICENSE NUMBER:	2691, ARKANSAS
PROGRAM EXAMINED:	84.010 Title I Grants to States

**FRIENDSHIP ASPIRE ACADEMY ARKANSAS
PULASKI COUNTY, ARKANSAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Federal Expenditures
CHILD NUTRITION CLUSTER		
<u>U. S. Department of Agriculture</u>		
Passed Through State Department of Education:		
USDA Supply Chain Assistance	10.555	\$ 42,457
Breakfast Reimbursement Program	10.553	222,403
Snack Reimbursement Program	10.555	58,618
National School Lunch Program	10.555	735,894
Total State Department of Education		<u>1,059,372</u>
TOTAL CHILD NUTRITION CLUSTER		<u>1,059,372</u>
SPECIAL EDUCATION CLUSTER (IDEA)		
<u>U. S. Department of Education</u>		
Passed Through State Department of Education:		
Special Education - Grants to States	84.027	383,391
IDEA Early Childhood, Section 619	84.173	<u>6,390</u>
TOTAL SPECIAL EDUCATION CLUSTER		<u>389,781</u>
U.S. Department of Treasury		
Passed Through State Department of Education:		
CSLLFRF - High Impact Tutoring Part 2	21.027	583,300
CSLLFRF - Phone-Free Schools Grant	21.027	<u>16,930</u>
TOTAL U.S. DEPARTMENT OF TREASURY		<u>600,230</u>
<u>U. S. Department of Education</u>		
Passed Through State Department of Education:		
Title I Grants - Local Educational Agencies	84.010	1,903,270
Charter School Program Grant (APSRC)	84.282A	1,868,896
Arkansas THRIVE	84.425	6,858
Student Support and Academic Enrichment Program	84.424A	121,069
Supporting Effective Instruction State Grants	84.367	151,596
Total U. S. Department of Education		<u>4,051,689</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u><u>\$ 6,101,072</u></u>

The accompanying notes are an integral part of this schedule.

**FRIENDSHIP ASPIRE ACADEMY ARKANSAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. Basis of Presentation - The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of Friendship Aspire Academy Arkansas (the Charter School) under programs of the federal government for the year ended June 30, 2024. 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 for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Charter School, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Charter School.
2. During the year ended June 30, 2025, the Charter School received Medicaid funding of \$40,270 from the State Department of Human Services. Such payments are not considered Federal awards expended and therefore are not included in the above schedule.
3. Summary of Significant Accounting Policies - Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in *Uniform Administrative Requirements, Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
4. The Charter School has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**FRIENDSHIP ASPIRE ACADEMY ARKANSAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2025**

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued:

Unqualified opinion

Internal control over financial reporting:

- Material weakness(es) identified?
- Significant deficiency identified that is not considered to be a material weakness?

_____ Yes X No

_____ Yes X None reported

Noncompliance material to financial statements noted?

_____ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified?
- Significant deficiency(ies) identified that are not considered to be material weaknesses?

_____ Yes X No

_____ Yes X None reported

Type of auditors’ report issued on compliance for a major program:

Unqualified opinion

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance

_____ Yes X No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
-----------------------	---

84.010	Title I Grants to States
--------	--------------------------

Dollar threshold used to distinguish between type A and type B programs:

 \$750,000

Auditee qualifies as a low-risk auditee?

 X Yes _____ No

**FRIENDSHIP ASPIRE ACADEMY ARKANSAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
JUNE 30, 2025**

Section II – Financial Statement Findings

NONE

Section III – Federal Award Findings

NONE

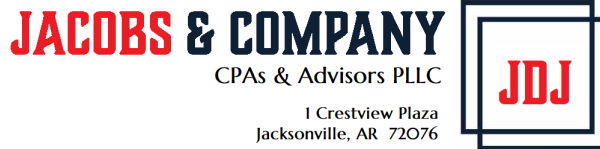
**FRIENDSHIP ASPIRE ACADEMY ARKANSAS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2025**

Section II – Financial Statement Findings

NONE

Section III – Federal Award Findings

NONE



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH ARKANSAS STATE REQUIREMENTS

To the Board of Trustees
Friendship Aspire Academy Arkansas
Jacksonville, Arkansas

We have examined management's assertions that Friendship Aspire Academy Arkansas substantially complied with the requirements of Arkansas Code Annotated 6-1-101 and the applicable laws and regulations, including those listed in the accompanying schedule of statutes required to be addressed by the Arkansas Department of Education during the year ended June 30, 2025. Management is responsible for the Charter School's compliance with those requirements. Our responsibility is to express an opinion on management's assertions about the Charter School's compliance based on our examination.

Our examination was made in accordance with standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Charter School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Charter School's compliance with specified requirements.

In our opinion, Friendship Aspire Academy Arkansas complied with the aforementioned requirements for the year ended June 30, 2025.

This report is intended solely for the information and use of the Board of Trustees, management, and the Arkansas Department of Education and is not intended to be and should not be used by anyone other than these specified parties.

Jacobs & Company CPA's, PLLC

Jacksonville, Arkansas
March 20, 2026