HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Mater Academy St. Cloud
WL# 0202
(A Charter School under Mater Academy Central, Inc. and
A Component Unit of the School District of Osceola County, Florida)

St. Cloud, Florida

Financial Statements and
Independent Auditors' Report

June 30, 2026

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Mater Academy St. Cloud
(A charter school under Mater Academy Central, Inc.)
W/L# 0202

1925 Nora Tyson Road
St. Cloud, Florida 34771

2025-2026

Board of Directors

Idalia Suarez, Board Chair, Director, effective May 26, 2026
Cesar Christian Crousillat, Board Chair, Director, resigned effective May 26, 2026
Shannie Sadesky, Vice Chair, Director, resigned effective May 26, 2026
Maria Beatriz Nunez, Director, resigned effective May 26, 2026
Yasmeen Hasan, Secretary, Director
Maurene Sotero Balmaseda, Director and Student Alumni Representative

School Administration

Alexandra Castillo, Principal

Other Non-voting Corporate Officers

Roberto Blanch, President
Kim Guilarte, Chief Operating Officer

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Mater Academy St. Cloud
St. Cloud, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Mater Academy St. Cloud (the "School"), a charter school under Mater Academy Central, Inc., which is a component unit of the School District of Osceola County, as of, and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Mater Academy St. Cloud as of June 30, 2026, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Emphasis of Matter – Presentation

As described in Note 1, the accompanying financial statements referred to above present only the financial position and change in financial position of Mater Academy St. Cloud that is attributable to the transactions of the School and is not intended to be a complete presentation of Mater Academy Central, Inc. These financial statements do not purport to, and do not, present fairly the financial position of Mater Academy Central, Inc. as of June 30, 2026, and its changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Emphasis of a Matter – Related Party Transactions

As described in Note 5 to the financial statements, the School has relied on significant support from Mater Academy, Inc. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5 through 9 and 30 through 32 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2026 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

HLB Gravier, LLP

Coral Gables, Florida
September 20, 2026

CERTIFIED PUBLIC ACCOUNTANTS

Management's Discussion and Analysis
Mater Academy St. Cloud
(A Charter school Under Mater Academy Central, Inc.)
June 30, 2026

The corporate officers of Mater Academy Central, Inc., have prepared this narrative overview and analysis of the School's financial activities for the fiscal year ended June 30, 2026.

About the School

Mater Academy St. Cloud opened in 2018 and is an Osceola County public charter school serving students in kindergarten through eighth grade. The School is part of the Mater Central Academy, Inc. network of public charter schools.

Overview of the Financial Statements

The financial statements of Mater Academy St. Cloud present the financial position and results of operations of the School for the fiscal year ended June 30, 2026, in accordance with generally accepted accounting principles for state and local governments.

The financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

The government-wide financial statements report all assets and liabilities of the government, including both financial and nonfinancial assets and both short-term and long-term obligations. Revenues are recognized when they relate to the current reporting period, regardless of when the related cash is received, and expenses are recognized when incurred, regardless of when cash is paid. The government-wide statements also report deferred outflows and deferred inflows of resources that relate to future reporting periods. Accordingly, the government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting.

The governmental fund financial statements focus on current financial resources. They generally report current financial assets and liabilities, such as cash, receivables, and accounts payable, rather than long-term capital assets and long-term liabilities. Revenues are recognized when they are both measurable and available to finance current-period expenditures, while expenditures generally are recognized when the related governmental fund liability is incurred, subject to certain exceptions for long-term obligations. Deferred outflows and deferred inflows reported at the governmental fund level are limited to those applicable to current financial resources. Accordingly, governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting.

More detail about the measurement focuses and bases of accounting can be found in the first note to the financial statements, the Summary of Significant Accounting Policies.

FINANCIAL SUMMARY

A summary and analysis of the School's net position as of June 30, 2026 and 2025 is as follows:

	2026	2025	Variance
Cash	$ 141,320	$ 153,195	$ (11,875)
Investments	1,747,000	2,194,000	(447,000)
Prepaid expenses and other assets	-	10,240	(10,240)
Due from other agencies	33,865	-	33,865
Deposits receivable	14,100	14,100	-
Capital assets and right of use capital assets, net	5,486,473	5,916,027	(429,554)
Total Assets	7,422,758	8,287,562	(864,804)
Deferred outflows of resources	-	-	-
Accounts payable and accrued liabilities	207,942	200,418	7,524
Compensated absences	202,958	183,011	19,947
Lease liability	6,173,863	6,536,402	(362,539)
Notes payable	524,392	1,120,752	(596,360)
Total Liabilities	7,109,155	8,040,583	(931,428)
Deferred inflows of resources	-	-	-
Net Position:			
Net investment in capital assets	(1,211,782)	(1,741,127)	529,345
Restricted	83,190	-	83,190
Unrestricted	1,442,195	1,988,106	(545,911)
Total Net Position	$ 313,603	$ 246,979	$ 66,624

The School's financial position improved during the year ended June 30, 2026. Total net position increased by approximately $67,000, from approximately $247,000 at June 30, 2025, to approximately $314,000 at June 30, 2026, representing an increase of approximately 27%.

The most significant changes in total assets were as follows: Investments decreased by approximately $447,000, from approximately $2.19 million at June 30, 2025, to approximately $1.75 million at June 30, 2026. The decrease was primarily attributable to the use of invested resources to support the School's current-year operating and financing activities.

Capital assets and right-to-use capital assets, net, decreased by approximately $430,000, from approximately $5.92 million to approximately $5.49 million, primarily as a result of current-year depreciation and amortization exceeding capital asset additions during the year.

The most significant changes in total liabilities related to the School's financing obligations. The lease liability decreased by approximately $363,000, from approximately $6.54 million at June 30, 2025, to approximately $6.17 million at June 30, 2026, primarily as a result of scheduled principal payments made during the year. Notes payable decreased by approximately $596,000, from approximately $1.12 million at June 30, 2025, to approximately $524,000 at June 30, 2026, primarily due to principal repayments made on the School's outstanding debt obligations during the year.

The components of net position changed as follows: Net investment in capital assets improved by approximately $529,000, from a deficit of approximately $1.74 million at June 30, 2025, to a deficit of approximately $1.21 million at June 30, 2026. The improvement primarily reflects the reduction in outstanding lease and debt obligations associated with the School's capital assets, partially offset by depreciation and amortization of the related assets. Unrestricted net position decreased by approximately $546,000, from approximately $1.99 million at June 30, 2025, to approximately $1.44 million at June 30, 2026, primarily reflecting the use of available resources for the School's current-year operations and financing activities.

A summary and analysis of the School's revenues and expenses for the years ended June 30, 2026 and 2025 is as follows:

	2026	2025	Variance
REVENUES			
Program Revenues			
Operating grants and contributions	$ 476,893	$ 455,499	$ 21,394
Capital grants and contributions	562,265	470,933	91,332
Charges for services	341,264	245,153	96,111
General Revenues			
Local sources	5,193,138	5,093,192	99,946
Other revenues	109,563	136,234	(26,671)
Total Revenues	$ 6,683,123	$ 6,401,011	$ 282,112
EXPENSES			
Instruction	$ 2,926,000	$ 3,052,550	$ (126,550)
Student support services	76,294	72,720	3,574
Instructional staff training services	28,353	33,755	(5,402)
School board	41,006	44,230	(3,224)
School administration	907,817	703,775	204,042
Fiscal services	97,375	97,058	317
Food services	302,976	289,852	13,124
Central services	125,889	120,171	5,718
Student transportation services	113,887	105,716	8,171
Operation of plant	1,217,929	1,207,341	10,588
Maintenance of plant	101,708	136,852	(35,144)
Administrative technology services	52,547	55,549	(3,002)
Community services	157,295	73,540	83,755
Debt service	467,423	348,495	118,928
Total Expenses	6,616,499	6,341,604	274,895
Change in Net Position	66,624	59,407	7,217
Net Position at Beginning of Year	246,979	187,572	59,407
Net Position at End of Year	$ 313,603	$ 246,979	$ 66,624

Enrollment remained consistent between fiscal years, with 615 full-time equivalent students during fiscal year 2026 compared with 613 students during fiscal year 2025.

Total revenues increased by approximately $282,000, from approximately $6.40 million in fiscal year 2025 to approximately $6.68 million in fiscal year 2026. Overall revenues remained relatively stable between fiscal years, with the increase primarily attributable to higher charges for services, local-source revenues, and capital grants and contributions.

Major changes in expenses included:

School administration expenses increased by approximately $204,000, from approximately $704,000 in fiscal year 2025 to approximately $908,000 in fiscal year 2026. The increase was primarily attributable to higher administrative costs incurred in support of the School's operations during the current fiscal year, including personnel and other school-level administrative expenditures.

Despite the increase in revenues, total expenses increased by approximately $275,000, from approximately $6.34 million in fiscal year 2025 to approximately $6.62 million in fiscal year 2026, primarily due to increases in school administration, debt service, and community services expenses. As a result, the School reported an increase in net position of approximately $67,000 for fiscal year 2026, compared with an increase of approximately $59,000 in fiscal year 2025.

Governmental Funds

The School reports three major funds individually in the governmental fund financial statements. Most of the discussion regarding governmental activities is equally applicable to the finances of those governmental funds.

At the end of the fiscal year, the School's governmental general fund reported ending fund balance of $1,591,961. The fund balance unassigned and available for spending at the School's discretion is $1,591,961. These funds will be available for the School's future ongoing operations.

The special revenue fund reported an ending fund balance of $122,282 comprised of restricted lunch program funds of $83,190 and assigned community services fund of $39,092. The community services fund reflects the activity in the School's internal funds and accounts for the current year's change in the ending fund balance.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

The School's investment in capital assets and right of use lease asset (building) as of June 30, 2026 amounts to $5,486,473 (net of accumulated depreciation and amortization). This investment in capital assets includes right of use lease asset (buildings), improvements and furniture, fixtures and equipment. There were no significant additions, disposals, or improvements during the year. Information on the School's fixed assets can be found in Note 2.

The School leases a facility located at 1925 Nora Tyson Road, St. Cloud, Florida.

Long-Term Liabilities

As of June 30, 2026, the School had long-term liabilities of $6,173,863 associated to its right of use lease asset (building).

The lease asset is amortized using the straight-line method over the term of the lease and the lease liability amortizes based on the effective interest method resulting in a higher liability and expense during the early years of the lease.

In addition, the School had long-term liabilities of $524,392 associated with its capital assets.

CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

Currently known facts, decisions or conditions expected to affect the School's financial position include:

- **Enrollment** – enrollment is projected to be approximately 810 in fiscal year 2027.
- **Changes in funding or legislative appropriations** - Osceola has a new referendum on the ballot in November 2026, if it passes the school would anticipate receiving those funds beginning January 2028. In FY27 the LCIR revenue will increase by 25%. The intent for it is competitive compensation and benefits to recruit and retain high-quality teachers and staff; maintain safety and security personnel in the schools; and preserve academic programs, arts, music, athletics, and student activities.
- **Major program changes or new initiatives** – The School will be a recipient of Mater CMO funds for their planned expansion up to 1,280 students.
- **Planned capital projects or financing activities** - A new building has been constructed and is opening in school year 2027. This facility will add 26 classrooms and allow both the elementary and middle school programs to grow substantially.

Requests for Information

This financial report is intended to provide a general overview of the finances of the Charter School. Requests for additional information may be addressed to Ms. Ana Martinez at Academica Broward, LLC, 6340 Sunset Drive, Miami, Florida 33143.

Mater Academy St. Cloud
(A charter school under Mater Academy Central, Inc.)

Statement of Net Position
June 30, 2026

Assets	Governmental Activities
Current assets:	
Cash	$ 141,320
Investments	1,747,000
Due from other agencies	33,865
Total Current Assets	1,922,185
Capital assets, net:	
Capital assets, depreciable	1,502,915
Less: accumulated depreciation	(1,380,733)
Right of use lease asset	7,599,409
Less: accumulated amortization	(2,235,118)
Total Capital Assets, net	5,486,473
Deposits receivable	14,100
Total Assets	7,422,758
Deferred Outflows of Resources	-
Liabilities	
Current liabilities:	
Salaries and wages payable	187,976
Accounts payable and accrued expenses	19,966
Compensated absences, current	90,380
Lease liability, current	381,083
Notes payable, current	524,392
Total Current Liabilities	1,203,797
Compensated absences	112,578
Lease liability	5,792,780
Total Liabilites	7,109,155
Deferred Inflows of Resources	-
Net Position	
Net investment in capital assets	(1,211,782)
Restricted	83,190
Unrestricted	1,442,195
Total Net Position	$ 313,603

The accompanying notes are an integral part of this financial statement.

Mater Academy St. Cloud
(A charter school under Mater Academy Central, Inc.)

Statement of Activities
For the year ended June 30, 2026

FUNCTIONS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental activities:					
Instruction	$ 2,926,000	$ 127,575	$ 105,976	$ -	$ (2,692,449)
Student support services	76,294	-	-	-	(76,294)
Instructional staff training services	28,353	-	20,141	-	(8,212)
School board	41,006	-	-	-	(41,006)
School administration	907,817	-	69,578	-	(838,239)
Fiscal services	97,375	-	-	-	(97,375)
Food services	302,976	92,280	279,617	-	68,921
Central services	125,889	-	-	-	(125,889)
Student transportation services	113,887	-	-	-	(113,887)
Operation of plant	1,217,929	-	1,581	562,265	(654,083)
Maintenance of plant	101,708	-	-	-	(101,708)
Administrative technology services	52,547	-	-	-	(52,547)
Community services	157,295	121,409	-	-	(35,886)
Debt service	467,423	-	-	-	(467,423)
Total governmental activities	$ 6,616,499	$ 341,264	$ 476,893	$ 562,265	$ (5,236,077)

General revenues:	
State and local sources	5,193,138
Investment income	71,192
Other revenues	38,371
Change in net position	66,624
Net position, beginning	246,979
Net position, ending	$ 313,603

The accompanying notes are an integral part of this financial statement.

Mater Academy St. Cloud
(A charter school under Mater Academy Central, Inc.)

Balance Sheet - Governmental Funds
June 30, 2026

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
Assets				
Cash	$ 19,038	$ 122,282	$ -	$ 141,320
Investments	1,747,000	-	-	1,747,000
Due from other agencies	-	-	33,865	33,865
Due from fund	33,865	-	-	33,865
Total Assets	1,799,903	122,282	33,865	1,956,050
Deferred Outflows of Resources	-	-	-	-
Liabilities				
Salaries and wages payable	187,976	-	-	187,976
Accounts payable and accrued liabilities	19,966	-	-	19,966
Due to fund	-	-	33,865	33,865
Total Liabilities	207,942	-	33,865	241,807
Deferred Inflows of Resources	-	-	-	-
Fund balance				
Restricted	-	83,190	-	83,190
Assigned	-	39,092	-	39,092
Unassigned	1,591,961	-	-	1,591,961
	1,591,961	122,282	-	1,714,243
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 1,799,903	$ 122,282	$ 33,865	$ 1,956,050

The accompanying notes are an integral part of this financial statement.

Mater Academy St. Cloud
(A charter school under Mater Academy Central, Inc.)

Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position
June 30, 2026

Total Fund Balance - Governmental Funds		$ 1,714,243
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of accumulated depreciation and amortization used in governmental activities are not financial resources and therefore are not reported in the fund.		
Capital assets	1,502,915	
Less: accumulated depreciation	(1,380,733)	
Right of use lease asset	7,599,409	
Less: accumulated amortization	(2,235,118)	5,486,473
Non-current assets are not recoverable in the current period and therefore, are not reported in the fund.		14,100
Long term liabilities were not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Compensated absences	(202,958)	
Lease liability	(6,173,863)	
Notes payables	(524,392)	(6,901,213)
Total Net Position - Governmental Activities		$ 313,603

The accompanying notes are an integral part of this financial statement.

Mater Academy St. Cloud
(A charter school under Mater Academy Central, Inc.)

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds
For the year ended June 30, 2026

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
Revenues:				
State passed through local	$ 5,193,138	$ -	$ -	$ 5,193,138
State capital outlay funding	-	-	408,594	408,594
Local sources	-	-	153,671	153,671
Federal sources	-	476,893	-	476,893
Charges for services and other revenue	237,138	213,689	-	450,827
Total Revenues	5,430,276	690,582	562,265	6,683,123
Expenditures:				
Current				
Instruction	2,803,547	99,776	-	2,903,323
Student support services	76,294	-	-	76,294
Instructional staff training services	7,679	20,141	-	27,820
Board	41,006	-	-	41,006
School administration	827,087	69,578	-	896,665
Fiscal services	97,375	-	-	97,375
Food services	-	302,074	-	302,074
Central services	125,889	-	-	125,889
Student transportation services	87,775	-	-	87,775
Operation of plant	762,549	1,581	-	764,130
Maintenance of plant	100,486	-	-	100,486
Administrative technology services	52,757	-	-	52,757
Community Services	-	157,295	-	157,295
Capital Outlay:				
Other capital outlay	60,486	6,200	-	66,686
Debt Service:				
Repayment of principal	596,360	-	362,539	958,899
Interest	267,697	-	199,726	467,423
Total Expenditures	5,906,987	656,645	562,265	7,125,897
Excess (deficit) of revenues over expenditures	(476,711)	33,937	-	(442,774)
Other financing sources (uses):				
Transfers in (out)	(13,367)	13,367	-	-
Net change in fund balance	(490,078)	47,304	-	(442,774)
Fund Balance at beginning of year	2,082,039	74,978	-	2,157,017
Fund Balance at end of year	$ 1,591,961	$ 122,282	$ -	$ 1,714,243

The accompanying notes are an integral part of this financial statement.

Mater Academy St. Cloud
(A charter school under Mater Academy Central, Inc.)

Reconciliation of the Statement of Revenues, Expenditures an Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For the year ended June 30, 2026

Net Change in Fund Balance - Governmental Funds		$ (442,774)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense. In the current period, these amounts are:		
Capital outlay expenditures	66,686	
Depreciation and amortization expense	(496,240)	(429,554)
Additions in long term liabilities provide current financial resources to governmental funds, but increases long term liabilities in the statement of net position. Reductions in long term liabilities is an expenditure in the governmental funds, but the repayment reduces long term liabilities in the statement of net position. In the current period, these amounts are:		
Change in compensated absences	(19,947)	
Principal payments on long-term liabilities	958,899	938,952
Change in Net Position of Governmental Activities		$ 66,624

The accompanying notes are an integral
part of this financial statement.

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

Mater Academy St. Cloud (the "School"), is a component unit and a charter school sponsored by the School District of Osceola County, Florida (the "District"). The School is considered a component unit of such District. The School's charter is held by Mater Academy Central, Inc., a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act. The governing body of the School is the board of directors of Mater Academy Central, Inc., which is composed of three members and also governs other charter schools. Mater Academy Central, Inc., is a single member entity controlled by Mater Academy, Inc. Both entities have board of director members in common. The board of directors has determined that no component units exist that would be require inclusion in the School's financial statements.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter granted by the sponsoring district, the School Board of Osceola County, Florida. The current charter expires on June 30, 2028 and it can be renewed in accordance with law. A charter can also be terminated before its date of expiration for reasons set forth in the charter and Section 1002.33 of the Florida Statutes.

The School is located in St. Cloud, Florida for students from kindergarten through eighth grade and is funded by the District. These financial statements are for the year ended June 30, 2026, when on average 615 students were enrolled for the school year.

Basis of Presentation

The School's accounting policies conform to accounting principles generally accepted in the United States as applicable to state and local governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Accordingly, the basic financial statements include both the government-wide and fund financial statements.

Government-wide and Fund Financial Statements

Government Wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information about the School as a whole. Any internal interfund activity has been eliminated from these financial statements. Both statements report only governmental activities as the School does not engage in any business type activities. These statements also do not include fiduciary funds.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees; (2) operating grants such as Federal grants, and other state allocations; and (3) capital grants specific to capital outlay.

Note 1 – Summary of Significant Accounting Policies (continued)

In addition, revenues not classified as program revenues are shown as general revenues, which include Florida Education Finance Program (FEFP) revenues and other state and local sources.

Fund Financial Statements
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, deferred outflows of resources, liabilities, deferred inflows of resources, equity, revenues and expenditures. The School reports the following major governmental funds:

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

Special Revenue Fund – accounts for specific revenues, such as federal funding that are legally restricted to expenditures for particular purposes. Also, accounts for resources of the School's Internal Fund, which is used to administer monies collected in connection with school, student athletics, class, and club activities.

Capital Projects Fund – accounts for state and other local capital funds as authorized by Charter School Capital Outlay, Section 1013.62, Florida Statutes.

Measurement Focus and Basis of Accounting
The financial statements of the School are prepared in accordance with generally accepted accounting principles (GAAP). The School's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) *Codification of Accounting and Financial Reporting Guidance*.

The government-wide statements report using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The School recognizes assets of non-exchange transactions in the period when the underlying transaction occurs, when an enforceable legal claim has arisen, or when all eligibility requirements are met. Revenues are recognized, on the modified accrual basis, when they are measurable and available.

Non-exchange transactions occur when the school provides (or receives) value to (from) another party without receiving (or giving) equal or nearly equal value in return. Most donations are examples of non-exchange transactions. Revenues from grants and donations are recognized on the accrual basis, in the fiscal year in which all eligibility requirements have been satisfied. Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. "Measurable" means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Note 1 – Summary of Significant Accounting Policies (continued)

Florida Education Finance Program (FEFP) revenues are recognized when received. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Charges for services and fees are recognized when cash is collected as amounts are not measurable. When grant terms provide that the expenditure of funds is the prime factor for determining eligibility for federal, state, and other grant funds, revenue is recognized at the time the expenditure is made. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt and compensated absences, which are reported as expenditures when due. General capital asset acquisitions are reported as expenditures in governmental funds.

Budgets and Budgetary Accounting

In compliance with Florida Statutes, the Board of Directors adopts an annual budget using the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g. salaries and benefits, purchased services, materials and supplies and capital outlay) within each activity (e.g. instruction, pupil personnel services, and school administration). Revisions to the annual budget are approved by the Board.

Cash, Cash Equivalents, and Investments

Cash and cash equivalents are considered to be cash on hand, demand deposits, nonmarketable time deposits with maturities of three months or less when purchased, and money market/savings accounts.

The School has adopted a formal investment policy that permits the investment of surplus funds, subject to Board approval, in cash and cash equivalents, debt instruments, mutual funds, certificates of deposit, government-sponsored investment vehicles, and certain investments that support the Charter School Network's educational mission. The School currently invests excess deposit funds in a government money market mutual fund.

The School follows the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, GASB Statement No. 72, *Fair Value Measurement and Application,* and other related standards which establish accounting and financial reporting standards for all investments (see Note 3). Money market investment that have maturities of one year or less from the date of acquisition are reported at amortized cost rather than fair value. Amortized cost closely approximates fair value.

Inter-fund Transfers

Interfund receivables/payables are short-term balances that represent reimbursements between funds for payments made by net fund on behalf of another fund.

Note 1 – Summary of Significant Accounting Policies (continued)

Prepaid Expenses and Other Assets

Other assets consist mainly of prepaid expenses which are payments for goods or services that have not been consumed or used at year end. The expenditure will be recorded when the asset is used. Accordingly, prepaid expenses are equally offset by a nonspendable fund balance classification.

Capital Assets

The School's property, plant and equipment with useful lives of more than one year are stated at historical cost and comprehensively reported in the statement of net position in the government-wide financial statements. Donated capital assets are recorded at their estimated fair market value on the date donated. The School generally capitalizes assets with cost of $1,000 or more. Building improvements, additions and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are sold or disposed of, the related cost and accumulated depreciation are removed from the accounts, and the resulting gain or loss is recorded in the government wide statements. Proceeds received from the sale or disposal of capital assets are recorded as Other Financing Sources in the governmental funds.

The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease. Estimated useful lives, in years, for capital assets are as follows:

Furniture, Fixtures and Equipment	5 - 10 Years
Right of use asset (building)	16 Years
Improvements	20 Years

Due from Other Governments or Agencies

Amounts due to the School by other governments or agencies are for grants or programs under which the services have been provided by the School. No allowance for uncollectible accounts is deemed necessary.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

Note 1 – Summary of Significant Accounting Policies (continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The School does not have any items that qualify for reporting in this category.

Compensated Absences

GASB Statement No. 101, *Compensated Absences*, requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. GASB Statement No. 101 establishes guidance for measuring a liability that has not been used, generally using an employee's pay rate as of the date of the financial statements.

The School grants a specific number of personal time off. Full time instructional employees are eligible to one day per month to up to ten days of active work during the ten-month period (a "benefit year"). In the event that available time is not used by the end of the benefit year, employees may "rollover" all unused days for use in future benefit years. There is an opportunity to "cash out" unused days for personal time off, however, the employees may only cash out if they have used three days or less in that benefit year.

Employees may not cash out more than ten days per school year and are required to always maintain a minimum of twenty-one unused days in order to cash out. The cash out value is eighty percent of their current daily rate. There is no termination payment for accumulated unused days. Non-exempt and office salaried employees are not eligible to "cash out" unused personal time off days.

The compensated absences liability includes an accrual for the cash out days and personal time off for services already rendered.

Revenue Sources

Revenues for current operations are received primarily from the state through the District pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the School will report the number of full-time equivalent (FTE) students and related data to the District. Under the provisions of Section 1011.62, Florida Statutes, the District reports the number of the full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for funding through the FEFP. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods.

Note 1 – Summary of Significant Accounting Policies (continued)

After reviewing and verification of FTE reports and supporting documentation, the FDOE may adjust subsequent fiscal period allocations of FEFP funding for prior year errors disclosed by its review as well as to prevent statewide allocations from exceeding the amount authorized by the Legislature. Normally, such adjustments are treated as reductions of revenue in the year the adjustment is made.

The School receives state funds through the District under charter school capital outlay funding pursuant to Section 1013.62, Florida Statutes. Funds are based on a capital outlay plan submitted to the District. In addition, the School may receive a portion of the local capital improvement tax revenues levied by the District.

Finally, the School also receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to and approved by various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred. Any excess amounts are recorded as deferred revenues until expended. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

Net Position and Fund Balance Classifications

Government-wide financial statements
Equity is classified as net position and displayed in three (3) components:

a) Net investment in capital assets - consists of capital assets net of accumulated depreciation and amortization reduced by the outstanding balances of any borrowings that are attributable to the acquisition or improvement of those assets.
b) Restricted net position - consists of net position with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments.
c) Unrestricted net position - all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for a specific purpose, it is the School's policy to use restricted resources first, until exhausted, before using unrestricted resources.

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

Note 1 – Summary of Significant Accounting Policies (continued)

a) Nonspendable - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Consists of fund balance associated with inventories and prepaid expenses.
b) Restricted - fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The restricted fund balances pertain to the School's lunch account.
c) Committed - fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School's Board of Directors. There are no committed fund balances at year end.
d) Assigned - fund balance classification are intended to be used by the School's management for specific purposes but do not meet the criteria to be classified as restricted or committed. Assigned fund balances at year end pertain to the School's Internal Account.
e) Unassigned - portion of the fund balance that has not been restricted, committed or assigned for a specific purpose. This is the residual classification for the School's general fund.

Committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Long-Term Debt and Liabilities
In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

Income Taxes
Mater Academy Central, Inc. qualifies as a tax-exempt organization under Internal Revenue Code Section 501(c)(3), and is, therefore, exempt from income tax. Accordingly, no tax provision has been made in the accompanying financial statements.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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 reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Note 1 – Summary of Significant Accounting Policies (continued)

New Accounting Standard Adopted

In fiscal year 2026, the School adopted GASB Statement No. 103, *Financial Reporting Model Improvements*. Statement No. 103 requirements updates reporting requirements and changes to MD&A, unusual/infrequent items, proprietary fund presentation, major component units, budgetary comparison information and statistical information. The adoption of this statement did not have a material impact on the School's financial statements. This statement was applied prospectively.

In fiscal year 2026, the School adopted GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. Statement No. 104 requires certain capital assets to be separately identified within the capital asset footnote. This includes lease assets by major class of underlying asset and other specified categories of capital assets. It also establishes accounting and disclosure requirements for capital assets held for sale. The adoption of this statement did not have a material impact on the School's financial statements. This statement was applied prospectively.

Pronouncements Issued But Not Yet Effective

The GASB issued GASB Statement No. 105, *Subsequent Events*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2026.

The School is currently evaluating the effect that the implementation of the new standards will have on its financial statements.

Subsequent Events

In accordance with GASB Codification Section 2250.106, the School has evaluated subsequent events and transactions for potential recognition or disclosure through September 20, 2026, which is the date the financial statements were available to be issued.

Note 2 – Capital Assets

The following schedule provides a summary of changes in capital assets, acquired substantially with public funds, for the year ended June 30, 2026:

	Balance 07/01/25	Additions	Reclassifications	Balance 06/30/26
Depreciable:				
Furniture, equipment and fixtures	$ 1,379,722	$ 66,686	$ -	$ 1,446,408
Improvements	56,507	-	-	56,507
Total Capital Assets	1,436,229	66,686	-	1,502,915
Less Accumulated Depreciation:				
Furniture, equipment and fixtures	(1,324,468)	(43,041)	-	(1,367,509)
Improvements	(7,048)	(6,176)	-	(13,224)
Total Accumulated Depreciation	$ (1,331,516)	$ (49,217)	$ -	$ (1,380,733)
Total Capital Assets, being depreciated, net	$ 104,713	$ 17,469	$ -	$ 122,182
Lease Asset:				
Right of use lease asset (building)	$ 7,599,409	$ -	$ -	$ 7,599,409
Less accumulated amortization	(1,788,095)	(447,023)	-	(2,235,118)
Total Lease Assets being amortized, net	5,811,314	(447,023)	-	5,364,291
Governmental Activities Capital Assets, net	$ 5,916,027	$ (429,554)	$ -	$ 5,486,473

For the fiscal year ended June 30, 2026 depreciation and amortization expense are allocated in the Statement of Activities by function as follows:

	Depreciation	Amortization
Instruction	$ 12,371	$ -
School administration	2,095	-
Student transportation services	26,112	-
Operation of plant	7,417	447,023
Maintenance of Plant	1,222	-
Total Expense	$ 49,217	$ 447,023

Note 3 – Cash and Investments

Deposits

The School maintains its cash in two financial institutions. Deposits at FDIC-insured institutions are insured up to $250,000 per depositor, per financial institution. The School is a charter school under Mater Academy Central, Inc., which also operates various other charter schools. All bank accounts are opened under the account ownership of Mater Academy Central, Inc., therefore, bank balances at times may potentially be in excess of FDIC coverage. As of June 30, 2026, bank balances in potential excess of FDIC coverage were approximately $278,000.

Note 3 – Cash and Investments (continued)

Investments

The School follows the Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in markets for identical assets; Level 2 inputs are significant other observable inputs (including quoted prices for similar investments, interest rates, credit risk, etc.); Level 3 inputs are significant unobservable inputs.

At June 30, 2026, the School had $1,880,000 invested in a governmental money market mutual fund that is exempt from GASB 72 fair value hierarchy disclosures. The governmental money market mutual fund values its portfolio securities at amortized cost which approximates fair value. The government money market mutual fund primarily invests in cash, high quality, short-term U.S. government securities and/or repurchase agreements that are collateralized fully by government securities that have been valued by the fund as Level 2. As of June 30, 2026, maturities of the fund's portfolio holdings are approximately 77% within 30 days.

Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of investments in a single issuer. The School manages its exposure to credit risk by limiting investments to highly rated government money market mutual funds. The fund is rated Aaa-mf by Moody's and issued by Morgan Stanley.

Custodial credit risk is the risk that in the event of a failure of a depository financial institution or counterparty that is in possession of investment or collateral securities, the School will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the School will not be able to recover the value of investments or collateral securities that are in the possession of an outside party. At June 30, 2026, all of the School's investments in government money market mutual funds were held in a separate account and designated as assets of the School.

Interest rate risk is the risk that changes in interest rate will adversely affect the fair value of an investment. The School manages its exposure to declines in fair values by limiting all investments to government money market mutual funds that can be redeemed daily.

Note 4 – Education Service and Support Provider

Academica Broward, LLC, an education service and support provider, provides administrative services to the School including, but not limited to, facility design, staffing recommendations, human resource coordination, regulatory compliance, legal and corporate upkeep, maintenance of the books and records, bookkeeping, budgeting, financial reporting and virtual services. The agreement between the School and the education service and support provider calls for a fee on a per student basis. The agreement is with Mater Academy Central, Inc., through June 30, 2028, and unless terminated by the board will have an option to renew for an additional five year period. During the year ended June 30, 2026, the School incurred $292,125 in fees.

Note 5 – Transactions with Mater Academy, Inc.

As described in Note 1, Mater Academy Central, Inc. and Mater Academy, Inc. are affiliated entities. Mater Academy, Inc., charges an assessment to all its affiliated schools for shared corporate costs and accreditation expenses. During 2026, the School paid $92,252 to the Corporation for these shared costs.

Recoverable Grant

The School has received a total of $2,545,000 of recoverable grants in prior periods from Mater Academy, Inc. The purpose of these grants was for the School to fund operating expenses with repayment contingent on the school subsequently meeting certain financial conditions. During 2026, the School paid $145,000 to Mater Academy, Inc. in relation to this grant. The maximum amount the School may be required to pay in the future should the school meet the requirements for repayment is $2,400,000. Repayment of these recoverable grants is contingent upon the School subsequently meeting certain financial conditions.

Note 6 – Interfund Transfers

Interfund balances in governmental funds as of June 30, 2026, consist of the following:

	General Fund	Special Revenue Fund	Capital Projects Fund
To reimburse the General Fund for prior period's expenditures	$ (13,367)	$ 13,367	$ -
Total Transfers, net	$ (13,367)	$ 13,367	$ -
Due from/(Due to) fund balances are as follows:			
Due to General Fund from Capital Projects Fund for capital outlay	$ 33,865	$ -	$ (33,865)
Total Due from/(Due to)	$ 33,865	$ -	$ (33,865)

Note 7 – Long-Term Liabilities

Lease

Mater Academy Central, Inc., entered into a Lease Agreement with St. Cloud School Development, LLC (the "Landlord"), for the Leased Premises located at 1925 Nora Tyson Road, St. Cloud, Florida. The Landlord is an affiliate of the School's educational service and support provider (see Note 4).

Initial fixed annual payments under the Lease Agreement are $664,764, adjusted annually and commencing on the third annual lease year based on the Consumer Price Index (CPI), plus additional property costs including repairs, maintenance and insurance. The agreement continues through June 30, 2038 ("initial term"), with an option to renew for two additional five-year term periods.

Under the Lease Agreement, Mater Academy Central, Inc. must meet certain covenants and requirements, including a "Lease Payment Coverage Ratio" of not less than 1.10 to 1.00. The Lease Agreement is guaranteed by Mater Academy, Inc.

Note 7 – Long-Term Liabilities (continued)

At the time of the initial measurement, there was no interest rate specified in the original lease agreement. The average borrowing rate was 5% which was used to discount the annual lease payments to recognize the intangible right to use this asset and the lease liability.

For the year ended June 30, 2026, interest expense totaled $315,231 as it relates to its lease agreement. For the year ended June 30, 2026, variable and other payments of $171,995 in connection with the lease agreement not previously included in the measurement of the lease liability were recorded in rent expense.

Annual requirements to amortize the lease liability and related interest are as follows:

Year ending:	Principal	Interest	Total	
2027	$ 381,083	$ 296,682	$ 677,765	
2028	400,582	277,185	677,767	
2029	421,077	256,691	677,768	
2030	442,620	235,148	677,768	
2031	465,265	212,502	677,767	
2032-2036	2,708,695	680,144	3,388,839	(Total for a five year period.)
2037-2038	1,287,415	68,122	1,355,537	(Total for a two year period.)
	$ 6,106,737	$ 2,026,474	$ 8,133,211	

Changes in long-term lease liabilities during the year as follows:

	Balance 07/01/25	Increases	Decreases	Balance 06/30/26
Lease liability - building	$ 6,469,276	$ -	$ (362,539)	$ 6,106,737
Lease liability - deferred rent	67,126	-	-	67,126
Lease payable	$ 6,536,402	$ -	$ (362,539)	$ 6,173,863

Long-term liabilities with third parties

The School shares the $2,500,000 revolving line of credit with Mater Brighton Lakes Academy, Mater Palms Academy, Mater Academy Narcoossee and Mater Academy Preparatory High School, all charter schools under Mater Academy Central, Inc. The facility bears a fixed interest rate of 1.15% per annum and is due in full with all accrued interest at the amended maturity date of December 30, 2026. The line of credit is secured by a certificate of deposit in the name of Mater Academy Inc. As of June 30, 2026, the outstanding balance that pertains to the School is $500,000.

On May 27, 2021, the School obtained financing collateralized by a motor vehicle (school bus) from a financial institution for a total loan balance of $114,516. The terms require the loan to be repaid in five yearly installments that include principal and interest at a fixed interest rate of 6.25%. As of June 30, 2026, the balance due totaled $24,392. The loan expires on September 28, 2026.

Note 7 – Long-Term Liabilities (continued)

For the year ended June 30, 2026, interest expense totaled $7,192 as it relates to its notes payable.

The following schedule provides a summary of long-term notes payable for the period:

	Balance 07/01/25	Increases	Decreases	Balance 06/30/26
Revolving line of credit	$ 1,096,360	$ -	$ (596,360)	$ 500,000
Motor vehicles financing	24,392	-	-	24,392
Long term notes payable	$ 1,120,752	$ -	$ (596,360)	$ 524,392

Note 8 – Commitments, Contingencies and Concentrations

Contingencies and Concentrations

The School receives the majority of its funding from the State through the District under the Florida Education Finance Program (FEFP) and various other state and local funding. The FEFP is based in part on a computation of the number of full-time equivalent (FTE) students attending different instructional programs. The accuracy of FTE student data submitted by individual schools and used in the FEFP computations is subject to audit by the state and, if found to be in error, could result in refunds to the state or in decreases to future funding allocations. Additionally, the School participates in a number of federal, state and local grants which are subject to financial and compliance audits. It is the opinion of management that the amount of revenue, if any, which may be remitted back to the state due to errors in the FTE student data or the amount of grant expenditures which may be disallowed by grantor agencies would not be material to the financial position of the School.

Pursuant to the Charter School contract with the School District, the District withholds an administrative fee of 5% of the qualifying revenues of the School. For the year ended June 30, 2026, administrative fees withheld by the School District totaled $98,999.

Food Service Agreement

The School entered into a food service agreement with the School Board of Osceola County ("Sponsor") to provide a lunch program for its students. Revenues and certain expenses related to this program are reflected in the Sponsor's books and not in the School's financial statements.

Note 9 – Risk Management

The School is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions and natural disasters for which the School carries commercial insurance. Settlement amounts have not exceeded insurance coverage in any of the past three fiscal years. In addition, there were no reductions in insurance coverage from those in the prior year.

Note 9 – Risk Management (continued)

The School has entered into a strategic relationship with ADP TotalSource, Inc., a human resource management firm, typically known as "Professional Employer Organization" (PEO). Under a co-employment agreement, the PEO is the employer of record and is responsible for administering payroll, payroll taxes, provide employee benefits and assist with human resources and risk management. Accordingly, certain human resource related risks are transferred to the PEO. Nevertheless, the School may be subject to risks, including loss, penalties and fines related to employment practices, administrative error and omissions.

Note 10 – Defined Contribution Retirement Plan

The School's personnel, who are leased through ADP TotalSource Group, Inc., are eligible to participate in a defined contribution 401(k) plan sponsored by the leasing company, covering employees who meet certain age and tenure requirements. Under the ADP TotalSource Retirement Savings Plan (the "Plan"), the School will match 100% of the employee's contribution 4% up to of the employee's compensation. The School contributed to the Plan $50,359 for the year ended June 30, 2026. The School does not exercise any control or fiduciary responsibility over the Plan's assets, which are administered by Voya Financial.

Note 11 – Compensated Absences

Compensated absences payable consists of leave benefits, paid time off, that employees earned based on services already rendered. Compensated absences are recognized as a liability when the leave accumulates, is attributable to past service, and it is more likely than not that the leave will be used or paid.

Changes in compensated absence liabilities during the year are as follows:

	Balance 7/1/2025	Increases *	Decreases	Balance 6/30/2026	Due within One Year
Compensated absences	$ 183,011	$ 19,947	$ -	$ 202,958	$ 90,380
	$ 183,011	$ 19,947	$ -	$ 202,958	$ 90,380

* The change in compensated balances is presented as a net change.

REQUIRED SUPPLEMENTARY INFORMATION

Mater Academy St. Cloud
(A charter school under Mater Academy Central, Inc.)

Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund
For the year ended June 30, 2026

	General Fund			Variance	
	Original Budget	Final Budget	Actual	Original to Final	Final to Actual
REVENUES					
State passed through local	$ 5,278,782	$ 5,173,183	$ 5,193,138	$ 105,599	$ (19,955)
Charges for services and other revenue	202,839	229,346	237,138	(26,507)	(7,792)
Total Revenues	5,481,621	5,402,529	5,430,276	79,092	(27,747)
EXPENDITURES					
Current:					
Instruction	2,812,255	2,824,729	2,803,547	(12,474)	21,182
Student support services	67,397	89,920	76,294	(22,523)	13,626
Instructional staff training	5,000	8,000	7,679	(3,000)	321
Board	40,925	43,063	41,006	(2,138)	2,057
School administration	757,231	829,527	827,087	(72,296)	2,440
Fiscal services	101,017	97,375	97,375	3,642	-
Central services	128,017	131,375	125,889	(3,358)	5,486
Student transportation services	133,487	88,890	87,775	44,597	1,115
Operation of plant	711,311	768,341	762,549	(57,030)	5,792
Maintenance of plant	185,000	110,000	100,486	75,000	9,514
Administrative technology services	45,980	53,412	52,757	(7,432)	655
Total Current Expenditures	4,987,620	5,044,632	4,982,444	(57,012)	62,188
Excess (deficit) of Revenues Over Current Expenditures	494,001	357,897	447,832	136,104	(89,935)
Capital Outlay:					
Other capital outlay	35,000	61,200	60,486	(26,200)	714
Debt Service:					
Redemption of principal	596,360	596,360	596,360	-	-
Interest expense	277,697	277,697	267,697	-	10,000
Total Capital Outlay & Debt Service Expenditures	909,057	935,257	924,543	(26,200)	10,714
Total Expenditures	5,896,677	5,979,889	5,906,987	(83,212)	72,902
Excess (deficit) of Revenues Over Expenditures	(415,056)	(577,360)	(476,711)	162,304	(100,649)
Other financing sources (uses):					
Transfers in (out)	18,300	(14,000)	(13,367)	32,300	(633)
Net change in fund balance	(396,756)	(591,360)	(490,078)	194,604	(101,282)
Fund Balance at beginning of year	2,082,039	2,082,039	2,082,039	-	-
Fund Balance at end of year	$ 1,685,283	$ 1,490,679	$ 1,591,961	$ 194,604	$ (101,282)

See accompanying notes to the budgetary comparison schedules.

Mater Academy St. Cloud
(A charter school under Mater Academy Central, Inc.)

Statement of Revenues, Expenditures, and Changes in Fund Balance - Special Revenue Fund
For the year ended June 30, 2026

	Special Revenue Fund			Variance	
	Original Budget	Final Budget	Actual	Original to Final	Final to Actual
REVENUES					
Federal sources	$ 457,364	$ 463,165	$ 476,893	$ (5,801)	$ (13,728)
Charges for services and other revenue	203,500	206,300	213,689	(2,800)	(7,389)
Total Revenues	660,864	669,465	690,582	(8,601)	(21,117)
EXPENDITURES					
Current:					
Instruction	129,283	103,186	99,776	26,097	3,410
Instructional staff training	24,555	20,141	20,141	4,414	-
School administration	76,409	71,409	69,578	5,000	1,831
Food services	310,317	302,919	302,074	7,398	845
Operation of plant	-	1,581	1,581	(1,581)	-
Community services	102,000	158,000	157,295	(56,000)	705
Total Current Expenditures	642,564	657,236	650,445	(14,672)	6,791
Excess (Deficit) of Revenues Over Current Expenditures	18,300	12,229	40,137	6,071	(27,908)
Capital Outlay					
Other capital outlay	-	6,200	6,200	(6,200)	-
Total Capital Outlay	-	6,200	6,200	(6,200)	-
Total Expenditures	642,564	663,436	656,645	(20,872)	6,791
Excess (Deficit) of Revenues Over Expenditures	18,300	6,029	33,937	12,271	(27,908)
Other financing sources (uses)					
Transfers in (out)	(18,301)	14,000	13,367	(32,301)	633
Net change in fund balance	(1)	20,029	47,304	(20,030)	(27,275)
Fund Balance at beginning of year	74,978	74,978	74,978	-	-
Fund Balance at end of year	$ 74,977	$ 95,007	$ 122,282	$ (20,030)	$ (27,275)

See accompanying notes to the budgetary comparison schedules.

Note 1 – Budgets and Budgetary Accounting

An annual budget is adopted on the modified accrual basis of accounting, consistent with generally accepted accounting principles. The original budget and any subsequent amendments are approved by the Board of Directors.

Note 2 – Variances

The variances in Community Services expenditure in the General Fund occurred because the final budget was increased to adjust for current year's community involvement.

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Directors of
Mater Academy St. Cloud
St. Cloud, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Mater Academy St. Cloud (the "School") as of, and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements and have issued our report thereon dated September 20, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

We issued a separate management letter dated September 20, 2026, pursuant to Chapter 10.850, Rules of the Auditor General.

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 School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 20, 2026

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

MANAGEMENT LETTER

To the Board of Directors of
Mater Academy St. Cloud
St. Cloud, Florida

Report on the Financial Statements

We have audited the financial statements of Mater Academy St. Cloud, St. Cloud, Florida, as of and for the year ended June 30, 2026, and have issued our report thereon dated September 20, 2026.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Chapter 10.850, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in those reports and schedule, which are dated September 20, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address the findings recommendation made in the preceding annual financial audit report. There were no findings and recommendations made in the preceding annual financial audit report.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and school code assigned by the Florida Department of education of the entity is Mater Academy St. Cloud, (# 0202).

Financial Condition and Management

Sections 10.854(1)(e)2 and 10.855(11), Rules of the Auditor General, require us to apply appropriate procedures and communicate whether or not Mater Academy St. Cloud has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identify the specific condition(s) met. In connection with our audit, we determined that Mater Academy St. Cloud did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.854(1)(e)6.a and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for Mater Academy St. Cloud. It is management's responsibility to monitor Mater Academy St. Cloud's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we communicate any recommendation to improve financial management. In connection with our audit, we did not have any such recommendations.

Transparency

Sections 10.854(1)(e)7 and 10.855(13), Rules of the Auditor General, require us to report the results of our determination as to whether Mater Academy St. Cloud maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that Mater Academy St. Cloud maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred, or are likely to have occurred, that has an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, School District of Osceola County, Federal and other granting agencies, the Board of Directors, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 20, 2026