HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Mater Biscayne Academy North Miami Elementary School
W/L# 2022

(A charter school under
Mater Academy, Inc.)

North Miami, Florida

Financial Statements and
Independent Auditors' Report
June 30, 2026

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Mater Biscayne Academy North Miami Elementary School
(A charter school under Mater Academy, Inc.)
W/L# 2022

12900 NE 17th Ave
North Miami, FL 33181

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

Lourdes Isla-Marrero, Principal
Victoriano Rodriguez, Principal effective July 1, 2026

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 Biscayne Academy North Miami Elementary School
North Miami, 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 Biscayne Academy North Miami Elementary School (the "School"), a charter school under Mater Academy, Inc. 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 present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Mater Biscayne Academy North Miami Elementary School 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Mater Academy, Inc. 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 Biscayne Academy North Miami Elementary School's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 auditors' 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 a Matter – Related Party Transactions
As described in Note 6 to the financial statements, the School relies on significant support from Mater Academy, Inc. Our opinion is not modified with respect to this matter.

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Emphasis of a 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 Biscayne Academy North Miami Elementary School that is attributable to the transactions of the School and is not intended to be a complete presentation of Mater Academy, Inc. These financial statements do not purport to, and do not, present fairly the financial position of Mater Academy, 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.

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 29 through 31 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 15, 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 to solely 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 15, 2026

CERTIFIED PUBLIC ACCOUNTANTS

Management's Discussion and Analysis
Mater Biscayne Academy North Miami Elementary School
(A Charter School Under Mater Academy, Inc.)
June 30, 2026

The corporate officers of Mater Academy, 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 Biscayne Academy North Miami Elementary School is a tuition-free public charter school located in North Miami, Florida, serving students in kindergarten through fifth grade. The School operates under Mater Academy, Inc. and provides a college-readiness focused educational program designed to promote academic achievement and prepare students to become confident, self-directed, and responsible lifelong learners.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the School's basic financial statements. The School's financial statements for the year ended June 30, 2026 are presented in accordance with GASB Codification Section 2200. 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 focus and basis of accounting can be found in the first note to the financial statements, the Summary of Significant Accounting Policies.

FINANCIAL SUMMARY

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

	2026	2025	Variance
Cash and cash equivalents	$ 263,443	$ 167,655	$ 95,788
Investments	2,954,000	914,000	2,040,000
Due from other agencies	53,363	83,335	(29,972)
Accounts receivable	371,087	80,649	290,438
Prepaid expenses and other assets	282,101	251,715	30,386
Due from other divisions of Mater Academy, Inc.	-	1,413	(1,413)
Capital and right of use assets, net	20,813,185	10,578,894	10,234,291
Total Assets	24,737,179	12,077,661	12,659,518
Deferred outflows of resources	-	-	
Salaries and wages payable	406,651	333,883	72,768
Accounts payable and other accrued liabilities	116,159	83,286	32,873
Compensated absences	228,917	212,197	16,720
Due to other divisions of Mater Academy, Inc., long-term	1,800,000	800,000	1,000,000
Lease liability	21,285,947	9,886,059	11,399,888
Total Liabilities	23,837,674	11,315,425	12,522,249
Deferred inflows of resources	-	-	-
Net Position:			
Net investment in capital assets	(472,762)	692,835	(1,165,597)
Restricted	376,722	220,190	156,532
Unrestricted	995,545	(150,789)	1,146,334
Total Net Position	$ 899,505	$ 762,236	$ 137,269

At the end of both fiscal years, the School reported positive total net position. Total assets and liabilities increased significantly during fiscal year 2026, by approximately $12.7 million and $12.5 million, respectively. These increases were primarily attributable to a lease modification during the current year, which resulted in an approximately $10.2 million increase in capital and right-of-use assets and an approximately $11.4 million increase in lease liabilities. Additionally, accounts receivable increased by approximately $300,000 and investments increased by approximately $2.0 million as the School invested available cash in interest-bearing investments. There was also a $1 million increase in liabilities to due to an accrual for a recoverable grant repayment due to Mater Academy, Inc.

Net investment in capital assets decreased by approximately $1.2 million, from approximately $693,000 at June 30, 2025 to a deficit of approximately $473,000 at June 30, 2026. The decrease was primarily attributable to the lease modification during the current year, as the resulting increase in lease liabilities exceeded the corresponding increase in the carrying value of capital and right-of-use assets.

Unrestricted net position increased by approximately $1.1 million, from a deficit of approximately $151,000 at June 30, 2025 to approximately $1 million at June 30, 2026. The increase was attributable to both the change in the composition of net position resulting from the lease modification and the School's positive current-year operating results. Overall, total net position increased by approximately $137,000 during fiscal year 2026 as current-year revenues exceeded expenses. See the analysis of the School's revenues and expenses for further detail.

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

	2026	2025	Variance
REVENUES			
Program Revenues			
Capital Grants and Contributions	$ 1,225,623	$ 739,316	$ 486,307
Operating Grants and Contributions	224,898	234,267	(9,369)
Charges for Services	1,525,174	801,386	723,788
General Revenues			
State and Local Sources	8,963,520	7,121,275	1,842,245
Other Revenues	88,484	1,150,126	(1,061,642)
Total Revenues	$12,027,699	$ 10,046,370	$ 1,981,329
EXPENSES			
Instruction	$ 5,112,871	$ 4,780,075	$ 332,796
Student support services	75,813	-	75,813
Instructional staff training	41,777	28,205	13,572
Board	82,985	144,236	(61,251)
School administration	895,504	910,949	(15,445)
Fiscal services	128,725	107,350	21,375
Food services	268,544	275,037	(6,493)
Central services	128,701	128,560	141
Student transportation services	513	513	-
Operation of plant	2,168,522	2,139,064	29,458
Maintenance of plant	556,525	567,447	(10,922)
Administrative technology services	85,857	81,547	4,310
Community Services	287,695	172,258	115,437
Debt service	2,056,398	497,855	1,558,543
Total Expenses	11,890,430	9,833,096	2,057,334
Increase (decrease) in Net Position	137,269	213,274	(76,005)
Net Position at Beginning of Year	762,236	548,962	213,274
Net Position at End of Year	$ 899,505	$ 762,236	$ 137,269

Student enrollment increased from 678 students in the prior year to 813 students in the current year, an increase of approximately 20%. The increase in enrollment contributed to an approximately $1.8 million increase in state and local revenues, approximately $486,000 increase in capital grants and contributions and an approximately $724,000 increase in charges for services. Capital Outlay funding per student increased at the state level by approximately $40 per pupil. Additionally, local capital improvement revenue rose by $341 per pupil compared to the prior year. The budget originally projected a 25% increase in local capital improvement revenue; however, higher than expected local tax collections resulted in an additional 27% increase above the anticipated 25% growth, producing a materially higher year over year revenue gain.

These increases were partially offset by an approximately $1,061,000 decrease in other revenues, primarily related to a reduction in recoverable grants recognized in the prior year. Overall, total revenues increased by approximately $1.98 million, or 20%, from approximately $10.0 million in 2025 to $12.0 million in 2026.

Total expenses increased by approximately $2 million, or 21%, from approximately $9.8 million in 2025 to $11.9 million in 2026. The increase was primarily attributable to an approximately $333,000 increase in instructional expenses, which was consistent with the increase in student enrollment, and an approximately $1.6 million increase in debt service expenses, primarily associated with recoverable grant repayment and lease modification during the current year. As a result, the School's increase in net position declined from approximately $213,000 in 2025 to approximately $137,000 in 2026.

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 $2,280,059. The fund balance unassigned and available for spending at the School's discretion is $1,556,551. These funds will be available for the School's future ongoing operations. The general fund has an assigned fund balance of $64,685 attributable to the School's prekindergarten program. There was $376,722 of restricted funds in the general fund that pertained to rollover referendum funds.

The special revenue fund reported an ending fund balance of $121,125 which was comprised of funds assigned to the School's Internal Account.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

The School's investment in capital assets (including right of use assets) as of June 30, 2026 amounts to $20,813,185 (net of accumulated depreciation and amortization). This investment in capital assets includes building improvements and furniture, equipment and computer equipment and vehicles. The school had approximately $181,000 in capital expenditures during the School year but had no material dispositions outside the ordinary course of facility maintenance.

The lease was modified during the 2025-2026 school year which resulted in the remeasurement of the School's right-of-use lease asset and corresponding lease liability.

Lease of Facility

The School leases a facility located at 12900 NE 17th Ave, North Miami, FL 33181.

Long-Term Liabilities

As of June 30, 2026, the School had long-term lease liabilities of $21,285,947 associated with its right of use lease asset (building) and a noninterest-bearing long-term liability due to other divisions of Mater Academy, Inc. of $800,000.

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.

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 900 in fiscal year 2027.
- **Changes in funding or legislative appropriations** - the School receives Secure Our Future Referendum to raise/maintain teacher compensation and improve school safety and security from Miami-Dade County School District. The current renewal is set to expire on June 30, 2027.
- **Major program changes or new initiatives** – No major program changes anticipated.
- **Planned capital projects or financing activities** – The School is planning to invest in partitions, awnings, field pavers and a second floor office space.

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 Dade, LLC, 6340 Sunset Drive, Miami, Florida 33143.

Mater Biscayne Academy North Miami Elementary School
(A charter school under Mater Academy, Inc.)
Statement of Net Position
June 30, 2026

	Primary Government
Assets	Governmental Activities
Current assets:	
Cash and cash equivalents	263,443
Investments	2,954,000
Due from other agencies	53,363
Accounts receivable	371,087
Prepaid expenses and other assets	282,101
Due from other divisions of Mater Academy, Inc.	-
Total current assets	3,923,994
Capital assets, non-depreciable	-
Capital assets, depreciable	3,237,364
Less: accumulated depreciation	(1,889,264)
Right-of-use lease asset	20,856,635
Less: accumulated amortization	(1,391,550)
	20,813,185
Total Assets	24,737,179
Deferred Outflows of Resources	-
Liabilities	
Current liabilities:	
Accounts payable and other accrued liabilities	116,159
Due to Mater Academy, Inc.	1,000,000
Salaries and wages payable	406,651
Compensated absences, current	101,939
Lease liability, current	-
Total current liabilities	1,624,749
Lease liability	21,285,947
Compensated absences	126,978
Due to other divisions of Mater Academy, Inc.	800,000
Total Liabilities	23,837,674
Deferred Inflows of Resources	-
Net Position	
Net investment in capital assets	(472,762)
Restricted referendum funds	376,722
Unrestricted	995,545
Total Net Position	$ 899,505

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

Mater Biscayne Academy North Miami Elementary School
(A charter school under Mater Academy, Inc.)
Statement of Activities
For the year ended June 30, 2026

Primary Government 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	$ 5,112,871	1,111,250	$ 21,642	$ -	$ (3,979,979)
Student support services	75,813	-	-	-	(75,813)
Instructional staff training	41,777	-	26,926	-	(14,851)
Board	82,985	-	-	-	(82,985)
School administration	895,504	-	-	-	(895,504)
Fiscal services	128,725	-	-	-	(128,725)
Food services	268,544	93,222	176,330	-	1,008
Central services	128,701	-	-	-	(128,701)
Student transportation services	513	-	-	-	(513)
Operation of plant	2,168,522	-	-	1,225,623	(942,899)
Maintenance of plant	556,525	-	-	-	(556,525)
Administrative technology services	85,857	-	-	-	(85,857)
Community Services	287,695	320,702	-	-	33,007
Debt service	2,056,398	-	-	-	(2,056,398)
Total governmental activities	11,890,430	1,525,174	224,898	1,225,623	(8,914,735)
	General revenues:				
	State and local sources				8,963,520
	Investment earnings and other revenue				88,484
	Change in net position				137,269
	Net position, beginning				762,236
	Net position, ending				$ 899,505

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

Mater Biscayne Academy North Miami Elementary School
(A charter school under Mater Academy, Inc.)
Balance Sheet - Governmental Funds
June 30, 2026

	General Fund	Special Revenue Funds	Capital Projects Fund	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 142,318	$ 121,125	$ -	$ 263,443
Investment	2,954,000	-	-	2,954,000
Accounts receivable	371,087	-	-	371,087
Due from other agencies	-	-	53,363	53,363
Due from fund	53,363	-	-	53,363
Prepaid expenses	282,101	-	-	282,101
Total Assets	3,802,869	121,125	53,363	3,977,357
Deferred Outflows of Resources	-	-	-	-
Liabilities				
Salaries and wages payable	406,651	-	-	406,651
Accounts payable	116,159	-	-	116,159
Due to Mater Academy, Inc.	1,000,000	-	-	1,000,000
Due to fund	-	-	53,363	53,363
Total Liabilities	1,522,810	-	53,363	1,576,173
Deferred Inflows of Resources	-	-	-	-
Fund balance				
Nonspendable, not in spendable form	282,101	-	-	282,101
Assigned	64,685	121,125	-	185,810
Restricted	376,722	-	-	376,722
Unassigned	1,556,551	-	-	1,556,551
	2,280,059	121,125	-	2,401,184
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 3,802,869	$ 121,125	$ 53,363	$ 3,977,357

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

Mater Biscayne Academy North Miami Elementary School
(A charter school under Mater Academy, Inc.)
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position
June 30, 2026

Total Fund Balance - Governmental Funds		$ 2,401,184
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	3,237,364	
Less: accumulated depreciation	(1,889,264)	
Right-of-use lease asset	20,856,635	
Less: accumulated amortization	(1,391,550)	
		20,813,185
Long term debt in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Compensated absences	(228,917)	
Lease liabilities	(21,285,947)	
Due to other divisions of Mater Academy, Inc.	(800,000)	
		(22,314,864)
Total Net Position - Governmental Activities		$ 899,505

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

Mater Biscayne Academy North Miami Elementary School
(A charter school under Mater Academy, Inc.)
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds
For the year ended June 30, 2026

	General Fund	Special Revenue Funds	Capital Projects Fund	Total Governmental Funds
Revenues:				
State passed through local	$ 7,513,321	$ -	$ -	$ 7,513,321
State capital outlay funding	-	-	546,995	546,995
Federal sources	-	224,898	-	224,898
Local sources	1,450,199	-	678,628	2,128,827
Charges for services and other revenues	1,199,734	413,924	-	1,613,658
Total Revenues	10,163,254	638,822	1,225,623	12,027,699
Expenditures:				
Current				
Instruction	4,600,740	21,642	-	4,622,382
Student support services	75,035	-	-	75,035
Instructional staff training	14,851	26,926	-	41,777
Board	82,985	-	-	82,985
School administration	921,825	-	-	921,825
Facilities acquisition	-	-	-	-
Fiscal services	128,725	-	-	128,725
Food services	-	265,537	-	265,537
Central services	128,701	-	-	128,701
Student transportation services	-	-	-	-
Operation of plant	1,566,342	-	-	1,566,342
Maintenance of plant	97,133	-	458,859	555,992
Administrative technology services	83,114		-	83,114
Community Services	-	287,695	-	287,695
Capital Outlay:				
Right-of-use lease asset	-	-	11,110,254	11,110,254
Other capital outlay	181,239	-	-	181,239
Debt Service:				
Interest	-	-	1,056,398	1,056,398
Total Expenditures	7,880,690	601,800	12,625,511	21,108,001
Deficit of revenues over expenditures	2,282,564	37,022	(11,399,888)	(9,080,302)
Other financing sources (uses)				
Transfers in (out)	(6,457)	6,457	-	-
Recoverable grant repayment	(1,000,000)	-	-	(1,000,000)
Increase in lease liability, net	-	-	11,399,888	11,399,888
Net change in fund balance	1,276,107	43,479	-	1,319,586
Fund Balance at beginning of year,	1,003,952	77,646	-	1,081,598
Fund Balance at end of year	$ 2,280,059	$ 121,125	$ -	$ 2,401,184

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

Mater Biscayne Academy North Miami Elementary School
(A charter school under Mater Academy, Inc.)

Reconciliation of the Statement of Revenues, Expenditures and 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		$ 1,319,586
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	181,239	
Right of use lease assets	11,110,254	
Depreciation and amortization expense	(1,057,202)	
		10,234,291
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:		
Decreases in long term liabilities	-	
Increases in long term liabilities	(11,416,608)	
		(11,416,608)
Change in Net Position of Governmental Activities		$ 137,269

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

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

Mater Biscayne Academy North Miami Elementary School (the "School"), is a charter school sponsored by the School Board of Miami-Dade County, Florida (the "District"). The School's charter is held by Mater Academy, 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, Inc., which is composed of three members and also governs other charter schools. The board of directors has determined that no component units exists that would 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 Miami-Dade County, Florida. The current charter expires on June 30, 2036 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 North Miami, Florida for students from kindergarten through fifth grade. These financial statements are for the year ended June 30, 2026, when on average 813 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 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.

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.

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.

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 do not include fiduciary funds.

Note 1 – Summary of Significant Accounting Policies (continued)

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, such as food service and student activity fees; (2) operating grants such as the National School Lunch Program, Federal grants, and other state allocations; and (3) capital grants specific to capital outlay. 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 and federal lunch program 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 - is used to account for the resources restricted for the acquisition or construction of specific capital assets and from state and local capital funding that are legally restricted to expenditures for particular purposes.

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.

Note 1 – Summary of Significant Accounting Policies (continued)

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.

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 and Cash Equivalents

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.

Investments

The School has not adopted a formal deposit and investment policy that limits the School's allowable deposits or investments and address specific types of risk; however the School 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 2). 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

Inter-fund receivables/payables ("due from/to") are short-term balances that represent reimbursements between funds for payments made by one fund on behalf of another fund.

Due from Other Governments or Agencies

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

Note 1 – Summary of Significant Accounting Policies (continued)

Prepaid Expenses

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 are 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 disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

The right of 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 of 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:

Improvements	5-30 Years
Furniture and equipment	5-10 Years
Right of use asset (building)	35 Years

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.

Note 1 – Summary of Significant Accounting Policies (continued)

The School grants a specific number of personal time off days. Full time teachers and 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. 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. After review 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. In addition, the School receives a portion of the local operating millage revenues levied by the District (Secure our Future Referendum).

In addition, 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.

Note 1 – Summary of Significant Accounting Policies (continued)

Net Position and Fund Balance Classification

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

a) Net investment in capital assets - capital assets net of accumulated depreciation and amortization, and 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,* 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:

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 prepaid expenses. All nonspendable fund balances at year end pertain to not in spendable form assets.
b) Restricted - this classification includes fund balance category amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The restricted fund balance pertains to the School's unspent local referendum funds.
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 that is 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.

Note 1 – Summary of Significant Accounting Policies (continued)

Long-Term Debt and Liabilities
In the government-wide financial statements, long-term debt and other long-term liabilities 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, 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.

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 15, 2026, which is the date the financial statements were available to be issued.

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 implementation of the new standards will have on its financial statements.

Note 2 – Cash, Cash Equivalents and Investments

Deposits

The School maintains its cash and cash equivalents 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, Inc., which also operates various other charter schools. All bank accounts are opened under the account ownership of Mater Academy, 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 was approximately $481,000.

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 $3,500,000 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.

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 3 – Due from Other Agencies

The following is due from other agencies as of June 30, 2026:

Funding Source	Governmental Fund	Balance
Capital Outlay	Capital Projects Fund	$ 53,363
Total Due from Other Agencies		$ 53,363

Note 4 – Capital Assets

The following schedule provides a summary of changes in capital assets as of year end June 30, 2026:

	Balance 07/01/25	Additions	Retirements/ Reclassifications	Balance 06/30/26
Capital Assets, non-depreciable:				
Building improvements under construction	$ 4,647	$ (4,647)	$ -	$ -
Capital assets, depreciable:				
Improvements	914,248	100,277	-	1,014,525
Furniture, fixtures and equipment	2,137,230	85,609	-	2,222,839
Total Capital Assets	3,056,125	181,239	-	3,237,364
Less Accumulated Depreciation:				
Improvements	(245,765)	(52,873)	-	(298,638)
Furniture, fixtures and equipment	(1,142,442)	(448,184)	-	(1,590,626)
Total Accumulated Depreciation	(1,388,207)	(501,057)	-	(1,889,264)
Capital Assets, net	$ 1,667,918	$ (319,818)	$ -	$ 1,348,100
Lease Assets:				
Right of use lease asset (building)	$ 9,746,381	$11,110,254	$ -	$20,856,635
Less accumulated amortization	(835,405)	(556,145)	-	(1,391,550)
Total Lease Assets, net	8,910,976	10,554,109	-	19,465,085
Governmental Activities Capital Assets, net	$10,578,894	$10,234,291	$ -	$20,813,185

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

	Depreciation	Amortization
Instruction	$ 408,954	$ -
School administration	38,016	-
Food services	1,247	-
Student transportation	513	-
Operation of plant	51,794	556,145
Maintenance of plant	533	-
Total Expense	$ 501,057	$ 556,145

Note 5 – Education Service and Support Provider

Academica Dade, LLC, an education service and support provider, offers 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 and financial reporting and virtual education services. The agreement calls for a fee on per student basis.

The agreement is with Mater Academy, Inc. through June 30, 2028, and unless terminated by the board, will have the option to renew for an additional 5 year period. During the year ended June 30, 2026, the School incurred $446,500 in fees related to this agreement, including fees for the School's pre-kindergarten program of $60,325.

Note 6 – Transactions With Other Divisions of Mater Academy, Inc.

The School received long-term, non-interest bearing advances from the corporate account of Mater Academy, Inc. The following schedule provides a summary of changes in long-term advances for the year:

	Balance 07/01/25	Increases	Decreases	Balance 06/30/26
Mater Academy, Inc. - Corporate account	$ 800,000	$ -	$ -	$ 800,000
Total Long Term Payables	$ 800,000	$ -	$ -	$ 800,000

The School entered into a Non-Exclusive Usage Agreement with Brightstar Learning Center Academy, LLC (affiliated entity of the School's administration) whereby the before/after-care program pays the School a monthly usage fee of $1,500 not including insurance and other reimbursable operating costs. The School has approximately $371,000 due from the affiliate in connection with agreement.

Program Fees

Mater Academy, Inc. charges all its affiliated schools an assessment for shared corporate costs and accreditation expenses. The School paid Mater Academy, Inc. approximately $121,952 in connection with these charges during the year.

The School shares the premises as well as other resources with two charter schools under Mater Academy, Inc. During the year, the School paid $422,437 in rent expense on behalf of Mater Biscayne Academy North Miami High School.

Recoverable Grants

The School recognized recoverable grants totaling $4,545,000 in prior years from Mater Academy, Inc. to fund operating expenses. Under the terms of the grant, the School would repay the corporate account of Mater Academy, Inc. in the event the School experiences a surplus of its operating budget for any period ending on June 30, following the execution of the agreement. Management determined that the school met requirements for partial repayment and accrued for the repayment of $1,000,000 due to Mater Academy, Inc. at year end. The maximum the School may be required to pay in the future should the School meet the requirements for repayment is $3,545,000.

Note 7 – Contingencies and Concentrations

The School receives the majority of its funding from the State through the District under the Florida Education Finance Program (FEFP), which 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 receives various forms of federal, state and local funding which are subject to financial and compliance audits. It is the opinion of management that the amount of funding, 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.

On November 6, 2018, and November 8, 2022, the voters of Miami-Dade approved and renewed, respectively, the Secure Our Future Referendum to raise/maintain teacher compensation and improve school safety and security. The Miami-Dade County School District shares a portion with charter schools. The current renewal is set to expire on June 30, 2027. For the year ended June 30, 2026, the Schools total referendum revenues were approximately $1,450,000 or 12% of total revenues.

Pursuant to the Charter School contract with the School District, the District withholds an administrative fee up to 2% of the qualifying revenues of the School. For the year ended June 30, 2026, administrative fees withheld by the School District totaled $43,234.

Note 8 – Long-Term Liabilities to Related Party

Mater Academy, Inc. (the subtenant) entered into a space sublease agreement with Doral College Inc., as sublandlord. Doral College, Inc. is the subtenant under the master lease and security agreement with Mater Academy Foundation, Inc. Mater Academy Foundation, Inc. is a not-for-profit supporting organization of Mater Academy, Inc. under Section 509(a)(3) of the Internal Revenue Code. The facilities are located at 12900 NE 17th Ave, North Miami, FL 33181 and were shared with Mater Biscayne Academy North Miami Middle School and Mater Biscayne Academy North Miami High School. The agreement was amended effective July 1, 2025 to extend the term from 2056 to June 30, 2061, with two options to renew for five additional years each. The amended agreement maintained the existing rental rate of $1,346.61 per student per year based on a student minimum of 1,650 in 2026. However, amended agreement revised the rental rates and enrollment minimums for the subsequent lease years to $1,525 per full-time student equivalent per year with a minimum enrollment of 2,170 in 2027, 2,420 in 2028, 2670 in 2029, 2,900 in 2030 and thereafter. The annual fixed rent is adjusted annually based on the change in the Consumer Price Index (CPI) and is capped at a 1.5% annual increase. Under the agreement, Mater Academy, Inc. must meet certain requirements and covenants. All of the School's revenues (except for revenues restricted or assigned for specific programs) are pledged to the lease and security agreement for the outstanding principal and interest balance of the bonds issued to Mater Academy Foundation, Inc. to finance the acquisition and construction of the facility. The revenues pledged during the school year ended June 30, 2026, exceeded the required principal and interest for that period.

Note 8 – Long-Term Liabilities to Related Party (continued)

The lease right of use asset and liability were allocated among the three schools based on enrollment and expected usage of facility. The allocation was approximately 30% for the School, 30% for Mater Biscayne Academy North Miami Middle School, and 40% for Mater Biscayne Academy North Miami High School. The School has used an average effective interest based on several borrowings of Mater Academy, Inc. 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 $1,056,398, as it relates to its lease agreements. For 2026, variable payments related to the lease agreement amounted to $65,166.

Annual requirements to amortize the lease liability and related interest, to be shared by the three schools, are as follows:

Year	Principal	Interest	
2027	$ -	$ 1,065,959	
2028	40,104	1,067,046	
2029	159,189	1,062,336	
2030	275,003	1,051,747	
2031	289,073	1,037,677	
2032-2036	1,682,935	4,950,815	(Total for five-year period)
2037-2041	2,159,809	4,473,941	(Total for five-year period)
2042-2046	2,771,810	3,861,940	(Total for five-year period)
2047-2051	3,557,226	3,076,524	(Total for five-year period)
2052-2056	4,565,197	2,068,553	(Total for five-year period)
2057-2061	5,785,601	774,965	(Total for five-year period)
	$ 21,285,947	$ 24,491,503	

The following schedule provides a summary of changes in lease liability during the year:

	Balance 07/01/25	Increases	Decreases	Balance 06/30/26
Lease liability	$ 9,886,059	$ 11,399,888	$ -	$ 21,285,947
Total lease liability	$ 9,886,059	$ 11,399,888	$ -	$ 21,285,947

Note 9 - Interfund Transfers and Balances

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

	General Fund	Special Revenue Funds	Capital Projects Fund
To reimburse the special revenue fund for prior period's expenditures	$ (6,457)	$ 6,457	$ -
Total Transfers, net	$ (6,457)	$ 6,457	$ -
Due to general fund from capital projects fund for capital outlay	$ 53,363	$ -	$ (53,363)
Total Due from/(Due to)	$ 53,363	$ -	$ (53,363)

Note 10 – Risk Management

The School is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; administrative errors and omissions; personal injury; workers compensation and natural disasters for which the School carries commercial insurance. Settlement amounts did not exceed 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.

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 11 – 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 provides a contribution up to 4% of the employee's compensation. The School contributed to the Plan $43,976 for the year ended June 30, 2026. The School does not exercise any control or fiduciary responsibility over the Plans' assets, which are administered by Voya Financial.

Note 12 – 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 07/01/25	Increases*	Decreases	Balance 06/30/26	Due within a year
Compensated absences	$ 212,197	$ 16,720	$ -	$ 228,917	$101,939
Total Compensated absences	$ 212,197	$ 16,720	$ -	$ 228,917	$101,939

**The change in compensated absences balance is presented as a net change.*

REQUIRED SUPPLEMENTARY INFORMATION

Mater Biscayne Academy North Miami Elementary School
Mater Academy, Inc.
(A charter school under Mater Academy, 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	7,367,331	7,453,625	$7,513,321	86,294	59,696
Local Sources (Including Referendum Revenue)	1,218,240	1,408,116	1,450,199	189,876	42,083
Other Revenue & Charges for Services	903,705	1,156,527	1,199,734	252,822	43,207
Total Revenues	9,489,276	10,018,268	10,163,254	528,992	144,986
EXPENDITURES					
Current:					
Instruction	4,895,565	4,626,549	4,600,740	(269,016)	(25,809)
Student Support Services	95,455	90,284	75,035	(5,171)	(15,249)
Instructional Staff Training	2,000	15,000	14,851	13,000	(149)
Board	96,313	89,014	82,985	(7,299)	(6,029)
School Administration	1,018,775	927,715	921,825	(91,060)	(5,890)
Fiscal Services	132,208	128,725	128,725	(3,483)	-
Central Services	157,208	145,725	128,701	(11,483)	(17,024)
Operation of Plant	1,847,897	1,578,343	1,566,342	(269,554)	(12,001)
Maintenance of plant	196,438	107,469	97,133	(88,969)	(10,336)
Administrative Technology Services	85,136	83,341	83,114	(1,795)	(227)
Total Current Expenditures	8,526,995	7,792,165	7,699,451	(734,830)	(92,714)
Excess (deficit) of Revenues				-	-
Over Current Expenditures	962,281	2,226,103	2,463,803	1,263,822	237,700
				-	-
Capital Outlay:				-	-
Other Capital Outlay	312,010	188,980	181,239	(123,030)	(7,741)
Total Expenditures	8,839,005	7,981,145	7,880,690	(857,860)	(100,455)
				-	-
Excess (deficit) of Revenues Over Expenditures	650,271	2,037,123	2,282,564	1,386,852	245,441
				-	-
Other financing sources (uses):				-	-
Transfers in (out)	(323,527)	7,629	(6,457)	331,156	(14,086)
Recoverable Grant Repayment	-	(1,000,000)	(1,000,000)	(1,000,000)	-
				-	-
Net change in fund balance	326,744	1,044,752	1,276,107	718,008	231,355
				-	-
Fund Balance at beginning of year	1,003,952	1,003,952	1,003,952	-	-
Fund Balance at end of year	1,330,696	2,048,704	2,280,059	718,008	231,355

See accompanying notes to budgetary comparison schedules.

Mater Biscayne Academy North Miami Elementary School
(A charter school under Mater Academy, Inc.)
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the year ended June 30, 2026

	Special Revenue Funds			Variance	
	Original Budget	Final Budget	Actual	Original to Final	Final to Actual
REVENUES					
Federal Sources	215,375	$ 222,385	$224,898	7,010	2,513
Charges for Services	401,200	409,908	413,924	8,708	4,016
Total Revenues	616,575	632,293	638,822	15,718	6,529
EXPENDITURES					
Current:					
Instruction	79,975	22,000	21,642	(57,975)	(358)
Instructional Staff Training	37,575	36,585	26,926	(990)	(9,659)
Food Services	507,552	266,079	265,537	(241,473)	(542)
Community Services	315,000	300,000	287,695	(15,000)	(12,305)
Total Current Expenditures	940,102	624,664	601,800	(315,438)	(22,864)
Excess (Deficit) of Revenues Over Expenditures	(323,527)	7,629	37,022	331,156	29,393
Other financing sources (uses)					
Transfers in (out)	323,527	(7,629)	6,457	(331,156)	14,086
Net change in fund balance	-	-	43,479	-	43,479
Fund Balance at beginning of year	77,646	77,646	77,646	-	-
				-	-
Fund Balance at end of year	$ 77,646	$ 77,646	$121,125	-	43,479

See accompanying notes to 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

Other Revenues & Charges for Services
The variances noted occurred because the final budget was increased to reflect the increase in enrollment during the year.

Instruction
The variances in instruction in the general fund and the special revenue fund occurred because the final budget was reduced to reflect changes in staff allocation.

Operation of Plant
The variances occurred in operation of plant because the final budget was reduced to reflect the realized savings in facility contracts year over year.

Recoverable Grant Repayment
The variance occurred because the board approved the repayment in the final budget based on the School's financial performance.

Food Services
The original budget did not reflect the School's prorate share of the cafeteria staff. The final budget was adjusted to reflect the School's prorate share of the cafeteria staff.

Community Service
The variance occurred because the final budget was reduced 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*

Board of Directors of
Mater Biscayne Academy North Miami Elementary School
North Miami, Florida

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 the governmental activities and each major fund of Mater Biscayne Academy North Miami Elementary School (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 15, 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 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 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 pursuant to Chapter 10.850, Rules of the Auditor General dated September 15, 2026.

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.

HLB Gravier, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 15, 2026

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

MANAGEMENT LETTER

Board of Directors of
Mater Biscayne Academy North Miami Elementary School
North Miami, Florida

Report on the Financial Statements
We have audited the financial statements of Mater Biscayne Academy North Miami Elementary School, North Miami, Florida, as of and for the fiscal year ended June 30, 2026 and have issued our report thereon dated September 15, 2026.

Auditors' 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 Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in those reports and schedules, which are dated September 15, 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. There were no findings or recommendations in the preceding 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 the school code assigned by the Florida Department of Education of the entity is Mater Biscayne Academy North Miami Elementary School, 2022.

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 Biscayne Academy North Miami Elementary School 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 Biscayne Academy North Miami Elementary School 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 Biscayne Academy North Miami Elementary School. It is management's responsibility to monitor Mater Biscayne Academy North Miami Elementary School 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 apply appropriate procedures and communicate the results of our determination as to whether Mater Biscayne Academy North Miami Elementary School 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 Biscayne Academy North Miami Elementary School 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 that we address noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred, or is 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 have 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 Board of Miami-Dade 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.

HLB Gravier, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 15, 2026