HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Mater Academy Lakes Middle School
WL# 6033

(A Charter School under Mater Academy, Inc.)

Miami, Florida

Financial Statements And
Independent Auditors' Report

June 30, 2026

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Mater Academy Lakes Middle School
(A charter school under Mater Academy, Inc.)
WL# 6033

17300 NW 87th Ave
Miami, FL 33015

2025-2026

Board of Directors

Cesar Christian Crousillat, Board Chair, Vice-President — Resigned May 26, 2026
Idalia Suarez, Board Chair, Director — Effective May 26, 2026
Shannie Sadesky, Secretary, Director — Resigned May 26, 2026
Maria Beatriz Nuñez, Director — Resigned May 26, 2026
Maurene Sotero Balmaseda, Director, Student Alumni Representative
Yasmeen Hasan, Secretary, Director

School Administration

Rene Rovirosa, Principal
Geyler Castro, Principal — Effective July 1, 2026

Other Non-Voting Corporate Officers

Robert Blanch, President
Kim Guilarte, Chief Operating Officer

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Mater Academy Lakes Middle School
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 Academy Lakes Middle 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 the 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 the 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 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 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 the 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 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 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 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

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 15, 2026

Management's Discussion and Analysis
Mater Academy Lakes Middle 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 Mater Academy Lakes Middle School's (the "school") financial activities for the fiscal year ended June 30, 2026.

About the School

The School opened in 2006 and is a Miami-Dade County public charter school serving students in grades six through eight. The School is part of the Mater Academy, Inc. network of public charter schools.

Overview of the Financial Statements

The financial statements of Mater Academy Lakes Middle School 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 details 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 and analysis of the School's net position as of June 30, 2026 and 2025 follows:

	2026	2025	Variance
Cash	$ 524,156	$ 5,240	$ 518,916
Investments	8,590,000	7,940,000	650,000
Prepaids and other current assets	1,345	-	1,345
Due from other agencies	51,516	1,334,653	(1,283,137)
Due from other divisions of Mater Academy, Inc., long term	3,080,210	1,825,224	1,254,986
Capital assets and right of use asset, net	9,703,190	10,626,837	(923,647)
Total Assets	21,950,417	21,731,954	218,463
Deferred outflows of resources	-	-	-
Accounts payable and accrued liabilities	516,576	523,534	(6,958)
Compensated absences	149,519	172,916	(23,397)
Deferred rent	109,128	109,128	-
Lease liability	10,211,036	11,087,798	(876,762)
Total Liabilities	10,986,259	11,893,376	(907,117)
Deferred inflows of resources	-	-	-
Net Position:			
Net investment in capital assets	(616,974)	(570,089)	(46,885)
Restricted	-	92,578	(92,578)
Unrestricted	11,581,132	10,316,089	1,265,043
Total Net Position	$ 10,964,158	$ 9,838,578	$ 1,125,580

The School's financial position increased by approximately $1.13 million, from $9.84 million at June 30, 2025, to $10.96 million at June 30, 2026, representing an increase of approximately 12%.

The most significant changes in total assets and liabilities were as follows: Cash and investments increased by approximately $1.17 million during the current year. Amounts due from other agencies decreased by approximately $1.28 million, primarily reflecting the collection of prior-year referendum funding receivable from Miami-Dade County Public Schools. Amounts due from other divisions of Mater Academy, Inc., increased by approximately $1.25 million.

Capital assets and right-of-use assets, net, decreased by approximately $924,000, while the related lease liability decreased by approximately $877,000, primarily due to current-year depreciation and amortization and scheduled lease payments. Information on the School's capital assets can be found in Note 4.

The components of net position changed as follows: Unrestricted net position increased by approximately $1.27 million, primarily attributable to the School's current-year change in net position.

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

	2026	2025	Variance
REVENUES			
Program Revenues			
Operating grants and contributions	$ 360,379	$ 1,183,180	$ (822,801)
Capital grants and contributions	1,345,461	964,679	380,782
Charges for services	67,033	55,303	11,730
General Revenues			
Interest and other revenues	321,660	397,677	(76,017)
State and local sources	9,168,094	8,523,199	644,895
Total Revenues	$ 11,262,627	$ 11,124,038	$ 138,589
EXPENSES			
Instruction	$ 4,375,070	$ 5,113,447	$ (738,377)
Student support services	211,531	125,867	85,664
Instructional staff training	35,931	45,840	(9,909)
School Board	55,522	55,800	(278)
School administration	954,303	950,022	4,281
Facilities acquisition and construction	21,602	21,602	-
Fiscal services	142,975	138,067	4,908
Food services	403,845	375,111	28,734
Central services	156,408	223,382	(66,974)
Student transportation services	8,598	3,995	4,603
Operation of plant	2,997,424	2,773,831	223,593
Maintenance of plant	181,045	143,792	37,253
Administrative technology services	58,315	55,165	3,150
Debt service	534,478	577,152	(42,674)
Total Expenses	10,137,047	10,603,073	(466,026)
Increase (Decrease) in Net Position	1,125,580	520,965	604,615
Net Position at Beginning of Year	9,838,578	9,317,613	520,965
Net Position at End of Year	$ 10,964,158	$ 9,838,578	$ 1,125,580

Enrollment increased between fiscal years, with 903 full-time equivalent students during fiscal year 2026 compared with 872 students during fiscal year 2025.

Total revenues increased by approximately $139,000, or 1%. State and local sources increased by approximately $645,000, primarily attributable to increased FTE funding associated with enrollment growth. Operating grants and contributions, which primarily include federal funding, decreased by approximately $823,000, primarily due to the expiration of Elementary and Secondary School Emergency Relief (ESSER) funding in the prior year. This decrease was partially offset by an increase in capital grants and contributions of approximately $381,000.

Total expenses decreased from approximately $10.60 million in 2025 to $10.14 million in 2026, a decrease of approximately $466,000, or 4%. The decrease was primarily attributable to a decrease in instruction expenses of approximately $738,000, partially offset by an increase in operation of plant expenses of approximately $224,000.

The School reported an increase in net position of approximately $1.13 million for fiscal year 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. There were significant changes in one of the three major funds.

At the end of the fiscal year, the School's governmental general fund reported ending fund balance of $8,650,441. The fund balance unassigned and available for spending at the School's discretion is $8,649,096. These funds will be available for the School's future ongoing operations.

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 $9,703,190 (net of accumulated depreciation and amortization). This investment in capital assets includes right of use lease asset (building), improvements, and furniture, fixtures, and equipment. Significant capital asset additions during the year consisted primarily of building and facility improvements, including bathroom improvements and the installation of doors and frames. Information on the School's fixed assets can be found in Note 4.

The School leases a facility located at 17300 NW 87th Ave, Miami, FL 33015.

Long-Term Liabilities

As of June 30, 2026, the School had long-term liabilities of $10,211,036 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.

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 current referendum expires in June 2027. A new referendum with the same wording regarding allowable uses will be on the ballot in Miami-Dade County in November 2026. Additionally, Local Capital Improvement Revenue will increase an additional 25% in 2026-27 from the amount in 2025-26, plus any increases from higher local tax collections.
- Major program changes or new initiatives – None
- Planned capital projects or financing activities -The Mater Lakes campus has planned for cafeteria expansion and addition of an awning over the cafeteria.

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 Academy Lakes Middle School
(A charter school under Mater Academy, Inc.)

Statement of Net Position
June 30, 2026

	Primary Government
	Governmental Activities
Assets	
Current assets:	
Cash	$ 524,156
Investments	8,590,000
Prepaids and other current assets	1,345
Due from other agencies	51,516
Total Current Assets	9,167,017
Capital assets, depreciable	1,661,922
Less: accumulated depreciation	(1,079,832)
Right of use lease asset	14,188,377
Less: accumulated amortization	(5,067,277)
	9,703,190
Due from Mater Academy, Inc.	3,080,210
Total Assets	21,950,417
Deferred Outflows of Resources	-
Liabilities	
Current liabilities:	
Salaries and wages payable	477,273
Accounts payable and accrued liabilities	39,303
Compensated absences, current portion	66,582
Lease liability, current	921,618
Total Current Liabilities	1,504,776
Compensated absences	82,937
Deferred rent	109,128
Lease liability	9,289,418
Total Liabilities	10,986,259
Deferred Inflows of Resources	-
Net Position	
Net investment in capital assets	(616,974)
Unrestricted	11,581,132
Total Net Position	$ 10,964,158

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

Mater Academy Lakes Middle 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
Instruction	$ 4,375,070	$ -	$ 57,809	$ -	$ (4,317,261)
Student support services	211,531	-	-	-	(211,531)
Instructional staff training	35,931	-	-	-	(35,931)
School Board	55,522	-	-	-	(55,522)
School administration	954,303	-	-	-	(954,303)
Facilities acquisition and construction	21,602	-	-	-	(21,602)
Fiscal services	142,975	-	-	-	(142,975)
Food services	403,845	67,033	302,570	-	(34,242)
Central services	156,408	-	-	-	(156,408)
Student transportation services	8,598	-	-	-	(8,598)
Operation of plant	2,997,424	-	-	1,345,461	(1,651,963)
Maintenance of plant	181,045	-	-	-	(181,045)
Administrative technology services	58,315	-	-	-	(58,315)
Debt service	534,478	-	-	-	(534,478)
Total governmental activities	10,137,047	67,033	360,379	1,345,461	(8,364,174)
	General revenues:				
	State and local sources				9,168,094
	Investment earnings				305,032
	Other revenues				16,628
	Change in net position				1,125,580
	Net position, beginning				9,838,578
	Net position, ending				$ 10,964,158

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

Mater Academy Lakes Middle School
(A charter school under Mater Academy, Inc.)

Balance Sheet - Governmental Funds
June 30, 2026

	General Fund	Capital Projects Fund	Total Governmental Funds
Assets			
Cash	$ 524,156	$ -	$ 524,156
Investments	8,590,000	-	8,590,000
Due from other agencies	-	51,516	51,516
Due from fund	51,516	-	51,516
Prepaid expenses	1,345	-	1,345
Total Assets	9,167,017	51,516	9,218,533
Deferred Outflows of Resources	-	-	-
Liabilities			
Salaries and wages payable	477,273	-	477,273
Accounts payable and accrued liabilities	39,303	-	39,303
Due to fund	-	51,516	51,516
Total Liabilities	516,576	51,516	568,092
Deferred Inflows of Resources	-	-	-
Fund balance			
Nonspendable, not in spendable form	1,345	-	1,345
Unassigned	8,649,096	-	8,649,096
	8,650,441	-	8,650,441
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 9,167,017	$ 51,516	$ 9,218,533

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

Mater Academy Lakes Middle 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		$ 8,650,441
Amounts reported for governmental activities in the statement of net position are different because:		
Depreciable and non-depreciable 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, depreciable	1,661,922	
Less: accumulated depreciation	(1,079,832)	
Right of use lease asset	14,188,377	
Less: accumulated amortization	(5,067,277)	9,703,190
Long term receivables in governmental activities are not financial resources and therefore are not reported in the governmental funds.		3,080,210
Long term liabilities in governmental activities are not due and payable in the current period and therefore, are not reported in the governmental funds.		(10,469,683)
Total Net Position - Governmental Activities		$ 10,964,158

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

Mater Academy Lakes Middle 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 Fund	Capital Projects Fund	Total Governmental Funds
Revenues:				
Capital grants and contributions	$ -	$ -	$ 1,345,461	$ 1,345,461
State and local sources	9,168,094	-	-	9,168,094
Federal sources	-	57,809	-	57,809
Lunch program	-	369,603	-	369,603
Other revenues	321,660	-	-	321,660
Total Revenues	9,489,754	427,412	1,345,461	11,262,627
Expenditures:				
Current				
Instruction	4,348,082	23,841	-	4,371,923
Student support services	212,845	-	-	212,845
Instructional staff training	1,963	33,968	-	35,931
Board	55,522	-	-	55,522
School administration	950,926	-	-	950,926
Fiscal services	142,975	-	-	142,975
Food services	-	403,845	-	403,845
Central services	156,408	-	-	156,408
Student transportation services	8,598	-	-	8,598
Operation of plant	1,940,710	-	-	1,940,710
Maintenance of plant	181,045	-	-	181,045
Administrative technology services	57,929	-	-	57,929
Community services		-	-	-
Capital Outlay:				
Other capital outlay	151,031	32,631	-	183,662
Debt Service:				
Redemption of Principal	-	-	876,762	876,762
Interest	-	-	534,478	534,478
Total Expenditures	8,208,034	494,285	1,411,240	10,113,559
Excess (deficit) of revenues over expenditures	1,281,720	(66,873)	(65,779)	1,149,068
Other financing sources (uses)				
Transfers in (out)	(132,652)	66,873	65,779	-
Change in long term advances	(1,254,986)	-		(1,254,986)
Net change in fund balance	(105,918)	-	-	(105,918)
Fund Balance at beginning of year	8,756,359	-	-	8,756,359
Fund Balance at end of year	$ 8,650,441	$ -	$ -	$ 8,650,441

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

Mater Academy Lakes Middle 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		$ (105,918)
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. These amounts during the year were as follows:		
Capital outlay	183,662	
Depreciation and amortization expense	(1,107,309)	(923,647)
Increase in long term receivables is an expenditure in the governmental funds, but a decrease or collections of such receivables reduces long-term assets in the statement of net position.		1,254,986
Increase in long term liabilities is revenue in the governmental funds, but a decrease or repayment of such payables reduces liabilities in the statement of net position.		
Compensated absences	23,397	
Decreases in long term liabilities	876,762	900,159
Change in Net Position of Governmental Activities		$ 1,125,580

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

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

Mater Academy Lakes Middle School (the "School"), is a charter school sponsored by the School Board of Miami-Dade County, Florida (the "District"). The Schools' 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 exist 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, 2031 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 Miami, Florida serving children from sixth through eighth grades and is funded by the District. These financial statements are for the year ended June 30, 2026, when on average 903 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.

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.

Note 1 – Summary of Significant Accounting Policies (continued)

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, 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.

Capital Projects Fund – accounts for state and other local capital outlay 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.

Note 1 – Summary of Significant Accounting Policies (continued)

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. 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, non-marketable time deposits with maturities of three months or less when purchased, and money market/savings accounts.

Investments

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.

Note 1 – Summary of Significant Accounting Policies (continued)

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 (See Note 10).

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.

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 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 a 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 as proceeds received.

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.

Note 1 – Summary of Significant Accounting Policies (continued)

Estimated useful lives, in years, for depreciable assets are as follows:

Improvements	10-15 Years
Furniture, fixtures, and equipment	5-10 Years
Right of use asset (building)	15 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.

The School grants a specific number of personal time off. 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 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 reports 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.

Note 1 – Summary of Significant Accounting Policies (continued)

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).

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 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.

Note 1 – Summary of Significant Accounting Policies (continued)

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 list 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 relate to assets not in spendable form.
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. There are no restricted fund balances at year end.
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. There are no assigned fund balances at year end.
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 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.

Note 1 – Summary of Significant Accounting Policies (continued)

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, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

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

Note 2 – Cash 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 $9,000.

Note 2 – 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 $8,590,000 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	$ 51,516
Total Due from Other Agencies		$ 51,516

Note 4 –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	Retirements/ Reclassifications	Balance 06/30/26
Capital Assets:				
Improvements	$ 1,100,377	$ 148,950	$ -	$ 1,249,327
Furniture, fixtures and equipment	388,553	34,712	(10,670)	412,595
Total Capital Assets	$ 1,488,930	$ 183,662	$ (10,670)	$ 1,661,922
Less Accumulated Depreciation:				
Improvements	$ (680,318)	$ (64,583)	$ -	$ (744,901)
Furniture, fixtures, and equipment	(316,330)	(29,271)	10,670	(334,931)
Total Accumulated Depreciation	$ (996,648)	$ (93,854)	$ 10,670	$ (1,079,832)
Capital Assets, net	$ 492,282	$ 89,808	$ -	$ 582,090
Lease Assets:				
Right of use leased asset (building)	$ 14,188,377	$ -	$ -	14,188,377
Less accumulated amortization:	(4,053,822)	(1,013,455)	-	(5,067,277)
Total Lease Assets being amortized, net	10,134,555	(1,013,455)	-	9,121,100
Governmental Activities Capital Assets, net	$ 10,626,837	$ (923,647)	$ -	$ 9,703,190

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	$ 21,850	$ -
School administration	4,472	-
Facilities acquisition	21,602	-
Operation of plant	45,930	1,013,455
Total Expense	$ 93,854	$ 1,013,455

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, financial reporting and virtual education services. The agreement calls for a fee on a 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 five-year period. During the year ended June 30, 2026, the School incurred $428,925 in fees.

Note 6 – Transactions with other divisions of Mater Academy, Inc.

The School's facility is shared with Mater Academy Lakes High School (a charter school under Mater Academy, Inc.). Management allocates a proportionate share of leases, salaries, lunch receipts, food and supplies, and other expenses to each school individually based on student enrollment and usage of facilities and staff.

Mater Academy, Inc. charges all its affiliated schools an assessment for shared corporate costs and accreditation expenses. The School paid Mater Academy, Inc. $135,376 in connection with these charges during the year.

The School made long term, non-interest-bearing advances to Mater Academy, Inc. The balance below represents cash held on behalf of the School for investment by Mater Academy, Inc. of funds received in connection with the retroactive referendum settlement agreement. The following schedule provides a summary of changes in long-term receivables for the year ended June 30, 2026:

	Balance 07/01/25	Additions	Deletions	Balance 06/30/26
Due from Mater Academy, Inc.	1,825,224	$ 1,254,986	$ -	3,080,210
Total Long Term Receivables	$ 1,825,224	$ 1,254,986	$ -	$ 3,080,210

Note 7 – Long Term Liabilities

On October 9, 2009, the School entered into a lease and security agreement, as amended, with Galloway Lake, LLC. The agreement is based on 55,731 square feet facility including all ancillary facilities, outdoor areas, and other improvements. The landlord is an affiliate of the School's education service and support provider (See Note 5). This facility is shared with Mater Academy Lakes High School (a charter school under Mater Academy, Inc.).

Initial fixed annual payments under this agreement were approximately $1,444,218. The agreement continues through June 30, 2035 with an option to renew for two additional five-year terms. Under the agreement, the School must meet certain covenants and requirements, including a "Lease Payment Coverage Ratio" of not less than 1.10 to 1.00.

On March 22, 2013, Mater Academy, Inc. entered into Phase III of the lease with Galloway Lake II, LLC as landlord. This lease is for a new building facility totaling 42,209 square feet and is shared by Mater Lakes Middle school and Mater Lakes High School. Initial fixed rent under this agreement was approximately $995,621. In addition, construction of the gym facility was completed during 2021 which resulted in an additional annual charge of approximately $603,000. The initial fixed rent shall be adjusted annually based on the Consumer Price Index (CPI) plus additional property costs including repairs, maintenance, and insurance.

Note 7 – Long Term Liabilities (continued)

At the time of the initial measurement, the lease right of use asset and liability were allocated between School and Mater Academy Lakes High School based on enrollment and usage of facility. The allocation used was approximately 56% for Mater Lakes High and 44% for the School and there was no interest rate specified in the original lease agreement. The School has used an average effective interest for several borrowings during fiscal year 2021 and 2022. 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 $534,478, as it relates to its lease agreements. During the year, the School incurred $496,041 in variable and other payments related to the lease.

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

Year	Principal	Interest	Total	
2027	$ 921,618	$ 489,622	$ 1,411,240	
2028	968,770	442,470	1,411,240	
2029	1,018,334	392,906	1,411,240	
2030	1,070,434	340,806	1,411,240	
2031	1,125,199	286,041	1,411,240	
2032-2035	5,106,681	538,275	5,644,956	Total for a four year period
	$ 10,211,036	$ 2,490,120	$ 12,701,156	

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

	Balance 07/01/25	Additions	Deletions	Balance 06/30/26
Lease liability	$ 11,087,798	$ -	$ (876,762)	$ 10,211,036
Deferred rent CPI	109,128	-	-	109,128
	$ 11,196,926	$ -	$ (876,762)	$ 10,320,164

Note 8 – 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.

Note 8 – Contingencies and Concentrations (continued)

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.

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 School's Referendum revenues were $1,590,123 or 14% of total revenues.

Pursuant to the Charter School contract with the School District, the District withholds an administrative fee of 2% of the qualifying revenues of the School. For the year ended June 30, 2026, administrative fees withheld by the School District totaled $39,381.

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 the past. In addition, there were no reductions in insurance coverage from those in the three fiscal years.

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 - Interfund Transfers and Balances

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

	General Fund	Special Revenue Fund	Capital Projects Fund
To fund lunch deficit	$ (34,242)	$ 34,242	$ -
To reimburse special revenue fund for prior period expenditures	(32,631)	32,631	-
To fund debt service payments	(65,779)	-	65,779
Total Transfers, net	$ (132,652)	$ 66,873	$ 65,779

Note 10 - Interfund Transfers and Balances (continued)

Due from/(Due to) fund balances are as follows:

	General Fund	Special Revenue Fund	Capital Projects Fund
Due to general fund from capital projects fund for capital outlay	$ 51,516	$ -	$ (51,516)
Total Due from/(Due to)	$ 51,516	$ -	$ (51,516)

Note 11 - Defined Contribution Retirement Plan

The School's personnel, which 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 matches 100% of the employee's contribution up to 4% of the employee's compensation. The School contributed to the Plan $94,695 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 one year
Compensated Absences	$ 172,916	$ -	23,397	$ 149,519	$ 66,582

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

REQUIRED SUPPLEMENTARY INFORMATION

Mater Academy Lakes Middle School
(A charter school under Mater Academy, Inc.)

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

	General Fund			Variance	
	Original Budget	Final Budget	Actual	Original to Final Variance	Final to Actual Variance
REVENUES					
State and local sources	$ 8,939,289	$ 9,071,756	$ 9,168,094	$ (132,467)	$ (96,338)
Other local sources	245,745	306,303	321,660	(60,558)	(15,357)
Total Revenues	9,185,034	9,378,059	9,489,754	(193,025)	(111,695)
EXPENDITURES					
Current:					
Instruction	4,391,141	4,363,988	4,348,082	27,153	15,906
Student support services	255,863	249,753	212,845	6,110	36,908
Instructional staff training	2,000	2,000	1,963	-	37
Board	57,524	57,524	55,522	-	2,002
School administration	969,355	956,545	950,926	12,810	5,619
Fiscal services	145,996	142,975	142,975	3,021	-
Central services	227,025	225,396	156,408	1,629	68,988
Student transportation services	15,000	9,177	8,598	5,823	579
Operation of plant	1,975,552	1,958,281	1,940,710	17,271	17,571
Maintenance of plant	190,000	185,996	181,045	4,004	4,951
Administrative technology services	69,974	63,015	57,929	6,959	5,086
Total Current Expenditures	8,299,430	8,214,650	8,057,003	84,780	157,647
Excess of Revenues Over Current Expenditures	885,604	1,163,409	1,432,751	(277,805)	(269,342)
Capital Outlay	-	156,082	151,031	(156,082)	5,051
Total Expenditures	8,299,430	8,370,732	8,208,034	(71,302)	162,698
Excess (Deficit) of Revenues Over Expenditures	885,604	1,007,327	1,281,720	(121,723)	(274,393)
Other financing sources (uses):					
Transfers in (out)	(63,792)	(81,475)	(132,652)	17,683	51,177
Change in long term advances	-	(1,254,986)	(1,254,986)	1,254,986	-
Net change in fund balance	821,812	(329,134)	(105,918)	1,150,946	(223,216)
Fund Balance at beginning of year	8,756,359	8,756,359	8,756,359	-	-
Fund Balance at end of year	$ 9,578,171	$ 8,427,225	$ 8,650,441	$ 1,150,946	$ (223,216)

See accompanying notes to budgetary comparison schedules.

Mater Academy Lakes Middle 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 Fund			Variance	
	Original Budget	Final Budget	Actual	Original to Final Variance	Final to Actual Variance
REVENUES					
Federal sources	$ 52,665	$ 54,613	$ 57,809	$ (1,948)	$ (3,196)
Lunch program	358,200	362,800	369,603	(4,600)	(6,803)
Total Revenues	410,865	417,413	427,412	(6,548)	(9,999)
EXPENDITURES					
Current:					
Instruction	30,565	25,045	23,841	5,520	1,204
Instructional staff training	35,613	35,613	33,968	-	1,645
Food services	408,479	405,598	403,845	2,881	1,753
Total Current Expenditures	474,657	466,256	461,654	8,401	4,602
Excess (Deficit) of Revenues Over Current Expenditures	(63,792)	(48,843)	(34,242)	(14,949)	(14,601)
Capital Outlay	-	32,632	32,631	(32,632)	1
Total Expenditures	474,657	498,888	494,285	(24,231)	4,603
Excess (Deficit) of Revenues Over Expenditures	(63,792)	(81,475)	(66,873)	17,683	(14,602)
Other financing sources (uses)					
Transfers in (out)	63,792	81,475	66,873	(17,683)	14,602
Net change in fund balance	-	-	-	-	-
Fund Balance at beginning of year	-	-	-	-	-
Fund Balance at end of year	$ -	$ -	$ -	$ -	$ -

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

Long-Term Advances from (to) Other Divisions of Mater Academy, Inc.
The variance in long-term advances from (to) other divisions of Mater Academy, Inc. was based on Board approval at year end.

Other Capital Outlay
The variance in other capital outlay was due to additional CMO funding becoming available during the year.

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 Lakes Middle School
Miami, 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 Lakes Middle 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) to determine the 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 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 15, 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 15, 2026

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

MANAGEMENT LETTER

To the Board of Directors of
Mater Academy Lakes Middle School
Miami, Florida

Report on the Financial Statements
We have audited the financial statements of Mater Academy Lakes Middle School, Florida, as of and for the fiscal year ended June 30, 2026 and have issued our report thereon dated September 15, 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 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 in the preceding annual financial 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 Academy Lakes Middle School, 6033.

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 Lakes Middle 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 Academy Lakes Middle 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 Academy Lakes Middle School. It is management's responsibility to monitor Mater Academy Lakes Middle 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 Academy Lakes Middle 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 Academy Lakes Middle 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 us to communicate noncompliance with provisions of contracts or grant agreements, 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 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 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.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 15, 2026