HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Mater Brighton Lakes Academy Preparatory High School
W/L# 0971

(A charter school under Mater Academy Central, Inc. and
A Component Unit of the School District of Osceola County, Florida)

Kissimmee, FL

Financial Statements and
Independent Auditors' Report
June 30, 2026

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Mater Brighton Lakes Academy Preparatory High School
(A charter school under Mater Academy Central, Inc.)
W/L# 0971

3200 Pleasant Hill Road
Kissimmee, FL 34746

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

Carmen Cangemi, Principal

Other Non-voting Corporate Officers

Roberto Blanch, President
Kim Guilarte, Chief Operating Officer

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Mater Brighton Lakes Academy Preparatory High School
Kissimmee, 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 Brighton Lakes Academy Preparatory High School (the "School"), a charter school under Mater Academy Central, 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 Brighton Lakes Academy Preparatory High 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Mater Brighton Lakes Academy Preparatory High School 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 Brighton Lakes Academy Preparatory High 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 – Related Party Transactions

As described in Note 6 to the financial statements, the School relies on significant support from Mater Academy, Inc, the sole member of Mater Academy Central, Inc. Our opinion is not modified with respect to this matter.

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 Brighton Lakes Academy Preparatory High School that is attributable to the transactions of the School and is not intended to be a complete presentation of Mater Academy Central, Inc.

These financial statements do not purport to, and do not, present fairly the financial position of Mater Academy Central, Inc. as of June 30, 2026 and its changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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 20, 2026 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is 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 20, 2026

CERTIFIED PUBLIC ACCOUNTANTS

Management's Discussion and Analysis
Mater Brighton Lakes Academy Preparatory High School
(A Charter School Under Mater Academy Central, Inc.)
June 30, 2026

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

About the School
Mater Brighton Lakes Academy Preparatory High School opened in 2019 and is an Osceola County public charter school serving students in ninth through twelfth grade. The School shares a campus with Mater Brighton Lakes Academy.

Overview of the Financial Statements
The financial statements of Mater Brighton Lakes Academy Preparatory High 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 non-financial 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 follows:

	2026	2025	Variance
Cash	$ 1,031	$ 1,133,923	$ (1,132,892)
Investments	137,000	240,000	(103,000)
Prepaid expenses and other current assets	10,000	3,534	6,466
Due from other agencies	39,546	-	39,546
Deposits	1,743	1,743	-
Due from other divisions of Mater Academy, Inc.	1,350,000	-	1,350,000
Capital and right-of-use assets, net	24,701,567	13,764,628	10,936,939
Total Assets	26,240,887	15,143,828	11,097,059
Deferred outflows of resources	-	-	-
Accounts payable	28,075	52,132	(24,057)
Salaries and wages payable	136,520	122,215	14,305
Compensated absences	73,614	74,879	(1,265)
Due to Mater Academy Foundation, Inc.	33,143	32,504	639
Lease liability	25,928,089	14,757,511	11,170,578
Total Liabilities	26,199,441	15,039,241	11,160,200
Deferred inflows of resources	-	-	-
Net Position:			
Net investment in capital assets	(1,226,522)	(992,883)	(233,639)
Unrestricted	1,267,968	1,097,470	170,498
Total Net Position	$ 41,446	$ 104,587	$ (63,141)

The School's financial position decreased during the year ended June 30, 2026. Total net position decreased by approximately $63,000. See analysis of the School's summary of revenues and expenses for further detail.

The most significant changes in total assets and liabilities were as follows: Cash and investments decreased approximately $1.2 million. Due from other divisions of Mater Academy, Inc. increased by approximately $1.3 million, primarily attributable to the recognition of a receivable related to a recoverable grant based on board approval.

During the fiscal year, the School entered into an amended lease agreement for its facility. As a result of the lease amendment, the capital and right-to-use assets, net, and lease liabilities increased. Additional information regarding the School's capital assets and lease liabilities can be found in Note 3 and Note 7, respectively.

The components of net position changed as follows: Net investment in capital assets decreased by approximately $234,000. The decrease reflects the relationship between the School's net capital and right-to-use assets and the related outstanding obligations at year-end. Unrestricted net position increased by approximately $170,000, primarily attributable to the School's current year change in net investment in capital assets and net position.

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

REVENUES	2026	2025	Variance
Program Revenues			
Operating Grants and Contributions	$ 542,222	$ 511,773	$ 30,449
Capital Grants and Contributions	514,830	408,598	106,232
Charges for Services	1,947	27,747	(25,800)
General Revenues			
State and Local Sources	4,311,890	4,097,167	214,723
Other Revenues	1,834,266	1,254,833	579,433
Total Revenues	$ 7,205,155	$ 6,300,118	$ 905,037
EXPENSES			
Instruction	$ 2,881,783	$ 2,426,236	$ 455,547
Student support services	102,613	91,952	10,661
Instructional staff training services	75,161	46,270	28,891
Board	47,769	89,252	(41,483)
School administration	781,190	709,640	71,550
Fiscal services	87,083	83,600	3,483
Food services	364,974	341,974	23,000
Central services	91,534	114,263	(22,729)
Student transportation services	-	290	(290)
Operation of plant	1,358,839	1,462,300	(103,461)
Maintenance of plant	143,056	97,629	45,427
Administrative technology services	40,240	38,959	1,281
Community services	-	29,964	(29,964)
Debt service	1,294,054	743,179	550,875
Total Expenses	7,268,296	6,275,508	992,788
Change in Net Position	(63,141)	24,610	(87,751)
Net Position at Beginning of Year	104,587	79,977	24,610
Net Position at End of Year	$ 41,446	$ 104,587	$ (63,141)

Enrollment increased moderately between fiscal years, with 549 full-time equivalent students during fiscal year 2026 compared with 528 students during fiscal year 2025.

Total revenues increased by approximately $905,000 or 14%. The increase was primarily attributable to increases in state and local funding, while other revenues and capital grants and contributions remained relatively stable consistent with enrollment levels.

State and local sources increased by approximately $284,000, primarily attributable to increased funding associated with higher student enrollment during the current fiscal year. Other Revenue increased by approximately $579,000, due to increase in a recoverable grant based on board approval at year end and other revenue for rent expense paid on behalf of the School by the Elementary.

Instruction expense increased by approximately $456,000, primarily due to increased costs associated with enrollment growth and expansion of high school program offerings and facility usage including instructional furniture and equipment, technology and curriculum textbooks.

Debt service increased by approximately $551,000, primarily due to the amendment of the lease agreement executed in the current fiscal year. See Note 7 for further discussion and analysis.

Governmental Funds

The School reports three major funds individually in the governmental fund financial statements. Much of the discussion regarding governmental activities is also applicable to these governmental funds.

At the end of the fiscal year, the School's governmental general fund reported ending fund balance of $1,338,914. The fund balance unassigned and available for spending at the School's discretion is $1,328,914. 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 and right-of-use lease assets as of June 30, 2026 amounts to $24,701,567 (net of accumulated depreciation and amortization). This investment in capital assets includes right-of-use lease asset building, improvements, furniture, fixtures, and equipment, audiovisual equipment, and motor vehicles. There was significant asset additions primarily consisting of classroom improvements and upgrades to instructional and audio-visual equipment. Information on the School's capital assets can be found in Note 3. The new lease expanded the facility from 70,000 square feet under Phase I by an additional 67,229 square feet under Phase II, including a new additional gym and classroom space.

The School leases a facility located at 3200 Pleasant Hill Road, Kissimmee, Florida 34746.

Long-Term Liabilities

As of June 30, 2026, the School had $25,928,089 in long-term lease liabilities associated to right of use assets.

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 631 in fiscal year 2027.
- **Changes in funding or legislative appropriations** – In FY27 the LCIR revenue will increase by 25%. Osceola has a new referendum on the ballot in November 2026, if it passes the school would anticipate receiving those funds beginning January 2028. The intent for it is competitive compensation and benefits to recruit and retained high-quality teachers and staff; Maintain safety and security personnel in the Schools: and preserve academic programs, arts, music, athletics and student's activities.
- **Major program changes or new initiatives** – The addition of two new buildings opening FY27 allows for student growth and required investment in FF&E, technology and curriculum for new students.
- **Planned capital projects or financing activities** - Two buildings were completed for FY 27 which allowed increased capacity. High School Phase 2 building is under construction. The project is set to be financed with Mater Bond deal funds. This facility will bring the total campus capacity up to 2,850 which will allow both elementary and high school to grow.

Requests for Information

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

Mater Brighton Lakes Academy Preparatory High School

(A charter school under Mater Academy Central, Inc.)
Statement of Net Position
June 30, 2026

	Governmental Activities
Assets	
Current assets:	
Cash	$ 1,031
Investments	137,000
Prepaid expenses and other current assets	10,000
Due from other agencies	39,546
Due from Mater Academy, Inc.	1,350,000
Total Current Assets	1,537,577
Deposits	1,743
Capital assets, net	
Capital assets	2,267,887
Less: accumulated depreciation	(1,244,660)
Right-to-use lease asset (building)	26,077,587
Less: accumulated amortization	(2,399,247)
Total Capital Assets, net	24,701,567
Total Assets	26,240,887
Deferred Outflows of Resources	-
Liabilities	
Current liabilities:	
Accounts payable	28,075
Salaries and wages payable	136,520
Due to Mater Academy Foundation, Inc.	33,143
Compensated absences, current	32,784
Lease liability, current	73,183
Total Current Liabilities	303,705
Compensated absences	40,830
Lease liability	25,854,906
Total Liabilities	26,199,441
Deferred Inflows of Resources	-
Net Position	
Net investment in capital assets	(1,226,522)
Unrestricted	1,267,968
Total Net Position	$ 41,446

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

Mater Brighton Lakes Academy Preparatory High School

(A charter school under Mater Academy Central, Inc.)
Statement of Activities
For the year ended June 30, 2026

FUNCTIONS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental activities:					
Instruction	$ 2,881,783	$ -	$ 139,828	$ -	$ (2,741,955)
Student support services	102,613	-	-	-	(102,613)
Instructional staff training services	75,161	-	13,482	-	(61,679)
Board	47,769	-	-	-	(47,769)
School administration	781,190	-	6	-	(781,184)
Fiscal services	87,083	-	-	-	(87,083)
Food services	364,974	1,947	388,906	-	25,879
Central services	91,534	-	-	-	(91,534)
Operation of plant	1,358,839	-	-	514,830	(844,009)
Maintenance of plant	143,056	-	-	-	(143,056)
Administrative technology services	40,240	-	-	-	(40,240)
Debt service	1,294,054	-	-	-	(1,294,054)
Total governmental activities	7,268,296	1,947	542,222	514,830	(6,209,297)

General revenues:	
State and local sources	4,311,890
Recoverable grants	1,520,000
Investment earnings	35,518
Other revenue	278,748
Change in net position	(63,141)
Net position, beginning	104,587
Net position, ending	$ 41,446

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

Mater Brighton Lakes Academy Preparatory High School

(A charter school under Mater Academy Central, Inc.)
Balance Sheet - Governmental Funds
June 30, 2026

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
Assets				
Cash	$ 106	$ 925	$ -	$ 1,031
Investments	137,000	-	-	137,000
Due from other agencies	-	7,450	32,096	39,546
Due from fund	39,546	-	-	39,546
Prepaid expenses and other current assets	10,000	-	-	10,000
Due from Mater Academy, Inc.	1,350,000	-	-	1,350,000
Total Assets	1,536,652	8,375	32,096	1,577,123
Deferred Outflows of Resources	-	-	-	-
Liabilities				
Accounts payable	28,075	-	-	28,075
Salaries and wages payable	136,520	-	-	136,520
Due to Mater Academy Foundation, Inc.	33,143	-	-	33,143
Due to fund	-	7,450	32,096	39,546
Total Liabilities	197,738	7,450	32,096	237,284
Deferred Inflows of Resources	-	-	-	-
Fund Balance				
Nonspendable, not in spendable form	10,000	-	-	10,000
Assigned	-	925	-	925
Unassigned	1,328,914	-	-	1,328,914
	1,338,914	925	-	1,339,839
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 1,536,652	$ 8,375	$ 32,096	$ 1,577,123

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

Mater Brighton Lakes Academy Preparatory High School

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

Total Fund Balance - Governmental Funds		$ 1,339,839
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	2,267,887	
Accumulated depreciation	(1,244,660)	
Right-of-use lease asset (building)	26,077,587	
Less: accumulated amortization	(2,399,247)	24,701,567
Long term deposits in governmental activites are not financial resources and therefore are not reported in the governmental funds.		1,743
Long term liabilities in governmental activities are not due and payable in the current period and therefore, are not reported in the governmental funds.		
Lease liability	(25,928,089)	
Compensated absences	(73,614)	(26,001,703)
Total Net Position - Governmental Activities		$ 41,446

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

Mater Brighton Lakes Academy Preparatory High School

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

	General Fund	Special Revenue	Capital Projects Fund	Total Governmental Funds
Revenues:				
State passed through local	$ 4,311,890	$ -	$ -	$ 4,311,890
State capital outlay funding	-	-	376,400	376,400
Local sources	-	-	138,430	138,430
Federal sources	-	542,222	-	542,222
Charges and other revenue	1,834,266	1,947	-	1,836,213
Total Revenues	6,146,156	544,169	514,830	7,205,155
Expenditures:				
Current				
Instruction	2,555,325	120,534	-	2,675,859
Student support services	113,019	-	-	113,019
Instructional staff training	61,679	13,482	-	75,161
Board	47,769	-	-	47,769
School administration	767,703	6	-	767,709
Fiscal services	87,083	-	-	87,083
Food services	-	364,974	-	364,974
Central services	91,534	-	-	91,534
Operation of plant	631,706	-	-	631,706
Maintenance of plant	143,056	-	-	143,056
Administrative technology services	40,469	-	-	40,469
Capital Outlay:				
Right-of-use lease asset (building)	-	-	11,084,434	11,084,434
Other capital outlay	770,379	19,294	-	789,673
Debt Service:				
Interest	693,080	-	600,974	1,294,054
Total Expenditures	6,002,802	518,290	11,685,408	18,206,500
Excess (Deficit) of revenues over expenditures	143,354	25,879	(11,170,578)	(11,001,345)
Other financing sources (uses)				
Transfers in (out)	25,879	(25,879)	-	-
Increase in lease liabilities	-	-	11,170,578	11,170,578
Net change in fund balance	169,233	-	-	169,233
Fund Balance at beginning of year	1,169,681	925	-	1,170,606
Fund Balance at end of year	$ 1,338,914	$ 925	$ -	$ 1,339,839

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

Mater Brighton Lakes Academy Preparatory High School

(A charter school under Mater Academy Central, 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		$ 169,233
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. This is the amount by which capital outlays differed from depreciation and amortization expense.		
Capital outlay expenditures	789,673	
Right-of-use lease asset capital outlay	11,084,434	
Depreciation and amortization expense	(937,168)	10,936,939
The proceeds from debt issuance provide current financial resources to governmental funds, but issuing debt increases long term liabilities in the statement of net position. 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.		
Increase in lease liability	$(11,170,578)	
Compensated absences	1,265	(11,169,313)
Change in Net Position of Governmental Activities		$ (63,141)

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

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

Mater Brighton Lakes Academy Preparatory High School (the "School"), is a component unit of the School District of Osceola County, Florida (the "District"). The School's charter is held by Mater Academy Central, Inc., a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act. The governing body of the School is the board of directors of Mater Academy Central, Inc., which is composed of three members and also governs other charter schools. Mater Academy Central, Inc. is a single member entity controlled by Mater Academy, Inc. Both entities have board of director members in common. The board of directors has determined that no component unit 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 Osceola County, Florida. The current charter expires on June 30, 2035, 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 Kissimmee, Florida for students from ninth to twelfth grade. These financial statements are for the year ended June 30, 2026, when on average 549 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.

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 and student activity fees; (2) operating grants such as, Federal grants, and other state allocations; and (3) capital grants specific to capital outlay.

Note 1 – Summary of Significant Accounting Policies (continued)

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

Fund Financial Statements
Fund financial statements are provided for governmental funds. The operations of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflow 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 the 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* – accounts for state and 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.

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

Note 1 – Summary of Significant Accounting Policies (continued)

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

Budgets and Budgetary Accounting

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

Cash 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. 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 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.

Prepaid Expenses and Other Assets

Prepaid expenses and 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.

Note 1 – Summary of Significant Accounting Policies (continued)

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.

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 costs of $1,000 or more. Building improvements, additions and other capital outlays that significantly extend the useful life of an asset are capitalized.

The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are sold or disposed of, the related cost and accumulated depreciation are removed from the accounts, and the resulting gain or loss is recorded in the government wide statements. Proceeds received from the sale or disposal of capital assets are recorded as Other Financing Sources in the governmental funds.

The right to use assets are initially measure at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

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

Right-of-use asset (building)	36 Years
Improvements	20 Years
Furniture, fixtures, and equipment	5-10 Years

Note 1 – Summary of Significant Accounting Policies (continued)

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 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.

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.

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.

Note 1 – Summary of Significant Accounting Policies (continued)

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 Classification

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.

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 inventories and prepaid expenses.
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.

Note 1 – Summary of Significant Accounting Policies (continued)

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.

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

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, D*isclosure 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.

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.

Note 1 – Summary of Significant Accounting Policies (continued)

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

Note 2 – 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 Central, Inc., which also operates various other charter schools. All bank accounts are opened under the account ownership of Mater Academy Central, Inc., therefore, bank balances at times may potentially be in excess of FDIC coverage. As of June 30, 2026, bank balances in potential excess of FDIC coverage were approximately $100.

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 $190,000 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.

Note 2 – Cash and Investments (continued)

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 – Capital Assets

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

	Balance 07/01/25	Additions	Reclassifications	Balance 06/30/26
Capital Assets, depreciable:				
Improvements	$ 319,557	$ 8,328	$ -	$ 327,885
Furniture, fixtures, and equipment	1,174,452	781,345	(15,795)	1,940,002
Total Capital Assets	1,494,009	789,673	(15,795)	2,267,887
Less Accumulated Depreciation:				
Improvements	$ (66,101)	$ (66,862)	$ -	$ (132,963)
Furniture, fixtures, and equipment	(942,927)	(184,565)	15,795	(1,111,697)
Total Accumulated Depreciation	(1,009,028)	(251,427)	15,795	(1,244,660)
Total Capital Assets, being depreciated, net	$ 484,981	$ 538,246	$ -	$ 1,023,227
Lease Assets:				
Right-of-use lease asset	$ 14,993,153	$11,084,434	$ -	$26,077,587
Accumulated amortization	(1,713,506)	(685,741)	-	(2,399,247)
Total Leased Assets being amortized, net	13,279,647	10,398,693	-	23,678,340
Governmental Activities Capital Assets, net	$ 13,764,628	$10,936,939	$ -	$24,701,567

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	$ 209,300	$ -
School administration	2,753	-
Operation of plant	39,374	685,741
Total Expense	$ 251,427	$ 685,741

Note 4 – Education Service and Support Provider

Academica Broward, LLC, an educational 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 Central, Inc., through June 30, 2028, and unless terminated by the board shall have an option to renew for an additional five year period. During the year ended June 30, 2026, the School incurred $261,249.

Note 5 – Transactions with Mater Academy, Inc.

As described in Note 1, Mater Academy, Inc is the sole member of Mater Academy Central, Inc. and both organizations have board of directors in common. Mater Academy, Inc. charges to its affiliated schools an assessment for shared corporate costs and accreditation expenses. The School incurred approximately $110,000 in connection with these charges at year end.

During 2026, the School recognized recoverable grants in the amount of $1,520,000 for working capital from Mater Academy, Inc. In prior years, the School received additional recoverable grants in the amount of $2,745,000. Based on the terms of the agreement; repayment of the funds will be contingent upon the school meeting certain financial conditions. The maximum amount the School may be required to pay in the future should the School meet the requirements for repayment is $4,265,000. Recoverable grant of $1,520,000 accounts for approximately 21% of the School's revenue for the year ended June 30, 2026.

Note 6 –Transactions with other schools under Mater Academy Central, Inc.

For 2026, the School shares certain expenses with Mater Brighton Lakes Academy, a charter school adjacent to the School's campus. Management allocates a proportionate share, salaries, lunch receipts and expenses, supplies, and other operating expenses to each school individually based on student enrollment and usage of staff to these schools as operated by Mater Academy Central, Inc. As a result of these allocations there at times, there may be due from or to balances between these schools.

Note 7 – Long Term Liabilities

Long-Term Liabilities with Third Parties

The School shares the $2,500,000 revolving line of credit with Mater Brighton Lakes Academy, Mater Academy St. Cloud, Mater Academy Narcoossee and Mater Palms Academy, all charter schools under Mater Academy Central, Inc. The facility bears an interest rate of 1.15% per annum and is due in full with all accrued interest at the amended maturity date of December 30, 2026. The line of credit is secured by a certificate of deposit in the name of Mater Academy, Inc. As of June 30, 2026, the School had not utilized any funds from the available line of credit.

Lease- Related Party

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.

On July 1, 2025, the School entered into an amended and restated lease and security agreement with Mater Academy Foundation Inc., a not-for-profit supporting organization of Mater Academy, Inc. under Section 509(a)(3) of the Internal Revenue Code. This agreement continues through June 30, 2061, with two options to renew of five additional years each. Rent is based on the full-time student equivalent enrollment, subject to minimum enrollment levels. The new lease increased space from 70,000 square footage to an additional 67,229 square footage. The annual rate per full-time equivalent student is $1,346 for 2026, and $1,525 for 2027 and thereafter, based on a minimum enrollment of 2,300 students through 2028, 2,442 students for 2029 and 2,700 thereafter. The per full-time equivalent student rate under this agreement is adjusted annually based on the Consumer Price Index (CPI) and is capped at a 1.5% annual increase.

Note 7 – Long Term Liabilities (continued)

At the time of the remeasurement, there was no interest rate specified in the original lease agreement. For June 30, 2026, the allocation used was 39% for the School and 61% for Mater Brighton Lakes Academy. The School has used an average effective interest for 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 $1,294,054, as it relates to its lease agreements.

Additionally, lease costs of approximately $279,000 were paid by Mater Academy Brighton Lakes on behalf of the School.

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 until maturity. The revenues pledged during the school year ended June 30, 2026, exceeded the required principal and interest for that period. The Organization's debt agreements contain various covenants, restrictions and financial test requirements. In the event an instance of default is not remedied, the maturity can be accelerated and / or the underlying collateral may be subject to foreclosure.

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

Year	Principal	Interest	Total	
2027	$ 73,183	$ 1,294,742	$ 1,367,925	
2028	76,927	1,290,998	1,367,925	
2029	167,279	1,285,100	1,452,379	
2030	332,849	1,272,976	1,605,825	
2031	349,878	1,255,947	1,605,825	
2032–2036	2,036,931	5,992,194	8,029,125	(Total for a five year period.)
2037–2041	2,614,114	5,415,011	8,029,125	(Total for a five year period.)
2042–2046	3,354,845	4,674,280	8,029,125	(Total for a five year period.)
2047–2051	4,305,470	3,723,655	8,029,125	(Total for a five year period.)
2052–2056	5,525,462	2,503,663	8,029,125	(Total for a five year period.)
2057–2061	7,091,151	937,974	8,029,125	(Total for a five year period.)
	$ 25,928,089	$ 29,646,540	$ 55,574,629	

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

	Balance 07/01/25	Increase	Decrease	Balance 06/30/26
Lease liability	$ 14,757,511	$11,170,578	$ -	$ 25,928,089
Total Long Term Liabilities	$ 14,757,511	$11,170,578	$ -	$ 25,928,089

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 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.

Pursuant to the Charter School contract with the School District, the District withholds an administrative fee of 5% of the qualifying revenues of the School. For the year ended June 30, 2026, administrative fees withheld by the School District totaled $93,776.

Note 9 – 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 have not exceeded insurance coverage for 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 10 – 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”), for the 2025-2026 school year the School matched 100% of the employee’s contribution up to 4% of the employee’s compensation. The School contributed to the Plan $39,785 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 11 – Interfund Transfers

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

	General Fund	Special Revenue Funds	Capital Projects Fund
To reimburse general revenue fund for prior year's expenditures	$ 25,879	$ (25,879)	$ -
Total Transfers, net	$ 25,879	$ (25,879)	$ -

Due to General Fund from Capital Projects Fund for capital outlay	$ 32,096	$ -	$ (32,096)
Due to General Fund from Special Revenue Fund for Federal Funds	7,450	(7,450)	-
Total Due from/(Due to)	$ 39,546	$ (7,450)	$ (32,096)

Note 12 – Compensated Absences

Compensated absences payable consist 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:

	07/01/25	Increases	Decreases*	06/30/26	Due within One Year
Compensated absences	$ 74,879	$ -	$ (1,265)	$ 73,614	$ 32,784
	$ 74,879	$ -	$ (1,265)	$ 73,614	$ 32,784

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

REQUIRED SUPPLEMENTARY INFORMATION

Mater Brighton Lakes Academy Preparatory High School
Mater Academy Central Inc
(A charter school under Mater Academy Central Inc)

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

	General Fund			Variance	
	Original Budget	Final Budget	Actual	Original to Final	Final to Actual
REVENUES					
State Passed Through Local	$ 4,356,533	$ 4,379,050	$ 4,311,890	$ 22,517	$ (67,160)
Other Revenue & Charges for Services	1,439,420	1,808,997	1,834,266	369,577	25,269
Total Revenues	5,795,953	6,188,047	6,146,156	392,094	(41,891)
EXPENDITURES					
Current:					
Instruction	2,465,413	2,561,079	2,555,325	95,666	(5,754)
Student Support Services	108,594	114,062	113,019	5,468	(1,043)
Instructional Staff Training	-	62,000	61,679	62,000	(321)
Board	57,238	52,649	47,769	(4,589)	(4,880)
School Administration	849,008	770,557	767,703	(78,451)	(2,854)
Fiscal Services	100,542	87,083	87,083	(13,459)	-
Central Services	136,542	97,083	91,534	(39,459)	(5,549)
Operation of Plant	636,654	635,212	631,706	(1,442)	(3,506)
Maintenance of plant	4,524	147,276	143,056	142,752	(4,220)
Administrative Technology Services	39,012	41,188	40,469	2,176	(719)
Total Current Expenditures	4,397,527	4,568,189	4,539,343	170,662	(28,846)
Excess (deficit) of Revenues Over Current Expenditures	1,398,426	1,619,858	1,606,813	221,432	(13,045)
Capital Outlay:					
Other Capital Outlay	-	775,371	770,379	775,371	(4,992)
Interest Expense	693,080	693,080	693,080	-	-
Total Capital Outlay & Debt Service Expenditures	693,080	1,468,451	1,463,459	775,371	(4,992)
Total Expenditures	5,090,607	6,036,640	6,002,802	946,033	(33,838)
Excess (deficit) of Revenues Over Expenditures	705,346	151,407	143,354	(553,939)	(8,053)
Other financing sources (uses):					
Transfers in (out)	5,629	15,640	25,879	10,011	10,239
Net change in fund balance	710,975	167,047	169,233	(543,928)	2,186
Fund Balance at beginning of year	1,169,681	1,169,681	1,169,681	-	-
Fund Balance at end of year	$ 1,880,656	$ 1,336,728	$ 1,338,914	$ (543,928)	$ 2,186

See accompanying notes to budgetary comparison schedules

Mater Brighton Lakes Academy Preparatory High School
(A charter school under Mater Academy Central 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	$ 536,875	$ 537,173	$ 542,222	$ 298	$ 5,049
Charges for Services	5,400	1,800	1,947	(3,600)	147
Total Revenues	542,275	538,973	544,169	(3,302)	5,196
EXPENDITURES					
Current:					
Instruction	141,875	123,979	120,534	(17,896)	(3,445)
Instructional Staff Training	14,000	14,000	13,482	-	(518)
School Administration	8	8	6	-	(2)
Food Services	380,771	365,120	364,974	(15,651)	(146)
Total Current Expenditures	536,654	503,107	498,996	(33,547)	(4,111)
Excess (Deficit) of Revenues Over Current Expenditures	5,621	35,866	45,173	30,245	9,307
Capital Outlay					
Other Capital Outlay	-	20,234	19,294	20,234	(940)
Total Capital Outlay	-	20,234	19,294	20,234	(940)
Total Expenditures	536,654	523,341	518,290	(13,313)	(5,051)
Excess (Deficit) of Revenues Over Expenditures	5,621	15,632	25,879	10,011	10,247
Other financing sources (uses)					
Transfers in (out)	(5,621)	(15,632)	(25,879)	(10,011)	(10,247)
Net change in fund balance	-	-	-	-	-
Fund Balance at beginning of year	925	925	925	-	-
Fund Balance at end of year	$ 925	$ 925	$ 925	$ -	$ -

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

Original to Final Budget

- Other Revenue & Charges for Services - The final budget was increased to capture changes in enrollment which affected funding.
- Maintenance of plant - The final budget was increased based on current year maintenance needs.
- Other Capital Outlay - The final budget was increased based on board review and approval of capital projects.

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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 Brighton Lakes Academy Preparatory High School
Kissimmee, 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 Brighton Lakes Academy Preparatory High 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 20, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion 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 dated September 20, 2026 pursuant to Chapter 10.850, Rules of the Auditor General.

Purpose of this Report

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



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 20, 2026

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

MANAGEMENT LETTER

To the Board of Directors of
Mater Brighton Lakes Academy Preparatory High School
Kissimmee, Florida

Report on the Financial Statements

We have audited the financial statements of Mater Brighton Lakes Academy Preparatory High School, Kissimmee, Florida, as of and for the fiscal year ended June 30, 2026 and have issued our report thereon dated September 20, 2026.

Auditor's Responsibility

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

Other Reporting Requirements

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

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no findings or recommendations made 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 Brighton Lakes Academy Preparatory High School, 0971.

Financial Condition and Management

Section 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 Brighton Lakes Academy Preparatory High School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that Mater Brighton Lakes Academy Preparatory High 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 Brighton Lakes Academy Preparatory High School. It is management's responsibility to monitor Mater Brighton Lakes Academy Preparatory High 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 address in the management letter any recommendations to improve financial management. In connection with our audit, we had none 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 Brighton Lakes Academy Preparatory High 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 Brighton Lakes Academy Preparatory High 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 abuse, that have occurred, or are likely to have occurred, that have 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 District of Osceola County, Federal and other granting agencies, the Board of Directors, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

HLB Gravier, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 20, 2026