HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Mater Preparatory Academy
W/L# 3003

Miami, Florida

(A charter school under
Mater Academy, Inc.)

Financial Statements and
Independent Auditors' Report
June 30, 2026

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Mater Preparatory Academy
(A charter school under Mater Academy, Inc.)
W/L# 3003

601 NW 12 Avenue
Miami, FL 33135

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

Beatriz Morris, Principal

Other Non-voting Corporate Officers

Roberto Blanch, President
Kim Guilarte, Chief Operating Officer

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Mater Preparatory Academy
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 Preparatory Academy (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 referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Mater Preparatory Academy 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 Academy, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Mater Preparatory Academy'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 Mater Preparatory Academy 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.



Coral Gables, Florida
September 15, 2026

CERTIFIED PUBLIC ACCOUNTANTS

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

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

About the School

Mater Preparatory Academy opened in 2009 and is a Miami-Dade County public charter school serving students in kindergarten through fifth grade. The School is part of the Mater Academy, Inc. network of public charter schools.

Overview of the Financial Statements

The financial statements of Mater Preparatory Academy 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 is as follows:

	2026	2025	Variance
Cash	$ 47,159	$ 66,534	$ (19,375)
Investments	1,920,000	1,970,000	(50,000)
Prepaid expenses and other current assets	-	55,549	(55,549)
Due from other agencies	17,707	374,510	(356,803)
Due from Mater Academy Foundation, Inc.	669,449	-	669,449
Due from other divisions of Mater Academy, Inc.	678,978	331,209	347,769
Capital and right of use capital assets, net	3,191,606	3,464,559	(272,953)
Total Assets	6,524,899	6,262,361	262,538
Deferred outflows of resources	-	-	-
Salaries and wages payable	163,262	182,451	(19,189)
Accounts payable and accrued liabilities	28,942	5,046	23,896
Compensated absences	118,821	125,276	(6,455)
Lease liability	3,342,646	3,565,124	(222,478)
Total Liabilities	3,653,671	3,877,897	(224,226)
Deferred inflows of resources	-	-	-
Net Position:			
Net investment in capital assets	(151,040)	(100,565)	(50,475)
Restricted	43,558	65,885	(22,327)
Unrestricted	2,978,710	2,419,144	559,566
Total Net Position	$2,871,228	$ 2,384,464	$ 486,764

The School's financial position improved during the year ended June 30, 2026. Total net position increased by approximately $487,000, from approximately $2.38 million at June 30, 2025, to approximately $2.87 million at June 30, 2026, representing an increase of approximately 20%.

The most significant changes in total assets and liabilities were as follows: Amounts due from other agencies decreased by approximately $357,000, from approximately $375,000 at June 30, 2025, to approximately $18,000 at June 30, 2026, primarily reflecting the collection of amounts outstanding from Miami-Dade County Public School for referendum funds at the prior fiscal year-end.

Amounts due from Mater Academica Foundation, Inc. increased by approximately $669,000 during the current year, reflecting the effect of rent overpayments that occurred during the year. Amounts due from other divisions of Mater Academy, Inc. increased by approximately $348,000, from approximately $331,000 at June 30, 2025, to approximately $679,000 at June 30, 2026, based on board approval at year end.

Capital and right-of-use capital assets, net, decreased by approximately $273,000, from approximately $3.46 million at June 30, 2025, to approximately $3.19 million at June 30, 2026, primarily as a result of depreciation and amortization expense exceeding current-year capital additions. Lease liabilities decreased by approximately $222,000, from approximately $3.57 million at June 30, 2025, to approximately $3.34 million at June 30, 2026, primarily as a result of

scheduled principal payments on the School's lease obligations during the fiscal year. Information on the School's capital and right-of-use assets and lease obligations can be found in the notes to the financial statements.

Unrestricted net position increased by approximately $560,000, from approximately $2.42 million at June 30, 2025, to approximately $2.98 million at June 30, 2026. The increase was primarily attributable to the School's positive operating results during the current fiscal year and was the primary contributor to the overall increase in the School's net position.

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

REVENUES	2026	2025	Variance
Program Revenues			
Operating grants and contributions	$ 494,420	$ 792,257	$ (297,837)
Capital grants and contributions	511,282	412,136	99,146
Charges for services	67,520	68,692	(1,172)
General Revenues			
State and local sources	3,591,851	3,988,637	(396,786)
Other Revenues	98,118	101,321	(3,203)
Total Revenues	$ 4,763,191	$ 5,363,043	$ (599,852)
EXPENSES			
Instruction	$ 1,830,756	$ 2,083,536	$ (252,780)
Instructional staff training services	18,035	17,054	981
School board	27,822	28,264	(442)
School administration	759,420	803,143	(43,723)
Fiscal services	53,992	57,633	(3,641)
Food services	281,926	308,904	(26,978)
Central services	59,511	101,709	(42,198)
Operation of plant	924,428	930,306	(5,878)
Maintenance of plant	84,838	121,194	(36,356)
Administrative technology services	-	6,659	(6,659)
Community services	62,495	60,073	2,422
Debt service	173,204	184,032	(10,828)
Total Expenses	4,276,427	4,702,507	(426,080)
Increase in Net Position	486,764	660,536	(173,772)
Net Position at Beginning of Year	2,384,464	1,723,928	660,536
Net Position at End of Year	$ 2,871,228	$ 2,384,464	$ 486,764

Enrollment decreased from fiscal year 2025, with 341 full-time equivalent students during fiscal year 2026 compared with 364 students during fiscal year 2025, a decrease of 23 students, or approximately 6.3%.

Total revenues decreased by approximately $600,000, from $5.36 million in fiscal year 2025 to $4.76 million in fiscal year 2026. The decrease was primarily attributable to reductions in operating grants and contributions and state and local funding associated with lower student enrollment, partially offset by an increase in capital grants and contributions.

Major changes in revenues and expenses included:

Operating grants and contributions decreased by approximately $298,000, from $792,000 in fiscal year 2025 to $494,000 in fiscal year 2026. The decrease was primarily due to the expiration of the grant expenditure period for the Education Stabilization Fund – American Rescue Plan – Elementary and Secondary School Emergency Relief (ESSER), which ended in the prior fiscal year on September 30, 2024.

Capital grants and contributions increased by approximately $99,000, from $412,000 in fiscal year 2025 to $511,000 in fiscal year 2026. Capital Outlay funding per student increased at the state level by approximately $40 per pupil. Additionally, local capital improvement revenue rose by $341 per pupil compared to the prior year. The budget originally projected an increase in local capital improvement revenue; however, higher than expected local tax collections resulted in an additional increase above the anticipated growth, producing a materially higher year over year revenue gain.

State and local sources decreased by approximately $397,000, from $3.99 million in fiscal year 2025 to $3.59 million in fiscal year 2026. The decrease is attributable to the decrease in per-student funding during the year and associated with lower student enrollment.

Instruction expenses decreased by approximately $253,000, from $2.08 million in fiscal year 2025 to $1.83 million in fiscal year 2026. The decrease is attributable to lower student enrollment and to lower paraprofessionals invested personnel costs, including salaries and related benefits.

As a result of the approximately $600,000 decrease in revenues, partially offset by an approximately $426,000 decrease in expenses, the School reported an increase in net position of approximately $487,000 for fiscal year 2026, compared with an increase of approximately $661,000 in fiscal year 2025.

Governmental Funds

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

At the end of the fiscal year, the School's governmental general fund reported ending fund balance of $2,416,960. The fund balance unassigned and available for spending at the School's discretion is $2,416,960. These funds will be available for the School's future ongoing operations.

The special revenue fund reported an ending fund balance of $45,151 comprised of restricted lunch program funds of approximately $43,558 and assigned community services fund of approximately $1,593. The community services fund reflects the activity in the School's internal funds and accounts for the current year's change in the ending fund balance.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

The School's investment in capital assets as of June 30, 2026 amounts to $199,674 (net of accumulated depreciation) and right of use lease asset (building) of $2,991,932 (net of accumulated amortization). This investment in capital assets includes right of use lease asset (building), building improvements, and furniture, fixtures, and equipment. There were no significant additions, disposals or improvements during the year. Information on the School's fixed assets can be found in Note 4.

The School operated from its facility located at 601 NW 12 Avenue in Miami, Florida.

Long-Term Liabilities

As of June 30, 2026, the School had long-term liabilities of $3,342,646 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 308 in fiscal year 2027.
- **Changes in funding or legislative appropriations** - the School receives the Secure Our Future Referendum to raise/maintain teacher compensation and improve school safety and security from Miami-Dade County School District. The current renewal is set to expire on June 30, 2027.
  Additionally, Local Capital Improvement Revenue is expected to increase by an additional 25% in fiscal year 2026-2027 compared to fiscal year 2025-2026, in addition to any increases resulting from higher local tax collections.
- **Major program changes or new initiatives** – There are no major program changes or new initiatives expected for the next school year.
- **Planned capital projects or financing activities** – There are no planned capital projects or financing activities expected for the next school year.

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 Preparatory Academy
(A charter school under Mater Academy, Inc.)

Statement of Net Position
June 30, 2026

	Primary Government
	Governmental Activities
Assets	
Current assets:	
Cash	$ 47,159
Investments	1,920,000
Due from other agencies	17,707
Due from Mater Academy Foundation, Inc.	669,449
Total current assets	2,654,315
Due from Mater Academy, Inc.	678,978
Capital assets, depreciable	601,658
Less: accumulated depreciation	(401,984)
Right-of-use lease asset	4,351,897
Less: accumulated amortization	(1,359,965)
Total capital assets, net	3,191,606
Total Assets	6,524,899
Deferred Outflows of Resources	-
Liabilities	
Current liabilities:	
Salaries and wages payable	163,262
Accounts payable and accrued liabilities	28,942
Compensated absences, current	52,912
Lease liability, current	233,861
Total current liabilities	478,977
Compensated absences	65,909
Lease liability	3,108,785
Total Liabilities	3,653,671
Deferred Inflows of Resources	-
Net Position	
Net investment in capital assets	(151,040)
Restricted	43,558
Unrestricted	2,978,710
Total Net Position	$ 2,871,228

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

Mater Preparatory Academy
(A charter school under Mater Academy, Inc.)

Statement of Activities
For the year ended June 30, 2026

		Program Revenues			
Primary Government	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Net (Expense) Revenue and Changes in Net Position**
Governmental activities:					
Instruction	$ 1,830,756	$ -	$ 202,758	$ -	$ (1,627,998)
Instructional staff training services	18,035	-	14,047	-	(3,988)
School board	27,822	-	-	-	(27,822)
School administration	759,420	-	20,924	-	(738,496)
Fiscal services	53,992	-	-	-	(53,992)
Food services	281,926	7,798	256,691	-	(17,437)
Central services	59,511	-	-	-	(59,511)
Operation of plant	924,428	-	-	511,282	(413,146)
Maintenance of plant	84,838	-	-	-	(84,838)
Community services	62,495	59,722	-	-	(2,773)
Debt service	173,204	-	-	-	(173,204)
Total governmental activities	$ 4,276,427	$ 67,520	$ 494,420	$ 511,282	$ (3,203,205)

General revenues:	
State and local sources	$ 3,591,851
Investment earnings	73,188
Other revenues	24,930
Change in net position	486,764
Net position, beginning	2,384,464
Net position, ending	$ 2,871,228

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

Mater Preparatory Academy
(A charter school under Mater Academy, Inc.)

Balance Sheet - Governmental Funds
June 30, 2026

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
Assets				
Cash	$ 2,008	$ 45,151	$ -	$ 47,159
Investments	1,920,000	-	-	1,920,000
Due from other agencies, net	-	-	17,707	17,707
Due from fund	17,707	-	-	17,707
Due from Mater Academy Foundation, Inc.	669,449	-	-	669,449
Total Assets	2,609,164	45,151	17,707	2,672,022
Deferred Outflows of Resources	-	-	-	-
Liabilities				
Salaries and wages payable	163,262	-	-	163,262
Accounts payable and accrued liabilities	28,942	-	-	28,942
Due to fund	-	-	17,707	17,707
Total Liabilities	192,204	-	17,707	209,911
Deferred Inflows of Resources	-	-	-	-
Fund balance				
Restricted	-	43,558	-	43,558
Assigned	-	1,593	-	1,593
Unassigned	2,416,960	-	-	2,416,960
	2,416,960	45,151	-	2,462,111
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 2,609,164	$ 45,151	$ 17,707	$ 2,672,022

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

Mater Preparatory Academy
(A charter school under Mater Academy, Inc.)

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

Total Fund Balance - Governmental Funds		$ 2,462,111
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	601,658	
Less: accumulated depreciation	(401,984)	
Right-of-use lease asset	4,351,897	
Less: accumulated amortization	(1,359,965)	3,191,606
Long term receivables in governmental activities that are not available are not current financial resources, and therefore are not reported in the governmental funds.		678,978
Long term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Compensated absences	(118,821)	
Lease liability	(3,342,646)	(3,461,467)
Total Net Position - Governmental Activities		$ 2,871,228

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

Mater Preparatory Academy
(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:				
State capital outlay funding	$ -	$ -	$ 228,185	$ 228,185
State passed through local	3,002,231	-	-	3,002,231
Local sources	589,620	-	283,097	872,717
Federal sources	-	494,420	-	494,420
Charges for services and other revenues	98,118	67,520	-	165,638
Total Revenues	3,689,969	561,940	511,282	4,763,191
Expenditures:				
Current				
Instruction	1,592,773	202,758	-	1,795,531
Instructional staff training services	3,988	14,047	-	18,035
Board	27,822	-	-	27,822
School administration	750,851	20,924	-	771,775
Fiscal services	53,992	-	-	53,992
Food services	-	281,926	-	281,926
Central services	59,511	-	-	59,511
Operation of plant	508,022	-	115,600	623,622
Maintenance of plant	75,130	-	-	75,130
Community services	-	62,495	-	62,495
Capital Outlay:				
Other capital outlay	66,886	-	-	66,886
Debt Service:				
Redemption of principal	-	-	222,478	222,478
Interest	-	-	173,204	173,204
Total Expenditures	3,138,975	582,150	511,282	4,232,407
Excess (deficit) of revenues over expenditures	550,994	(20,210)	-	530,784
Other financing sources (uses)				
Transfers in (out)	(60,995)	60,995	-	-
Advances to Mater Academy, Inc.	(347,769)	-	-	(347,769)
Net change in fund balance	142,230	40,785	-	183,015
Fund Balance at beginning of year	2,274,730	4,366	-	2,279,096
Fund Balance at end of year	$ 2,416,960	$ 45,151	$ -	$ 2,462,111

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

Mater Preparatory Academy
(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		$ 183,015
Amounts reported for governmental activities in the statement of activities 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 outlay	66,886	
Depreciation and amortization expense	(339,839)	(272,953)
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.		
Changes in compensated absences	6,455	
Principal payments on long-term liabilities	222,478	228,933
Issuance of long term receivables represents a financial expenditure to governmental funds, but increases of long-term assets in the statement of net position. 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. This is the amount by which the increase in long-term receivables of $347,769 exceeded collections of $-0- in the current period.		347,769
Change in Net Position of Governmental Activities		$ 486,764

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

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

Mater Preparatory Academy (the "School"), is a charter school sponsored by the School Board of Miami-Dade County, Florida (the "District"). The School's charter is held by Mater Academy, Inc., a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, and 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 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 Miami-Dade County, Florida. The current charter expires on June 30, 2029, 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 for students from kindergarten through fifth grade. These financial statements are for the year ended June 30, 2026, when on average 341 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.

Note 1 – Summary of Significant Accounting Policies (continued)

Program revenues include: (1) charges for services, such as food service and student activity fees; (2) operating grants such as the National School Lunch Program, Federal grants, and other state allocations; and (3) capital grants specific to capital outlay. In addition, revenues not classified as program revenues are shown as general revenues, which include Florida Education Finance Program (FEFP) revenues and other state and local sources.

Fund Financial Statements
Fund financial statements are provided for governmental funds. The operations of the funds are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, equity, revenues and expenditures. The School reports the following major governmental funds:

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

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

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

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

The government-wide statements report using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The School recognizes assets of non-exchange transactions in the period when the underlying transaction occurs, when an enforceable legal claim has arisen, or when all eligibility requirements are met. Revenues are recognized, on the modified accrual basis, when they are measurable and available. Non-exchange transactions occur when the school provides (or receives) value to (from) another party without receiving (or giving) equal or nearly equal value in return. Most donations are examples of non-exchange transactions. Revenues from grants and donations are recognized on the accrual basis, in the fiscal year in which all eligibility requirements have been satisfied.

Note 1 – Summary of Significant Accounting Policies (continued)

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. "Measurable" means the amount of the transaction can be determined. Available means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Florida Education Finance Program (FEFP) revenues are recognized when received. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Charges for services and fees are recognized when cash is collected as amounts are not measurable.

When grant terms provide that the expenditure of funds is the prime factor for determining eligibility for federal, state, and other grant funds, revenue is recognized at the time the expenditure is made. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt and compensated absences, which are reported as expenditures when due. General capital asset acquisitions are reported as expenditures in governmental funds.

Budgets and Budgetary Accounting

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net 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.

Cash, Cash Equivalents, and Investments

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

Note 1 – Summary of Significant Accounting Policies (continued)

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.

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

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

Capital Assets
The School's property, plant and equipment with useful lives of more than one year are stated at historical cost and comprehensively reported in the statement of net position in the government-wide financial statements. Donated capital assets are recorded at their estimated fair market value on the date donated. The School generally capitalizes assets with cost of $1,000 or more. Building improvements, additions and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized.

Capital assets are depreciated using the straight-line method. When capital assets are sold or disposed of, the related cost and accumulated depreciation are removed from the accounts, and the resulting gain or loss is recorded in the governmentwide 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.

Note 1 – Summary of Significant Accounting Policies (continued)

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

Right of use asset (building)	15 Years
Improvements	5-15 Years
Furniture, fixtures and equipment	5-10 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 receive one day per month 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. Employees may "cash out" unused days for personal time off, however, 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 maintain a minimum of twenty-one unused days in order to cash out. The cash out value is eighty percent of their current daily rate. There is no termination payment for accumulated unused days. Non-exempt and office salaried employees are not eligible to "cash out" unused personal time off days.

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

Long-Term Debt and Liabilities

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

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 reports the number of full-time equivalent (FTE) students and related data to the District.

Note 1 – Summary of Significant Accounting Policies (continued)

Under the provisions of Section 1011.62, Florida Statutes, the District reports the number of the full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for funding through the FEFP.

Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods. After review and verification of FTE reports and supporting documentation, the FDOE may adjust subsequent fiscal period allocations of FEFP funding for prior year errors disclosed by its review as well as to prevent statewide allocations from exceeding the amount authorized by the Legislature.

Normally, such adjustments are treated as reductions of revenue in the year the adjustment is made. In addition, the School receives a portion of the local operating millage revenues levied by the District (Secure our Future Referendum).

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.

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.

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 do not meet the definition of "restricted" or "net investment in capital assets".

Note 1 – Summary of Significant Accounting Policies (continued)

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 list below:

a) Nonspendable – includes amounts that cannot be spent because they are either not expected to be converted to cash 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. The restricted fund balance pertains to the National School Lunch Program.
c) Committed - fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School's Board of Directors. There are no committed fund balances at year end.
d) Assigned - fund balance classification that is intended to be used by the School's management for specific purposes but do not meet the criteria to be classified as restricted or committed. Assigned fund balances at year end pertain to the School's Internal Student Activities 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, 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.

Note 1 – Summary of Significant Accounting Policies (continued)

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.

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.

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 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 $73,842.

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.

Note 2 – Cash and Investments (continued)

At June 30, 2026, the School $1,920,000 invested in a governmental money market mutual fund that is exempt from GASB 72 fair value hierarchy disclosures. The governmental money market mutual fund values its portfolio securities at amortized cost which approximates fair value. The government money market mutual fund primarily invests in cash, high quality, short-term U.S. government securities and/or repurchase agreements that are collateralized fully by government securities that have been valued by the fund as Level 2. As of June 30, 2026, maturities of the fund's portfolio holdings are approximately 77% within 30 days.

Credit Risk

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

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

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

Note 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	$ 17,707
Total Due from Other Agencies		$ 17,707

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	Balance 06/30/26
Capital Assets, depreciable:				
Improvements	$ 121,263	$ 66,886	$ -	$ 188,149
Furniture and equipment	738,238	-	(324,729)	413,509
Total Capital Assets	859,501	66,886	(324,729)	601,658
Less Accumulated Depreciation:				
Improvements	(29,917)	(27,220)	-	(57,137)
Furniture and equipment	(628,951)	(40,625)	324,729	(344,847)
Total Accumulated Depreciation	(658,868)	(67,845)	324,729	(401,984)
Total Capital Assets, being depreciated, net	$ 200,633	$ (959)	$ -	$ 199,674
Lease Assets:				
Right-of-use lease asset (building)	$ 4,351,897	$ -	$ -	$ 4,351,897
Less accumulated amortization	(1,087,971)	(271,994)	-	(1,359,965)
Total Lease Assets being amortized, net	3,263,926	(271,994)	-	2,991,932
Governmental Activities Capital Assets, net	$ 3,464,559	$ (272,953)	$ -	$ 3,191,606

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

	Depreciation	Amortization
Instruction	$ 30,989	$ -
School administration	232	-
Maintenance of plant	9,708	-
Operation of plant	26,916	271,994
Total Expense	$ 67,845	$ 271,994

Note 5 – Education Service and Support Provider

Academica Dade, 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, Inc. through June 30, 2028, and unless terminated by the board will have an option to renew for an additional five year period. During the year ended June 30, 2026, the School incurred $161,976 in fees related to this agreement.

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

Mater Academy, Inc. charges all its affiliated schools an assessment for shared corporate costs and accreditation expenses. Mater Preparatory Academy paid Mater Academy, Inc., $51,152 in connection with these charges during the year.

In addition, as of June 30, 2026, the School has transferred a total of $678,978 of funds received in connection with the retroactive referendum settlement agreement to Mater Academy, Inc. for future investments on behalf of the School. Changes in long-term receivables during the year are as follow:

	Balance 07/01/25	Increases	Decreases	Balance 06/30/26
Mater Academy, Inc. - Corporate account	$ 331,209	$ 347,769	$ -	$ 678,978
Total Long Term Receivable	$ 331,209	$ 347,769	$ -	$ 678,978

Note 7 – Interfund Transfers

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

	General Fund	Special Revenue Fund	Capital Projects Fund
To fund Special Revenue Fund for prior periods federal expenditures	$ (60,995)	$ 60,995	$ -
Total Transfers, net	$ (60,995)	$ 60,995	$ -
Due to General Fund from Capital Projects Fund for Capital Outlay	$ 17,707	$ -	$ (17,707)
Total Due from/(Due to) Funds	$ 17,707	$ -	$ (17,707)

Note 8 – Long-Term Liabilities due to Related Party

On April 1, 2013, Mater Academy, Inc. (the subtenant) entered into a space sublease agreement with Mater Academy Foundation Inc., as sub landlord. Mater Academy Foundation, Inc. is the tenant under a master lease agreement with Miami School Group S3, LLC (the "Landlord"). Mater Academy Foundation, Inc. is a not-for-profit supporting organization of Mater Academy, Inc. under Section 509(a)(3) of the Internal Revenue Code. The Landlord is an affiliate of the School's educational services provider (See Note 5).

The term of this sublease agreement continues through June 29, 2037, with an option to renew for two additional five-year terms (subject to the master lease agreement extension). Initial fixed annual rent payments under this agreement are approximately $393,800 adjusted annually based on the Consumer Price Index (CPI) plus additional property costs including repairs, maintenance and insurance. As of June 30, 2026, there is balance due from Mater Academy Foundation, Inc. of $669,449 related to this lease agreement.

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

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.

At the time of the initial measurement, there was no interest rate specified in the original lease agreement. The School has used an average effective interest rate of 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 $173,204 as it relates to its lease agreement. For the year ended June 30, 2026, variable and other payments of $96,893 in connection with the lease agreement not previously included in the measurement of the lease liability were recorded in rent expense.

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

Year	Principal	Interest	Total	
2027	$ 233,861	$ 161,821	$ 395,682	
2028	245,825	149,857	395,682	
2029	258,402	137,280	395,682	
2030	271,623	124,059	395,682	
2031	285,519	110,163	395,682	
2032-2036	1,662,245	316,165	1,978,410	(Total for a five year period.)
2037	385,171	10,511	395,682	
	$ 3,342,646	$ 1,009,856	$ 4,352,502	

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

	Balance 07/01/25	Increases	Decreases	Balance 06/30/26
Lease liability	$ 3,565,124	$ -	$ (222,478)	$ 3,342,646
	$ 3,565,124	$ -	$ (222,478)	$ 3,342,646

Note 9 – Commitments, 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.

Note 9 – Commitments, Contingencies and Concentrations (Continued)

Additionally, the School participates in a number of federal, state and local grants which are subject to financial and compliance audits. It is the opinion of management that the amount of revenue, if any, which may be remitted back to the state due to errors in the FTE student data or the amount of grant expenditures which may be disallowed by grantor agencies would not be material to the financial position of the School.

On November 6, 2018, and November 8, 2022, the voters of Miami-Dade approved and renewed, respectively, the Secure Our Future Referendum to raise/maintain teacher compensation and improve school safety and security. The Miami-Dade County School District shares a portion with charter schools. The current renewal is set to expire on June 30, 2027. For the year ended June 30, 2026, the Schools total referendum revenues were approximately $590,000 or 12% of total revenues.

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 $103,183.

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 $23,115 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 – 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 in any of the past three fiscal years. In addition, there were no reductions in insurance coverage from those in the prior year.

The School has entered into a strategic relationship with ADP TotalSource, Inc., a human resource management firm, typically known as "Professional Employer Organization" (PEO). Under a co-employment agreements, 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 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:

	7/1/2025	Increases	Decreases*	6/30/2026	Due within One Year
Compensated absences	$ 125,276	$ -	$ (6,455)	$ 118,821	$ 52,912
	$ 125,276	$ -	$ (6,455)	$ 118,821	$ 52,912

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

REQUIRED SUPPLEMENTARY INFORMATION

Mater Preparatory Academy
(A charter school under Mater Academy, Inc.)

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

	General Fund			Variance	
	Original Budget	Final Budget	Actual	Original to Final	Final to Actual
REVENUES					
State passed through local	$ 3,109,887	$ 2,999,610	$ 3,002,231	$ 110,277	$ (2,621)
Local sources (Including referendum revenue)	582,820	586,874	589,620	(4,054)	(2,746)
Charges for services and other revenue	18,566	92,006	98,118	(73,440)	(6,112)
Total Revenues	3,711,273	3,678,490	3,689,969	32,783	(11,479)
EXPENDITURES					
Current:					
Instruction	1,920,453	1,599,039	1,592,773	321,414	6,266
Instructional staff training	6,349	5,000	3,988	1,349	1,012
Board	29,575	28,788	27,822	787	966
School administration	764,735	754,351	750,851	10,384	3,500
Fiscal services	62,317	53,992	53,992	8,325	-
Central services	68,707	61,720	59,511	6,987	2,209
Operation of plant	520,814	509,726	508,022	11,088	1,704
Maintenance of plant	82,664	77,523	75,130	5,141	2,393
Total Current Expenditures	3,455,614	3,090,139	3,072,089	365,475	18,050
Excess (deficit) of Revenues Over Current Expenditures	255,659	588,351	617,880	(332,692)	(29,529)
Capital Outlay:					
Other capital outlay	-	67,944	66,886	(67,944)	1,058
Total Expenditures	-	67,944	66,886	(67,944)	1,058
Excess (deficit) of Revenues Over Expenditures	255,659	520,407	550,994	(264,748)	(30,587)
Other financing sources (uses):					
Transfers in (out)	(52,211)	(33,297)	(60,995)	(18,914)	27,698
Advances to Mater Academy, Inc.	-	(347,769)	(347,769)	347,769	-
Net change in fund balance	203,448	139,341	142,230	64,107	(2,889)
Fund Balance at beginning of year	2,274,730	2,274,730	2,274,730	-	-
Fund Balance at end of year	$ 2,478,178	$ 2,414,071	$ 2,416,960	$ 64,107	$ (2,889)

See accompanying notes to the budgetary comparison schedules.

Mater Preparatory Academy
(A charter school under Mater Academy, Inc.)

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

	Special Revenue Fund			Variance	
	Original Budget	Final Budget	Actual	Original to Final	Final to Actual
REVENUES					
Federal sources	$ 486,290	$ 489,751	$ 494,420	$ (3,461)	$ (4,669)
Charges for services and other revenue	64,800	65,944	67,520	(1,144)	(1,576)
Total Revenues	551,090	555,695	561,940	(4,605)	(6,245)
EXPENDITURES					
Current:					
Instruction	208,490	203,632	202,758	4,858	874
Instructional staff training	15,211	14,958	14,047	253	911
School administration	22,000	21,269	20,924	731	345
Food services	287,600	286,033	281,926	1,567	4,107
Community services	70,000	63,100	62,495	6,900	605
Total Current Expenditures	603,301	588,992	582,150	14,309	6,842
Excess (Deficit) of Revenues Over Current Expenditures	(52,211)	(33,297)	(20,210)	(18,914)	(13,087)
Excess (Deficit) of Revenues Over Expenditure	(52,211)	(33,297)	(20,210)	(18,914)	(13,087)
Other financing sources (uses)					
Transfers in (out)	52,211	33,297	60,995	18,914	(27,698)
Net change in fund balance	-	-	40,785	-	(40,785)
Fund Balance at beginning of year	4,366	4,366	4,366	-	-
Fund Balance at end of year	$ 4,366	$ 4,366	$ 45,151	$ -	$ (40,785)

See accompanying notes to the budgetary comparison schedules.

Note 1 – Budgets and Budgetary Accounting

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

Note 2 – Variances

The variances in State Passed Through Local in the General Fund occurred because the final budget was reduced to more closely align resources with actual student enrollment.

The variances in Instruction expenditure in the General Fund occurred because the final budget was reduced to reflect changes in staff allocation.

The variances in advances to Mater Academy, Inc. were based on Board approval at year end.

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

Board of Directors of
Mater Preparatory Academy
Miami, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States., the financial statements of the governmental activities and each major fund of Mater Preparatory Academy (the "School"), as of, and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements and have issued our report thereon dated September 15, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

We issued a separate management letter 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

Board of Directors of
Mater Preparatory Academy
Miami, Florida

Report on the Financial Statements

We have audited the financial statements of Mater Preparatory Academy, Miami, 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 or recommendations made in the preceding annual financial audit report.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity is: Mater Preparatory Academy (#3003).

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 Preparatory Academy 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 Preparatory Academy 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 Preparatory Academy. It is management's responsibility to monitor Mater Preparatory Academy's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we communicate any recommendation to improve financial management. In connection with our audit, we did not have 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 Preparatory Academy 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 Preparatory Academy maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

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

Purpose of this Letter

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

HLB Gravier, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 15, 2026