AMIkids, Inc. and Affiliates

COMBINED FINANCIAL STATEMENTS AND SCHEDULES

Year ended June 30, 2023
(With comparative information for 2022)



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REPORT

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
AMIkids, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying combined financial statements of AMIkids, Inc. and Affiliates (the "Organization"), which comprise the combined statement of financial position as of June 30, 2023, and the related combined statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of AMIkids, Inc. and Affiliates as of June 30, 2023, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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.

Emphasis of Matters

As discussed in Note 1 to the financial statements, in 2023, the Organization adopted FASB Accounting Standards Codification (ASC) 842, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the combined 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 the combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. 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 combined 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 combined 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 combined 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 Organization'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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.650, Rules of the Auditor General, *Florida Single Audit Act Audits – Nonprofit and For-Profit Organizations*, and the other supplemental schedules as described in the table of contents, are presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, including the schedule of expenditures of federal awards and state financial assistance, is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2023, on our consideration of AMIkids, Inc. and Affiliates' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 AMIkids, Inc. and Affiliates' internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited the AMIkids, Inc. and Affiliates' 2022 combined financial statements, and we expressed an unmodified audit opinion on those audited combined financial statements in our report dated December 15, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022 is consistent, in all material respects, with the audited combined financial statements from which it has been derived.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Tampa, Florida
November 13, 2023

FINANCIAL STATEMENTS

AMIkids, Inc. and Affiliates
Combined Statements of Financial Position

June 30,		**2023**		2022
Assets				
Cash and cash equivalents	**$**	**27,119,608**	$	26,368,911
Investments		**3,844,688**		3,383,645
Accounts receivable:				
Funding agencies		**5,054,217**		3,985,700
Other		**1,052,099**		669,621
Contributions receivable		**109,292**		404,313
Prepaid expenses and other assets		**2,751,065**		3,322,656
Assets held for sale		**183,626**		183,626
Boat inventory		**6,304,865**		2,146,382
Boats under lease		**22,614,207**		28,462,515
Beneficial interest in assets held by others		**593,572**		541,437
Operating lease right-of-use assets, net		**814,677**		-
Finance lease right-of-use assets, net		**682,918**		-
Property and equipment, net		**12,396,936**		12,596,387
Total assets	**$**	**83,521,770**	$	82,065,193
Liabilities and Net Assets				
Liabilities:				
Lines of credit	**$**	**6,250,000**	$	5,030,010
Accounts payable		**846,748**		1,260,519
Accrued expenses		**10,259,314**		8,667,757
Accrued pension		**2,547,878**		2,366,791
Deferred revenues		**4,754,318**		6,426,780
Refundable advances		**62,991**		42,991
Security deposits		**6,081,728**		6,712,688
Operating lease liabilities		**815,018**		-
Finance lease liabilities		**681,296**		-
Obligations under capital lease		**-**		455,484
Notes payable		**2,498,656**		3,328,775
Total liabilities		**34,797,947**		34,291,795
Net assets:				
Without donor restrictions		**41,220,000**		41,859,798
With donor restrictions		**7,503,823**		5,913,600
Total net assets		**48,723,823**		47,773,398
Total liabilities and net assets	**$**	**83,521,770**	$	82,065,193

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

AMIkids, Inc. and Affiliates
Combined Statements of Activities

For the years ended June 30,	Without Donor Restrictions	With Donor Restrictions	2023 Total	2022 Summarized Total
Public support and revenue				
Federal support	**$ 4,922,263**	**$ -**	**$ 4,922,263**	$ 5,151,649
State support	**43,203,947**	**-**	**43,203,947**	40,518,861
Regional revenue	**6,191,639**	**-**	**6,191,639**	5,803,474
Nongovernmental	**234,187**	**-**	**234,187**	278,249
Service revenue	**910,330**	**-**	**910,330**	1,317,287
Contributions	**1,882,174**	**3,689,407**	**5,571,581**	4,531,700
Total public support	**57,344,540**	**3,689,407**	**61,033,947**	57,601,220
Revenue:				
Boat program	**19,773,774**	**-**	**19,773,774**	22,090,887
Investment income	**705,084**	**(13,165)**	**691,919**	(494,889)
Other	**1,111,150**	**-**	**1,111,150**	164,695
Total revenue	**21,590,008**	**(13,165)**	**21,576,843**	21,760,693
Net assets released from restrictions	**2,086,019**	**(2,086,019)**	**-**	-
Total public support and revenue	**81,020,567**	**1,590,223**	**82,610,790**	79,361,913
Expenses				
Program services	**57,770,590**	**-**	**57,770,590**	52,866,092
Boat program	**15,456,508**	**-**	**15,456,508**	17,302,827
Management and general	**7,691,887**	**-**	**7,691,887**	6,696,383
Fundraising	**741,380**	**-**	**741,380**	467,772
Total expenses	**81,660,365**	**-**	**81,660,365**	77,333,074
Change in net assets	**(639,798)**	**1,590,223**	**950,425**	2,028,839
Net assets, beginning of year	**41,859,798**	**5,913,600**	**47,773,398**	45,744,559
Net assets, end of year	**$ 41,220,000**	**$ 7,503,823**	**$ 48,723,823**	$ 47,773,398

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

AMIkids, Inc. and Affiliates
Combined Statements of Functional Expenses

	Program Services						Supporting Services					
For the years ended June 30,	Residential Treatment	Day Treatment	Family Services	Service Coordination	Other	Programs subtotal	Boat Program	Management and General	Fundraising	Support Services subtotal	2023 Total	2022 Summarized Total
Direct	$ 1,965,800	$ 1,554,484	$ 57,223	$ -	$ 231	$ 3,577,738	$ 6,306	$ 11,768	$ 16,235	$ 34,309	$ 3,612,047	$ 3,037,872
Salary and Wages	14,020,281	10,499,156	2,777,927	471,082	-	27,768,446	654,036	3,174,498	398,652	4,227,186	31,995,632	29,575,020
Payroll Benefits	2,285,180	1,709,007	450,763	65,265	-	4,510,215	121,403	757,831	61,833	941,067	5,451,282	5,210,100
Payroll Taxes	1,068,433	787,948	199,748	33,851	-	2,089,980	42,030	225,025	28,969	296,024	2,386,004	2,216,598
Professional Fees	246,413	669,443	165,882	17,790	-	1,099,528	389,036	1,369,991	95,040	1,854,067	2,953,595	2,586,195
Grants Awarded Expense	42,444	77,176	-	5,828,612	-	5,948,232	-	-	-	-	5,948,232	5,102,999
Advertising and Promotion	16,858	161,286	3,261	459	-	181,864	15,689	1,832	-	17,521	199,385	140,719
Amortization	68,172	156,281	1,970	-	-	226,423	17,145	1,730	-	18,875	245,298	283,099
Bad Debt and Other Losses	-	-	-	-	-	-	-	112,088	-	112,088	112,088	31,916
Fundraising Fees	44,706	25,371	-	-	-	70,077	403	475	33,621	34,499	104,576	88,585
Conferences, Conventions, and Meetings	266,391	218,727	247,299	9,182	-	741,599	4,465	452,248	32,190	488,903	1,230,502	647,855
Depreciation	426,169	570,348	5,422	451	249,825	1,252,215	65,356	89,597	-	154,953	1,407,168	1,312,998
Facilities	670,738	325,843	94,656	9,760	-	1,100,997	5,965	39,863	-	45,828	1,146,825	1,127,463
Insurance	1,402,966	1,424,282	328,461	38,681	3,625	3,198,015	530,682	129,256	-	659,938	3,857,953	3,468,018
Interest Expense and Bank Charges	-	-	-	-	-	-	327,574	290,452	3,153	621,179	621,179	306,318
Office Supplies	23,916	26,950	23,559	160	11,546	86,131	7,628	245,768	7,674	261,070	347,201	377,738
Other Expenses	703,528	604,429	95,903	10,832	968	1,415,660	698,684	491,300	41,219	1,231,203	2,646,863	2,087,018
Repairs and Maintenance	1,213,419	985,186	33,553	1,230	-	2,233,388	689,576	157,824	229	847,629	3,081,017	3,727,078
Taxes	79,595	10,486	1,186	-	-	91,267	1,779	4,067	-	5,846	97,113	15,326
Telecommunication	182,608	131,816	47,890	5,868	-	368,182	3,829	11,142	2,356	17,327	385,509	508,422
Travel Expenses	277,810	153,410	293,726	18,923	-	743,869	285,585	86,735	20,209	392,529	1,136,398	832,081
Utilities	641,369	416,193	7,909	1,293	-	1,066,764	16,181	38,397	-	54,578	1,121,342	1,114,750
Commissions	-	-	-	-	-	-	2,386,487	-	-	2,386,487	2,386,487	3,234,224
Dockage	-	-	-	-	-	-	260,942	-	-	260,942	260,942	426,614
Amortization or boats on charter	-	-	-	-	-	-	6,112,383	-	-	6,112,383	6,112,383	5,841,606
Cost of sales	-	-	-	-	-	-	2,813,344	-	-	2,813,344	2,813,344	3,356,163
Impairment in beneficial interest in assets held by others	-	-	-	-	-	-	-	-	-	-	-	676,299
Total Expenses	$ 25,646,796	$ 20,507,822	$ 4,836,338	$ 6,513,439	$ 266,195	$ 57,770,590	$ 15,456,508	$ 7,691,887	$ 741,380	$ 23,889,775	$ 81,660,365	$ 77,333,074

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

AMIkids, Inc. and Affiliates
Combined Statements of Cash Flows

For the years ended June 30,	**2023**	2022
Cash flows from operating activities:		
Change in net assets	**$ 950,425**	$ 2,028,839
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities:		
Depreciation and amortization	**7,764,849**	7,437,703
Net loss/(gain) on disposal/impairment of property and equipment and assets held for sale	**18,188**	(28,860)
Donated boat inventory	**(7,909,943)**	(10,325,163)
Donated property and equipment	**-**	(12,724)
Realized and unrealized gains on investments	**(274,863)**	509,784
Impairment in beneficial interest in assets held by others	**-**	676,299
(Increase) decrease in:		
Accounts receivable	**(1,450,995)**	284,571
Contributions receivable	**295,021**	(308,435)
Prepaid expenses and other assets	**571,591**	650,627
Boats under lease	**3,485,540**	3,535,483
Increase (decrease) in:		
Accounts payable	**(413,771)**	(31,884)
Accrued expenses	**1,591,557**	663,491
Operating lease liabilities	**340**	-
Accrued pension	**181,087**	12,913
Deferred revenues	**(1,672,462)**	(1,384,945)
Refundable advances	**20,000**	-
Security deposits	**(630,960)**	523,313
Net cash and cash equivalents provided by operating activities	**2,525,604**	4,231,012
Cash flows from investing activities:		
Purchases of property and equipment	**(1,665,340)**	(1,302,312)
Proceeds from sale of property and equipment and assets held for sale	**142,339**	75,180
Proceeds from sale of investments	**259**	7,588,121
Purchases of investments	**(238,574)**	(5,257,228)
Net cash and cash equivalents (used in) provided by investing activities	**(1,761,316)**	1,103,761
Cash flows from financing activities:		
Net borrowings (repayments) on lines of credit	**1,219,990**	280,010
Proceeds from new borrowings from third parties	**2,102,345**	-
Payments on notes payable	**(2,932,464)**	(1,576,495)
Payments on finance lease liabilities	**(403,462)**	(284,562)
Net cash and cash equivalents used in financing activities	**(13,591)**	(1,581,047)
Net increase in cash and cash equivalents	**750,697**	3,753,726
Cash and cash equivalents at beginning of year	**26,368,911**	22,615,185
Cash and cash equivalents at end of year	**$ 27,119,608**	$ 26,368,911
Cash paid for interest	**$ 621,179**	$ 306,318
Supplemental disclosure of noncash investing and financing activities:		
Financed purchases of property and equipment		
Capital lease obligation incurred for use of equipment	**$ -**	$ 66,319
Insurance premium financing	**$ -**	$ 2,023,266
Lease liabilities arising from obtaining right-of-use assets		
Operating lease	**$ 946,970**	$ -
Finance lease	**$ 629,274**	$ -

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

AMIkids, Inc., AMIkids Foundation, Inc., and affiliated member institutes and schools, non-profit corporations (collectively referred to as "AMIkids" or the "Organization"), are engaged in the rehabilitation of troubled youth by providing education, treatment and behavior modification as components of the AMIkids Personal Growth Model©. These services are performed by AMIkids through over forty affiliated, but independently governed member institutes and schools located in Alabama, Florida, Georgia, Louisiana, New Mexico, North Carolina, South Carolina, Texas and Virginia. The educational component of AMIkids, Inc. and the affiliated institutes and schools are accredited by Cognia, a global accrediting agency dedicated to advancing excellence in schools, universities, and educational agencies. AMIkids' operating funds are primarily generated from state and federal contracts. AMIkids, Inc. executes the majority of contracts, collects funds, coordinates the operations, and maintains the records of these member institutes and schools.

As part of the combined group, AMIkids Foundation, Inc. supports the group in raising funds and investment management.

Continued operation of AMIkids' programs is dependent on funding from state, federal and local agencies.

Basis of Presentation

The accompanying combined financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

The combined financial statements include the accounts of AMIkids, Inc., AMIkids Foundation, Inc., and affiliated member institutes and schools. All significant intercompany balances and transactions have been eliminated.

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and capital assets reserve.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to allowance for doubtful accounts, fair value of investments and net realizable value of boat inventory.

Program Services

The Organization’s program services consist of the following:

Residential treatment - As an alternative to prison or an institutional setting for youth that have committed crimes, AMIkids’ juvenile justice residential programs combine education, behavior modification, and mental health treatment to address the needs of troubled youth. AMIkids’ programs help youth redirect their lives. This produces safer communities and youth who become successful tax paying members of society. AMIkids’ juvenile justice residential programs provide intensive guidance and round-the-clock staff-secure supervision, attention and care. The average length of stay is six months, but some youth stay up to twelve months.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

AMIkids' child welfare residential programs provide services to youth who struggle with acclimating to the foster care system and society in general. Youth are given the opportunity to transform their lives through positive and motivating programming that inspires learning, leadership and personal growth. Caring, positive staff role models provide youth with the tools they need to transition into successful home placement or an independent living program

Day treatment - Youth are referred to the AMIkids' day programs by juvenile justice agencies, school districts, the courts, foster care agencies, parents, or they self-enroll. Youth live at home while in AMIkids day programs and this gives our staff the opportunity to address current issues in both the home and neighborhood. Youth attend three to five days per week for a period ranging from approximately four months to a year. Gender specific and/or evidenced-based intervention models are combined with education to address the educational, behavioral, and mental health needs that have kept youth from becoming productive members of their local communities. Youth participate in community service projects and are taught the value of being productive members of their communities.

Family services - the functional family therapy programs help over 600 youth and their families each year to improve family dynamics, communication and support, while decreasing negativity and dysfunctional patterns of behavior. This involves working with parents on developing parenting skills, improving family communications, controlling critical risk factors, and developing positive social behaviors. The FFT programs are highly successful in helping youth develop into responsible and productive citizens with improved family dynamics.

Service coordination – AMIkids' service coordination programs partners with local or state agencies to develop and manage a continuum of community based and residential services from subcontracted direct service providers. Currently, AMIkids provides regional service coordination for the Virginia Department of Juvenile Justice as part of their transformation initiative.

Cash and Cash Equivalents

Cash and cash equivalents represent cash and highly liquid investments with original maturities of three months or less.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and Investment Income

Investments are recorded at cost at the time of purchase. Donated securities are recorded at fair value at the time of donation. Subsequent changes in fair value, regardless of how an investment is obtained, are determined based on quoted market prices and values provided by the investment sponsors, and are recorded as unrealized gains and losses. Net appreciation (depreciation) of investments reflects the net realized and unrealized gains and losses of investments during the reporting period. Interest and dividends are recorded as earned. Dispositions of securities are reflected in the combined financial statements as of the trade date.

Beneficial Interest in Assets Held by Others

Beneficial interest in assets held by others consist of funds held by the Community Foundation of Tampa Bay and the Manatee Community Foundation ("Community Foundations"), unrelated organizations. The Community Foundations are an external investment pool, where the Organization has a beneficial interest in the investment pool and no individual securities. The Organization has no control over investment pricing or investment selection within the investment pool.

Accounts Receivable

Accounts receivable consists primarily of receivables from federal and state agencies and county school boards. AMIkids reviews outstanding receivables for collectability based on historical payment history from the payer and any known circumstances casting doubt over the collectability of accounts and reserves for amounts considered to be uncollectible. AMIkids considers accounts receivable to be fully collectible and therefore no material allowance has been recorded. Amounts becoming uncollectible will be charged against the allowance for doubtful accounts when that determination is made.

Contributions Receivable

Unconditional promises to give the Organization in cash or other assets in the future are recorded as contribution revenue (with donor restriction) and contributions receivable. If management expects the cash from the contribution receivable to be received more than one year in the future, the contribution revenue and receivable are discounted for the time value of money (i.e., net present value) at a discount rate of 3.3% for 2023. Management estimates the allowance for uncollectible promises based on historical write-offs. Management writes off contributions receivable as identified.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions Receivable (Continued)

In accordance with general accepted accounting principles, pledges are reported at net realizable value in the initial year and a discount is recorded. These pledges are not revalued in subsequent years and the Organization has not elected the fair value option. The discount amortization is recognized as contribution revenue in subsequent years.

Boat Inventory

Boat inventory represents boats held for lease which are valued at fair value less estimated selling expenses at the time of the donation. Boat inventory is recorded at net realizable value, as of June 30, 2023 and 2022, and was $6,304,865 and $2,146,382, respectively. Net realizable value is estimated based on third party appraisals, broker valuations, management's experience with the boat charter industry and estimated selling expenses are based on management's historical relationship with brokers. Net realizable values are reviewed quarterly by management and are reduced for impairment when necessary. Adjustments to net realizable values are recorded as a reduction in boat program revenue if the adjustment is made during the year of the donation and as an increase in boat program expense if made in subsequent years. Normal expenditures for repairs and maintenance of boats are expensed as incurred.

Boats under Lease

AMIkids leases its boats to third parties under operating leases for periods of up to three years. The operating leases contain options to purchase the boat at the end of the charter period for the fair value estimated by management at lease inception, with all of the lease payments applied to the purchase price. Revenues are recognized as received except for security deposits, the option fee, and short-term lease payments, an additional payment made for the one year period commencing on the lease commencement date. Security deposits are recorded as a liability and are recognized as revenue if and when the purchase option is exercised. The option fee and short-term lease payments are amortized over the life of the lease. If the purchase option is not exercised, the boat is returned to AMIkids, Inc. and the security deposit is returned to the lessee after deducting all necessary expenses for the boat to be in the same condition as at time of initiation of the lease. Lease commission and inventory value are deferred and amortized over the life of the lease and other direct costs are expensed as incurred.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Boats under Lease (Continued)

Future minimum lease payments due under operating leases during fiscal years 2024, 2025 and 2026 are approximately $3,392,000, $1,703,000 and $404,000, respectively. At June 30, 2023 and 2022, the unexercised purchase options were approximately $11,758,000 and $12,978,000, respectively. The gross value and accumulated amortization on leased property as of June 30, 2023 was $32,553,113 and $11,001,727, respectively. The net leased property of $22,614,207 includes $1,062,821 of unamortized commission. The gross value and accumulated amortization on leased property as of June 30, 2022 was $38,300,615 and $8,465,812, respectively. The net leased property of $28,462,515 includes $1,372,228 of unamortized commission. Amortization of boats under lease amounted to approximately $6,112,000 and $5,842,000 for the years ended June 30, 2023 and 2022, respectively. Amortization does not include the book value of boats optioned or sold to buyers, which was approximately $2,439,368 and $3,332,229 for the years ended June 30, 2023 and 2022, respectively.

Property and Equipment

Property and equipment are stated at cost if purchased or at estimated fair value at date of receipt if donated. Property and equipment transferred to an institute or school by a funding agency are stated at estimated fair value at date of transfer. Property and equipment transferred or acquired with grant funds may revert to the funding agency should the institute or school no longer provide the services required by the contract. At the time property is retired, or otherwise disposed of, the asset and related accumulated depreciation are removed from the accounts and any resulting gain or loss is included in earnings. Repairs and maintenance are expensed when incurred.

Depreciation and amortization is calculated using the straight-line method over the following estimated useful lives of the assets (shorter of estimated useful life or term of the lease as to leasehold improvements) as follows:

Permanent site improvements	3-30 years
Buildings and leasehold improvements	5-30 years
Furniture, fixtures and equipment	3-5 years
Motor vehicles	3-5 years
Boats, motors and trailers	3 years
Swimming pools	10 years

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets Held for Sale

As of June 30, 2023 and 2022, the Organization intends to sell the following properties and has classified the net book value of the land, building and improvements as held for sale on the combined statements of financial position:

Institute	Property held for sale as of June 30,	2023	2022
Gainesville	Land, buildings and improvements	**$ 63,626**	$ 63,626
Virginia Wilderness	Land, buildings and improvements	**120,000**	120,000
		$ 183,626	$ 183,626

Impairment of Long-Lived Assets and Assets Held for Sale

AMIkids reviews all long-lived assets, which consist primarily of property and equipment, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net undiscounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the discounted cash flows. Recoverability of assets held for sale is measured by a comparison of the assets' carrying value to its fair value and any excess of its carrying value over fair value is recorded as impairment.

Deferred Revenue

Deferred revenue is related to grant, short-term boat lease payments, and boat option fees collected in advance of revenue recognition.

During 2022, the Organization received $846,636 in loan proceeds under the Paycheck Protection Program (PPP) pursuant to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and administered by the Small Business Administration (SBA). The PPP provides for forgivable loans to qualifying organizations. The loan and accrued interest are forgivable as long as the borrower uses the loan proceeds for eligible purposes, including payroll costs, rent and utilities and the borrower maintains specified levels of payroll and employment.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Revenue (Continued)

If the loans are not forgiven, the lender will establish the terms for repayment of the loan balance including monthly payments and the interest rate (not exceeding 1% per annum). Legislation issued subsequent to the date the loans were executed allows for monthly principal and interest payments on the loan to commence on the date the SBA remits the borrower's loan forgiveness amount to the lender or, if the borrower does not apply for loan forgiveness, 10 months after the end of the borrower's loan forgiveness covered period through the loan maturity date.

The Organization is recognizing revenue from the PPP loan following the guidance under FASB ASC 958-605, government grant model. PPP loans are considered a conditional contribution and recorded as deferred revenue on the combined statements of financial position until all the barriers to entitlement are met. The Organization considers the barriers to be incurrence of eligible costs and maintaining specified levels of payroll and employment. Revenue is recognized once conditions have been substantially met or explicitly waived.

During 2022, the Organization received SBA notification that $846,636, of PPP loan proceeds were forgiven. The Organization has reported the forgiveness as federal revenue on the combined statements of activities.

Leases

The Organization leases office space, equipment, and vehicles. The Organization determines if an arrangement is a lease at inception. Effective July 1, 2022, operating leases are included in operating lease right-of-use (ROU) assets and operating lease liabilities on the combined statements of financial position. Finance leases are included in included in finance lease right-of-use (ROU) assets and finance lease liabilities on the combined statements of financial position.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, the Organization uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

In determining the discount rate used to measure the right-of-use asset and lease liability, the Organization uses rates implicit in the lease, or if not readily available, the Organization uses the incremental borrowing rate. The incremental borrowing rate is based on an estimated secured rate comprised of a risk-free rate plus a credit spread as secured by the Organization's assets. Determining a credit spread as secured by the Organization's assets may require significant judgment.

In evaluating contracts to determine if they qualify as a lease, Management considers factors such as if the Organization has obtained substantially all of the rights to the underlying asset through exclusivity, if the Organization can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

Use of Facilities

Facilities provided by a funding agency and other donors to an institute or school for use during the term of its contract are recorded as an in-kind contribution and rental expense in the financial statements in the period in which the facilities are utilized by the institute or school. The amounts recorded in each period of use by the institute or school represent the difference between the fair rental value of the facilities and the stated amount of the rent payments. The stated amount of the rent payments is generally zero. In-kind rental contributions and the related rental expense were approximately $430,000 and $425,000 for the years ended June 30, 2023 and 2022, respectively, and are reflected as contribution revenue and rent and utilities expense, respectively, in the accompanying combined financial statements.

Public Support and Revenue

Public support is primarily from AMIkids' contracts with various state agencies. Contracts with state agencies generally provide funding based on client service days. Other public support represents amounts received from federal and local sources.

A significant portion of AMIkids' and the Institute's grants and contracts are from government agencies. These benefits received by the public as a result of the assets transferred is not equivalent to commensurate value received by the government agencies and are therefore not considered exchange transactions. Public support contracts are analyzed for measurable performance-related barriers or other measurable barriers, primarily client service days or expenditure of resources on allowable costs. Revenue is recognized as barriers are met. Funds received from non-exchange transactions in advance of barriers being met are recorded as deferred revenues.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Public Support and Revenue (Continued)

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Contributions received with donor-imposed restrictions are initially recorded as increases in net assets with donor restrictions.

Donated Services

Amounts are reported in the financial statements for voluntary donations of services when those services create or enhance non-financial assets or require specialized skills provided by the individuals possessing those skills and would be typically purchased if not provided by donation. For the years ended June 30, 2023 and 2022, donated services were approximately $131,000 and $104,000, respectively.

Functional Allocation of Expenses

The costs of providing the various services have been summarized on a functional basis between program services, and supporting services. Certain costs have been allocated among program services and supporting services. Salaries are allocated based on the time and effort expended between program and supporting services. Rent and Utilities and Equipment and Maintenance costs are allocated based on the ratio allocation of salaries between program and management and general.

Income Taxes

AMIkids, Inc., AMIkids Foundation, Inc., and affiliated member institutes and schools are exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. There is minimal income tax associated with unrelated business income mainly from the lease of donated boats.

The Organization identifies and evaluates uncertain tax positions, if any, and recognizes the impact of uncertain tax positions for which there is a less than more-likely-than-not probability of the position being upheld when reviewed by the relevant taxing authority. Such positions are deemed to be unrecognized tax benefits and a corresponding liability is established on the combined statements of financial position. The Organization has not recognized a liability for uncertain tax positions. If there were an unrecognized tax benefit, the Organization would recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. The Organization’s tax years subject to examination by the Internal Revenue Service generally remain open for three years from the date of filing.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reclassifications

Certain items on the combined statements of activities and functional expense have been reclassified in the 2022 financial statements to agree to the current presentation. There was no impact to the change in net assets.

Recent Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board (FASB) issued guidance (Accounting Standards Codification [ASC] 842, *Leases*) to increase transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the combined statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Organization adopted the standard effective July 1, 2022 and recognized and measured leases existing at, or entered into after, July 1, 2022 (the beginning of the period of adoption) through a cumulative effect adjustment, with certain practical expedients available. Lease disclosures for the year ended June 30, 2022 are made under prior lease guidance in FASB ASC 840.

The Organization elected the available practical expedients to account for existing operating leases as finance leases and operating leases, respectively, under the new guidance, without reassessing (a) whether the contracts contain leases under the new standard, (b) whether classification of capital leases or operating leases would be different in accordance with the new guidance, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in the new guidance at lease commencement.

As a result of the adoption of the new lease accounting guidance, the Organization recognized on July 1, 2022 a lease liability of $946,970 which represents the present value of the remaining operating lease payments of $946,970, discounted using the incremental borrowing rates from 2.6% to 7.27% and a right-of-use asset of $946,970, which represents the operating lease liability of $946,970.

The standard had a material impact on the Organization’s combined statements of financial position, but did not have an impact on the combined statements of activities, nor combined statements of cash flows. The most significant impact was the recognition of ROU assets and lease liabilities for operating leases.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Management has evaluated subsequent events through the date that the combined financial statements were available to be issued, November 13, 2023. See Note 19 for relevant disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these combined financial statements.

NOTE 2: COMPARATIVE FINANCIAL INFORMATION

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's combined financial statements for the year ended June 30, 2022, from which the summarized information was derived.

NOTE 3: CONTRIBUTIONS RECEIVABLE

Contributions receivable at June 30, 2023 are summarized as follows:

Expected receipt of contribution in:		
2024	$	77,994
2025		48,000
Gross contributions receivable		125,994
Less allowance for doubtful accounts		(16,702)
Net contributions receivable	$	109,292

NOTE 4: BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

Board Designated Funds

During 2019, the Organization created a Non-Profit Organization Agency Fund. The fund was created with a contribution of $75,000. The fund investments are under the direction of the Manatee Community Foundation and will be for the benefit of AMIkids Manatee, Inc. The agency funds are considered net assets without donor restrictions. The Organization has the ability to direct the Community Foundation as to distributions. The intent of the Organization is to distribute funds to AMIkids Manatee for its unrestricted use.

During 2020, the Organization created an AMIkids Endowment Fund. The fund was created with a contribution of $400,000. The fund investments are under the direction of the Community Foundation of Tampa Bay and will be for the benefit of AMIkids Foundation, Inc. The fund investments are under the direction of the Community Foundation. The intent of this fund is to maintain the corpus and to make distributions from investment appreciation. The funds are considered net assets with donor restrictions. The Organization has the ability to distribute all dividends and interest less investment fees for educational services and to support the AMIkids organization.

Donor Restricted Funds

The activity for the beneficial interest in assets held by others for the years ended June 30, 2023 and 2022 is the following:

	Without Donor Restrictions	With Donor Restrictions	Total
June 30, 2022			
Board designated funds	$ 90,284	$ -	$ 90,284
Donor restricted funds	-	451,153	451,153
Total	$ 90,284	$ 451,153	$ 541,437
June 30, 2023			
Board designated funds	**$ 99,235**	**$ -**	**$ 99,235**
Donor restricted funds	-	**494,337**	**494,337**
Total	**$ 99,235**	**$ 494,337**	**$ 593,572**

	Without Donor Restrictions	With Donor Restrictions	Total
June 30, 2021	$ 709,933	$ 566,015	$ 1,275,948
Net depreciation (realized and unrealized)	(14,757)	(54,336)	(69,093)
Contributions	1,926	8,955	10,881
Impairment in beneficial interest in assets held by others	(606,818)	(69,481)	(676,299)
June 30, 2022	90,284	451,153	541,437
Net appreciation (realized and unrealized)	8,951	43,184	52,135
June 30, 2023	**$ 99,235**	**$ 494,337**	**$ 593,572**

NOTE 4: BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS (Continued)

Impairment in beneficial interest in assets held by others

There had been a significant limitation placed on the Organization in accessing the funds held at the Southwest Florida Community Foundation. This limitation on access to the funds led the Organization to impair the asset associated with the funds held at the Southwest Florida Community Foundation. Using applicable GAAP, the Organization impaired the asset during 2022 by $676,299 and this is reflected as an Impairment in beneficial interest in assets held by others on the Statement of Functional Expenses.

During 2023, the Southwest Florida Community Foundation funds were restored, and the Organization recorded a receivable and contribution for the restored funds.

NOTE 5: FAIR VALUE MEASUREMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the organization has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
  - observable; or
  - can be corroborated by observable market data.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2023 and 2022.

NOTE 5: FAIR VALUE MEASUREMENTS (Continued)

Level 1 Fair Value Measurements:

Level 1 investments include certificates of deposits, pooled equity funds, pooled fixed income funds, equity securities and government securities valued based on quoted market prices.

Level 3 Fair Value Measurements:

Level 3 assets consist of beneficial interest in assets held by others managed by a third-party unrelated organization. The beneficial interest in assets held by others are valued based on third-party pricing information without adjustment. The Organization does not develop nor are they provided with the quantitative inputs used to develop the fair market values. See activity of beneficial interest in assets held by others in Note 4.

The following tables present assets measured at fair value on a recurring basis for the years ended June 30, 2023 and 2022, respectively:

		Fair Value Measurements at Reporting Date Using:		
June 30, 2023	**Fair Value**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Assets				
Investments				
Certificates of deposits	**$ 57,325**	**$ 57,325**	**$ -**	**$ -**
Pooled equity funds	**3,207,140**	**3,207,140**	**-**	**-**
Pooled fixed income funds	**132,904**	**132,904**	**-**	**-**
Equity securities	**447,319**	**447,319**	**-**	**-**
Total investments	**3,844,688**	**3,844,688**	**-**	**-**
Beneficial interest in assets held by others	**593,572**	**-**	**-**	**593,572**
Total	**$ 4,438,260**	**$ 3,844,688**	**$ -**	**$ 593,572**

		Fair Value Measurements at Reporting Date Using:		
June 30, 2022	**Fair Value**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Assets				
Investments				
Certificates of deposits	$ 52,276	$ 52,276	$ -	$ -
Pooled equity funds	2,826,538	2,826,538	-	-
Pooled fixed income funds	94,563	94,563	-	-
Equity securities	410,268	410,268	-	-
Total investments	3,383,645	3,383,645	-	-
Beneficial interest in assets held by others	541,437	-	-	541,437
Total	$ 3,925,082	$ 3,383,645	$ -	$ 541,437

NOTE 6: PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2023 and 2022 consist of:

	2023	2022
Land and permanent site improvements	**$ 3,344,067**	$ 3,362,460
Buildings and leasehold improvements	**22,035,619**	20,027,961
Furniture, fixtures and equipment	**7,434,149**	7,020,805
Motor vehicles	**1,693,600**	2,485,213
Boats, motors and trailers	**1,395,042**	1,448,205
Swimming pools	**370,942**	474,634
Software	**2,983,054**	2,811,720
Construction in progress	**693,432**	2,282,730
	39,949,905	39,913,728
Less accumulated depreciation and amortization	**(27,552,969)**	(27,317,341)
	$ 12,396,936	$ 12,596,387

Certain of AMIkids' affiliated institutes and schools have purchased various assets with contract or grant funds. Under the terms of these contracts, the funding agency may require such assets to be returned upon termination of the contract or program.

NOTE 7: LINES OF CREDIT

Lines of credit at June 30, 2023 and 2022 consist of:

Entity		2023	2022
AMIkids, Inc.	Line of credit, maximum available $3,000,000, interest at the Adjusted Term SOFR rate but no less than 2.14% (interest rate at June 30, 2023 and 2022 was 7.27% and 3.3%, respectively); matures June 10, 2024; collateralized by accounts receivable from government receivables with carrying value of approximately $3,100,000.	**$ -**	$ 280,010
AMIkids, Inc.	Line of credit, maximum available $8,000,000, interest at the Adjusted Term SOFR rate but no less than 2.14% (interest rate at June 30, 2023 and 2022 was 7.27% and 3.3%, respectively); matures June 10, 2024; collateralized by charter receivables and vessels with carrying value of approximately $23,335,000.	**6,250,000**	4,750,000
	Total Borrowings on Lines of Credit	**$ 6,250,000**	$ 5,030,010

NOTE 7: LINES OF CREDIT (Continued)

The AMIkids, Inc. lines of credit are cross-collateralized and are secured by the borrowing-base assets disclosed above as well as other assets of AMIkids, Inc.

At June 30, 2023 and 2022, the Organization had a borrowing capacity of $11,000,000 under lines of credit subject to availability based on asset levels. The actual amount available based on assets levels as of June 30, 2023 and 2022 in excess of the amount utilized was approximately $4,750,000 and $5,134,000, respectively. The AMIkids, Inc. lines of credit contain restrictive financial covenants related to liquidity to modified debt ratio and the maintenance of minimum cash and marketable securities levels. The Organization was in compliance with these restrictive covenants as of and for the years ended June 30, 2023 and 2022.

NOTE 8: NOTES PAYABLE

Notes payable at June 30, 2023 and 2022 consists of:

Entity		2023	2022
AMIkids, Inc.	Mortgage payable bearing interest equal to the Adjusted Term SOFR rate but no less than 2.05%, (interest rate at June 30, 2023 and 2022 was 7.2% and 3.1%, respectively) with monthly installments of $13,889 plus interest, Due in February 2033, collateralized by real properties in Pinellas and Hillsborough Counties, with carrying value of approximately $579,000.	**$ 1,625,000**	$ 1,791,669
AMIkids, Inc.	Insurance premium financing bearing interest of 7.60%; monthly installments of $60,567.05 plus interest; due April, 2024	**528,235**	-
AMIkids, Inc.	Insurance premium financing bearing interest of 3.95%; monthly installments of $59,605 plus interest; due April, 2023	-	584,285
AMIkids, Inc.	Insurance premium financing bearing interest of 3.75%; monthly installments of 143,898 plus interest; due November, 2022	-	575,592
Jacksonville	Mortgage payable in monthly principal installments of $3,927 plus interest of 4.15%, due March 2032, secured with real property, with carrying value of $475,000, and guaranteed by AMIkids, Inc.	**345,421**	377,229
	Total Notes Payable	**$ 2,498,656**	$ 3,328,775

NOTE 8: NOTES PAYABLE (Continued)

Principal payments on notes payable for years subsequent to June 30, 2023 are as follows:

Year ending June 30,		
2024	$	728,451
2025		201,635
2026		203,114
2027		204,656
2028		206,263
Thereafter		954,537
	$	2,498,656

NOTE 9: LEASES

2023 Lease Disclosures:

The Organization has operating and finance leases for office space, vehicles and equipment. The leases have remaining lease terms of 1 to 8 years, some of which may include options to extend the leases for up to 5 years, and some of which may include options to terminate the leases within 1 year. As of June 30, 2023, assets recorded under finance leases were $1,388,760 and accumulated depreciation associated with finance leases was $705,842.

The components of lease expense consist of the following:

For the years ended June 30,		2023
Operating lease cost	$	159,057
Short-term lease cost	$	481,827
Finance lease cost		
Amortization of right-of-use assets	$	242,802
Interest on lease liabilities		18,784
Total finance lease cost	$	261,586

NOTE 9: LEASES (Continued)

Weighted average remaining lease term and discount rates consist of the following:

For the years ended December 31,	2023
Weighted average remaining lease term	
Operating leases	3 years
Finance leases	2 years
Weighted average discount rate	
Operating leases	5.8%
Finance leases	5.9%

The maturities of lease liabilities subsequent to June 30, 2023 consist of the following:

For the years ended June 30,	Operating Lease Liabilities	Finance Lease Liabilities	Total
2024	$ 242,572	$ 266,225	$ 508,797
2025	212,704	188,597	401,301
2026	168,499	149,342	317,841
2027	123,828	138,900	262,728
2028	44,769	2,305	47,074
Thereafter	156,692	-	156,692
Total future minimum lease payments	949,064	745,369	1,694,433
Less imputed interest	(134,046)	(64,073)	(198,119)
Present value of lease liabilities	$ 815,018	$ 681,296	$ 1,496,314

2022 Lease Disclosures:

The Organization leases vehicles and office equipment, under various capital leases. The economic substance of the lease is that the Organization is financing the acquisition of the assets through the lease, and accordingly, it is recorded in the Organization's assets and liabilities.

NOTE 9: LEASES (Continued)

The following is an analysis of the leased assets included in property and equipment:

As of June 30,		2022
Furniture, fixtures and equipment	$	5,440
Motor vehicles		956,569
		962,009
Less: accumulated depreciation		(652,548)
	$	309,461

Future minimum lease payments subsequent to June 30, 2022 are as follows:

Year ending June 30,		
2023	$	289,072
2024		117,304
2025		72,559
2026		10,849
2027		1,518
Total minimum lease payments		491,302
Less amounts representing interest		(35,818)
Present value of minimum lease payments	$	455,484

NOTE 10: ACCRUED EXPENSES

Accrued expenses at June 30, 2023 and 2022 consist of:

		2023		2022
Workers compensation self-funded reserve	**$**	**2,189,402**	$	2,216,514
Vehicle and other self-funded reserves		**383,793**		396,192
Medical self-funded reserve		**664,174**		608,107
Other self-insurance reserves		**1,591,022**		1,026,338
Accrued payroll		**1,930,324**		1,715,584
Accrued vacation		**401,319**		367,436
Accrued severance and unemployment		**3,198**		9,596
Other accruals		**3,096,082**		2,327,990
	$	**10,259,314**	$	8,667,757

NOTE 11: RESTRICTIONS AND LIMITATIONS ON NET ASSETS

Net assets with donor restrictions consist of the following at June 30, 2023 and 2022:

		2023		2022
Education / Scholarship	**$**	**1,087,233**		$2,265,020
Experiential Activities		**426,542**		569,768
Building / Equipment		**1,326,698**		789,287
Girls Initiative Program		**371,535**		371,535
Mental health		**480,276**		-
Workforce development		**1,842,685**		-
Other		**1,300,183**		1,183,712
Endowment		**668,671**		734,278
	$	**7,503,823**	$	5,913,600

The income from the endowment funds is restricted to assist former students of AMIkids' programs with educational or employment-related expenses and support of the AMIkids organization.

Net assets were released from donor restrictions by occurrence of events specified by donors as follows for the years ended June 30, 2023 and 2022.

		2023		2022
Education / Scholarship	**$**	**415,737**	$	534,615
Experiential Activities		**117,293**		136,352
Building / Equipment		**267,350**		161,953
Mental health		**119,582**		-
Workforce development		**466,899**		-
Other		**699,158**		652,831
Endowment		**-**		69,481
	$	**2,086,019**	$	1,555,232

The donor restriction categories were expanded in 2023 to better represent the Organizations' restricted activities.

NOTE 12: ENDOWMENTS

The Organization's endowment consists of three individual funds established for a variety of purposes. Its endowment includes both donor-restricted funds and funds designated by the Board of Directors to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

NOTE 12: ENDOWMENTS (Continued)

Absent explicit donor stipulations to the contrary, the Board of Directors of the Organization has interpreted the State of Florida's Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds. As a result of this interpretation, the Organization retains in perpetuity and classifies as net assets with donor restrictions (1) the original value of gifts donated to the perpetual endowment, (2) the original value of subsequent gifts to the perpetual endowment, and (3) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not retained in perpetuity are subject to appropriation for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the Organization's investment policies.

Investment Return Objectives, Risk Parameters and Strategies. The Organization has adopted investment and spending policies, for endowment assets. Those policies attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk.

Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to prevent exposing the fund to unacceptable levels of risk.

Spending Policy. The Organization has a policy of appropriating for distribution each year 4% of its endowment fund's average fair value of the prior 12 quarters through the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Organization considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation. The Organization expects the current spending policy to allow its endowment funds to grow at an average rate of 3% annually. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through new gifts and investment return.

NOTE 12: ENDOWMENTS (Continued)

Endowment net asset composition by type of fund follows:

June 30,	**2023**	2022
Endowment funds with donor restrictions	**$ 668,671**	$ 734,278
Board-designated endowment funds without donor restrictions	**300,000**	-
Total endowment funds	**$ 968,671**	$ 734,278

Changes in endowment net assets follow:

June 30,	**Without Donor Restrictions**	**With Donor Restrictions**	**2023**	2022
Endowment net assets - July 1,	**$ -**	**$ 734,278**	**$ 734,278**	$ 847,162
Contributions	**-**	**250,000**	**250,000**	-
Investment (loss) income	**-**	**(15,607)**	**(15,607)**	(55,047)
Transfer of assets with donor restrictions to endowment	**300,000**	**(300,000)**	**-**	(69,481)
Distribution of net assets		**-**	**-**	11,644
Endowment net assets - June 30,	**$ 300,000**	**$ 668,671**	**$ 968,671**	$ 734,278

NOTE 13: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

AMIkids, Inc. financial assets available within one year of the statement of financial position date for general expenditures are as follows:

As of June 30,	**2023**
Cash and cash equivalents	**$ 27,119,608**
Investments	**3,844,688**
Accounts receivable	**6,106,316**
Contributions receivable	**109,292**
Boat lease payments	**17,258,036**
Beneficial Interest in Assets Held By Others	**593,572**
Total	**55,031,512**
Less: Amounts unavailable for general expenditures within one year, due to:	
Restricted by donors	**(7,503,823)**
Boat lease payments	**(13,865,619)**
Collateral for insurance reserves	**(1,754,696)**
Financial assets available within one year to meet cash needs for general expenditures within one year	**$ 31,907,374**

NOTE 13: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (Continued)

AMIkids, Inc. prepares an annual budget that is approved by the Board of Trustees for the upcoming year. The annual budget includes projected revenue based on current grants, contracts and contributions. Internally prepared financial statements comparing budget to actual results are reviewed by management on a monthly basis and cash flow is monitored daily.

Generally AMIkids, Inc. will have advance notice of grants and contracts terminating and will manage the reductions in cash flow by reducing expenditures and where necessary, by reducing staffing levels.

As part of AMIkids, Inc.'s liquidity management, financial assets are structured to be available as general expenditures, liabilities and other obligations come due. In addition, AMIkids, Inc. invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, AMIkids, Inc. has committed lines of credit in the amount of $11,000,000, which it could draw upon.

NOTE 14: CASUALTY GAIN

The Organization recorded a casualty gain resulting from Hurricane Michael. The Organization filed an insurance claim and recorded approximately $667,700 and $-0- in insurance proceeds for the years ended June 30, 2023 and 2022, respectively, which is recorded in Revenue, Other in the combined statement of activities; no remediation costs for the years ended June 30, 2023 and 2022 were incurred.

NOTE 15: CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash with a financial institution in excess of the FDIC limit of $250,000 by approximately $4,164,000 and $6,360,000 at June 30, 2023 and 2022, respectively.

NOTE 16: COMMITMENTS AND CONTINGENCIES

A substantial portion of AMIkids' public support is derived from programs supported by various funding agencies. Under the terms of the agreements with the funding agencies, AMIkids' financial records are subject to audit by the appropriate governmental authorities. Depending on the results of these audits, if any, funds may be required to be refunded to the appropriate agency.

AMIkids is subject to various claims and legal proceedings which arise in the ordinary course of business. AMIkids does not believe that these matters will have a material adverse effect on its financial position or results of operations.

NOTE 16: COMMITMENTS AND CONTINGENCIES (Continued)

AMIkids leases facilities under operating leases expiring in various years. Rent expense on these operating leases charged to operations for the years ended June 30, 2023 and 2022 was approximately $633,000 and $624,000, respectively. Based on the current operating leases, the annual lease expense is expected to decrease in 2024 due to the closure of the AMIkids New Mexico Cuba location and is expected to remain consistent over the following four years. Typically, there are no operating leases with terms greater than five years.

AMIkids receives donations of boats that are recorded at fair value less estimated selling expenses at the time of the donation. Management has estimated the net realizable value of the boat inventory at $6,304,865 and $2,146,382 at June 30, 2023 and 2022, respectively. Net realizable value is estimated based on third party appraisals, broker valuations, management's experience with the boat charter industry and estimated selling expenses are based on management's historical experiences with brokers. The actual net realizable value of the boats is not known until the boat is sold or leased.

AMIkids has purchased high-deductible policies for workers compensation and other property and casualty insurance and is responsible for all claims below the deductible level. Management has accrued approximately $4,560,000 and $3,928,000 at June 30, 2023 and 2022, respectively, as an estimate of losses on unpaid claims under these insurance policies. These accruals are estimates based on current and historical claims experience. It is reasonably possible that these estimates will change and, if changed, could have a material impact on the Organization's financial position and results of operations. Under AMIkids' workers compensation policies, the Organization has $979,696 held in a secured collateralized account to support these policies. An additional $775,000 is held as a deposit with the insurance carrier.

AMIkids is self-funded for group health insurance up to a maximum of $175,000 per employee. Management has accrued $500,000 at June 30, 2023 and 2022, for estimated claims, including known claims and claims which are estimated to have occurred but which have not yet been reported. This estimate is based on current and historical claims experience and other information obtained from AMIkids' insurance provider. It is reasonably possible that these estimates will change and, if changed, could have a material impact on the Organization's financial position and results of operations. Adjustments to the estimated claims accrual are made when the need for such adjustments becomes apparent.

NOTE 17: RETIREMENT PLANS

AMIkids maintains a noncontributory defined contribution pension plan covering all full-time employees who have completed two years of service and have attained the age of 20 ½ years. Contributions to the Plan are based on a percentage of each employee's total compensation for the year. The pension expense for the years ended June 30, 2023 and 2022 was approximately $1,546,000 and $1,562,000, respectively, and is included in employee benefits and payroll taxes on the combined statement of functional expenses.

NOTE 17: RETIREMENT PLANS (Continued)

AMIkids has a deferred compensation plan in place for certain key members of management, which is accrued for and included in accrued pension in the combined statement of financial position. The deferred compensation plan is generally funded on an annual basis and the related assets are included as a component of investments. The cost related to the deferred compensation plan for the years ended June 30, 2023 and 2022 was approximately $210,403 and $58,700, respectively.

NOTE 18: RELATED PARTY TRANSACTIONS

There were no related party transactions significant to the combined financial statements. AMIkids has rigorous controls concerning related party transactions to ensure that all transactions are in the best interest of the mission. Details of related party transactions can be found in Form 990s which AMIkids files annually with the Internal Revenue Service.

NOTE 19: SUBSEQUENT EVENTS

Subsequent to the year ended June 30, 2023, Management made the decision to discontinue working capital support and to close the AMIkids Rio Grande Program due to inadequate contract funding. As a result of the closure, AMIkids Inc. will realize a closure loss and AMIkids Rio Grande will realize a closure gain during 2024; however, the closure is not expected to have a material impact on the combined financial statements.

SUPPLEMENTARY INFORMATION

AMIkids, Inc. and Affiliates
Schedule I
Combining Schedule - Statement of Financial Position
June 30, 2023

	AMIkids	AMIkids Foundation	AMIkids Acadiana	AMIkids Alabama	AMIkids Baton Rouge	AMIkids Beaufort	AMIkids Behavior Health	AMIkids Bennettsville	AMIkids Caddo	AMIkids Clay County
Assets										
Cash and cash equivalents	$ 5,363,165	$ 11,038,803	$ 12,006	$ 12,529	$ 121,111	$ 1,284,878	$ 53,957	$ 37,485	$ 363,052	$ 211,171
Investments	797,774	1,684,435	-	-	53,206	-	-	-	-	-
Accounts receivable:										
Funding agencies	3,639,162	-	16,140	(1,033)	17,971	42,729	-	11,692	15,076	506
Other	22,918	-	-	-	-	1,583	331	-	-	-
Contributions receivable	3,658	80	-	-	-	47,630	-	-	-	-
Prepaid expenses and other assets	2,295,868	-	19,303	1,257	9,105	14,681	4,683	16,379	5,781	10,693
Due from affiliates	24,307,745	-	163,441	11,304	43,417	130,643	127,058	140,947	9,651	67,563
Assets held for sale	-	-	-	-	-	-	-	-	-	-
Boat inventory	6,289,902	-	-	-	-	9,134	-	-	-	-
Boats under lease	22,614,207	-	-	-	-	-	-	-	-	-
Beneficial interest in assets held by others	-	494,337	-	-	-	-	-	-	-	-
Operating lease right-of-use assets, net	5,564	-	-	18,096	-	-	-	-	-	342,504
Finance lease right-of-use assets, net	102,825	-	-	-	4,800	4,787	-	-	6,455	89,427
Property and equipment, net	2,339,103	-	40,264	872	346,775	573,414	3,757	67,157	22,572	22,063
Total assets	$ 67,781,891	$ 13,217,655	$ 251,154	$ 43,025	$ 596,385	$ 2,109,479	$ 189,786	$ 273,660	$ 422,587	$ 743,927
Liabilities and Net Assets										
Liabilities:										
Lines of credit	$ 6,250,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts payable	548,139	-	18,752	661	(1,345)	14,107	4,692	20,052	1,889	13,866
Accrued expenses	12,078,003	3,312	74,764	9,085	27,353	89,653	57,682	60,341	74,086	52,092
Accrued pension	2,493,284	-	2,024	178	-	2,630	1,253	486	2,969	1,946
Due to Affiliates	3,974,331	6,112,740	47,326	10,981	33,373	65,114	14,551	37,600	69,005	42,739
Deferred revenues	2,926,400	-	8,899	-	-	10,009	-	-	-	-
Refundable advances	1,000	-	-	-	-	-	-	-	-	-
Security deposits	6,081,728	-	-	-	-	-	-	-	-	-
Operating lease liabilities	5,564	-	-	18,096	-	-	-	-	-	342,504
Finance lease liabilities	102,916	-	-	-	4,971	5,337	-	-	6,543	84,514
Notes payable	2,153,235	-	2,425,669	125,000	309,434	-	-	1,165,110	868,300	-
Total liabilities	36,614,600	6,116,052	2,577,434	164,001	373,786	186,850	78,178	1,283,589	1,022,792	537,661
Net assets:										
Without donor restrictions	30,917,215	1,350,137	(2,353,598)	(120,976)	32,694	1,702,973	106,227	(1,012,323)	(607,797)	197,082
Undesignated										
Board designated endowment fund	-	-	-	-	-	-	-	-	-	-
With donor restrictions	250,076	5,751,466	27,318	-	189,905	219,656	5,381	2,394	7,592	9,184
Total net assets	31,167,291	7,101,603	(2,326,280)	(120,976)	222,599	1,922,629	111,608	(1,009,929)	(600,205)	206,266
Total liabilities and net assets	$ 67,781,891	$ 13,217,655	$ 251,154	$ 43,025	$ 596,385	$ 2,109,479	$ 189,786	$ 273,660	$ 422,587	$ 743,927

See Independent Auditors' Report.

AMIkids, Inc. and Affiliates
Schedule I
Combining Schedule - Statement of Financial Position (Continued)
June 30, 2023

	AMIkids Duval	AMIkids Emerald Coast	AMIkids Family Services	AMIkids Gadsden Center for Academic Discipline	AMIkids Gainesville	AMIkids Gateways	AMIkids Georgetown	AMIkids Georgia	AMIkids Georgia Properties	AMIkids Greater Ft. Lauderdale
Assets										
Cash and cash equivalents	$ 241,959	$ 124,037	$ 269,684	$ 204,640	$ 84,245	$ 257,403	$ 201,539	$ -	$ -	$ 146,113
Investments	-	-	-	-	-	-	4,119	-	-	-
Accounts receivable:										
Funding agencies	-	-	-	-	19,785	7,191	4,934	-	-	18,268
Other	-	-	-	-	-	-	-	-	-	-
Contributions receivable	-	-	-	-	-	-	-	-	-	1,038
Prepaid expenses and other assets	1,611	3,126	2,645	6,089	18,497	6,176	3,773	-	-	4,952
Due from affiliates	16,665	15,553	106,491	45,875	96,631	97,851	200,345	17,476	-	24,729
Assets held for sale	-	-	-	-	63,626	-	-	-	-	-
Boat inventory	-	-	-	-	-	-	-	-	-	-
Boats under lease	-	-	-	-	-	-	-	-	-	-
Beneficial interest in assets held by others	-	-	-	-	-	-	-	-	-	-
Operating lease right-of-use assets, net	-	-	-	-	-	-	-	-	-	-
Finance lease right-of-use assets, net	-	-	-	8,409	127,508	2,691	7,604	-	-	57,708
Property and equipment, net	-	11,938	-	2,652	32,353	41,457	254,732	-	1,819,271	81,206
Total assets	$ 260,235	$ 154,654	$ 378,820	$ 267,665	$ 442,645	$ 412,769	$ 677,046	$ 17,476	$ 1,819,271	$ 334,014
Liabilities and Net Assets										
Liabilities:										
Lines of credit	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts payable	708	1,761	15,201	4,675	3,921	2,184	4,405	-	-	459
Accrued expenses	21,445	13,362	60,582	22,303	37,573	53,068	63,943	-	1,086	9,612
Accrued pension	143	325	1,678	433	1,071	1,452	2,448	-	-	326
Due to Affiliates	55,557	6,752	27,640	15,507	45,235	18,691	41,757	-	24,144	24,194
Deferred revenues	-	-	268,564	-	335,269	-	11,817	-	-	179,606
Refundable advances	-	-	-	-	-	-	-	-	-	-
Security deposits	-	-	-	-	-	-	-	-	-	-
Operating lease liabilities	-	-	-	-	-	-	-	-	-	-
Finance lease liabilities	-	-	-	8,941	126,175	1,419	7,624	-	-	56,268
Notes payable	423,500	720,468	10,000	-	1,243,488	-	-	-	-	519,289
Total liabilities	501,353	742,668	383,665	51,859	1,792,732	76,814	131,994	-	25,230	789,754
Net assets:										
Without donor restrictions	(242,209)	(720,182)	(4,845)	215,806	(1,369,258)	335,955	524,703	17,476	1,794,041	(513,400)
Undesignated										
Board designated endowment fund	-	-	-	-	-	-	-	-	-	-
With donor restrictions	1,091	132,168	-	-	19,171	-	20,349	-	-	57,660
Total net assets	(241,118)	(588,014)	(4,845)	215,806	(1,350,087)	335,955	545,052	17,476	1,794,041	(455,740)
Total liabilities and net assets	$ 260,235	$ 154,654	$ 378,820	$ 267,665	$ 442,645	$ 412,769	$ 677,046	$ 17,476	$ 1,819,271	$ 334,014

See Independent Auditors' Report.

AMIkids, Inc. and Affiliates
Schedule I
Combining Schedule - Statement of Financial Position (Continued)
June 30, 2023

	AMIkids Infinity Marlboro	AMIkids Infinity Wake County	AMIkids Jacksonville	AMIkids Louisiana Properties	AMIkids Manatee	AMIkids Miami-Dade	AMIkids New Mexico	AMIkids New Mexico Properties	AMIkids North Carolina Family Services	AMIkids North Carolina Properties
Assets										
Cash and cash equivalents	$ 703	$ 163,061	$ 123,522	$ -	$ 963,053	$ 168,761	$ 134,837	$ -	$ 411,818	$ -
Investments	-	-	-	-	-	-	-	-	-	-
Accounts receivable:										
Funding agencies	-	37,438	20,162	-	17,228	8,841	(68)	-	(325)	-
Other	-	-	-	-	-	-	-	-	-	-
Contributions receivable	-	-	56,886	-	-	-	-	-	-	-
Prepaid expenses and other assets	796	833	14,773	-	2,594	17,955	13,498	-	37,621	1,878
Due from affiliates	16,488	5,093	99,048	932,323	53,209	398,311	56,600	524,617	1,833,800	2,284
Assets held for sale	-	-	-	-	-	-	-	-	-	-
Boat inventory	-	-	-	-	-	-	-	-	-	-
Boats under lease	-	-	-	-	-	-	-	-	-	-
Beneficial interest in assets held by others	-	-	-	-	99,235	-	-	-	-	-
Operating lease right-of-use assets, net	-	-	-	-	-	-	-	-	93,754	-
Finance lease right-of-use assets, net	-	-	124,415	-	-	9,676	-	-	-	-
Property and equipment, net	-	-	542,458	676,011	103,533	42,610	-	-	14,040	280,000
Total assets	$ 17,987	$ 206,425	$ 981,264	$ 1,608,334	$ 1,238,852	$ 646,154	$ 204,867	$ 524,617	$ 2,390,708	$ 284,162
Liabilities and Net Assets										
Liabilities:										
Lines of credit	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts payable	2	22	2,084	-	6,076	14,527	7,144	-	8,514	-
Accrued expenses	16,475	22,617	47,928	1,086	43,056	72,302	3,316	1,086	99,255	1,086
Accrued pension	491	1,205	1,111	-	1,293	3,099	-	-	3,406	-
Due to Affiliates	12,348	6,617	55,886	15	44,505	71,458	20,308	1,601	59,914	27,258
Deferred revenues	-	-	13,395	-	88,176	80,345	-	-	-	2,826
Refundable advances	-	-	-	-	-	-	-	-	-	-
Security deposits	-	-	-	-	-	-	-	-	-	-
Operating lease liabilities	-	-	-	-	-	-	-	-	94,655	-
Finance lease liabilities	-	-	122,656	-	-	12,400	-	-	-	-
Notes payable	2,500	-	824,067	-	-	-	175,000	-	-	-
Total liabilities	31,816	30,461	1,067,127	1,101	183,106	254,131	205,768	2,687	265,744	31,170
Net assets:										
Without donor restrictions	(18,306)	170,559	(369,402)	1,607,233	1,054,746	170,917	(901)	71,930	2,124,964	252,992
Undesignated										
Board designated endowment fund	-	-	-	-	-	-	-	-	-	-
With donor restrictions	4,477	5,405	283,539	-	1,000	221,106	-	450,000	-	-
Total net assets	(13,829)	175,964	(85,863)	1,607,233	1,055,746	392,023	(901)	521,930	2,124,964	252,992
Total liabilities and net assets	$ 17,987	$ 206,425	$ 981,264	$ 1,608,334	$ 1,238,852	$ 646,154	$ 204,867	$ 524,617	$ 2,390,708	$ 284,162

See Independent Auditors' Report.

AMIkids, Inc. and Affiliates
Schedule I
Combining Schedule - Statement of Financial Position (Continued)
June 30, 2023

	AMIkids Orlando	AMIkids Panama City Marine Institute	AMIkids Pasco	AMIkids Pensacola	AMIkids Piedmont	AMIkids Pinellas	AMIkids Rio Grande Valley	AMIkids Sand Hills	AMIkids Sandoval	AMIkids Sarasota County
Assets										
Cash and cash equivalents	$ 401,427	$ 334,370	$ -	$ 199,942	$ 1,072,840	$ 306,665	$ 39,004	$ 87,327	$ 44,036	$ -
Investments	-	-	-	-	-	857,835	-	-	-	-
Accounts receivable:										
Funding agencies	11,053	24,946	-	51,752	13,035	-	22,566	4,491	23,450	-
Other	-	296,097	-	-	-	-	-	-	37,324	-
Contributions receivable	-	-	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	8,145	36,851	-	24,719	4,757	25,462	9,255	5,216	30,490	-
Due from affiliates	87,212	308,961	29,145	170,917	123,844	89,357	16,729	122,066	118,935	75,936
Assets held for sale	-	-	-	-	-	-	-	-	-	-
Boat inventory	-	5,829	-	-	-	-	-	-	-	-
Boats under lease	-	-	-	-	-	-	-	-	-	-
Beneficial interest in assets held by others	-	-	-	-	-	-	-	-	-	-
Operating lease right-of-use assets, net	-	-	-	-	-	394,393	-	-	-	-
Finance lease right-of-use assets, net	3,801	2,521	-	19,973	-	-	-	5,674	11,188	-
Property and equipment, net	77,418	3,555,245	-	313,101	54,204	3,112	12,533	35,496	70,085	-
Total assets	$ 589,056	$ 4,564,820	$ 29,145	$ 780,404	$ 1,268,680	$ 1,676,824	$ 100,087	$ 260,270	$ 335,508	$ 75,936
Liabilities and Net Assets										
Liabilities:										
Lines of credit	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts payable	15,867	4,257	-	17,316	4,509	(686)	24,438	9,955	8,057	-
Accrued expenses	31,469	32,749	-	102,782	63,797	28,686	44,788	53,412	98,594	-
Accrued pension	844	1,152	-	1,300	3,001	791	1,413	1,395	218	-
Due to Affiliates	53,856	140,789	70	56,688	32,711	31,843	56,186	42,517	121,187	70
Deferred revenues	150,932	-	-	-	-	203,450	7,820	13,537	109	-
Refundable advances	-	-	-	-	-	20,000	-	-	-	-
Security deposits	-	-	-	-	-	-	-	-	-	-
Operating lease liabilities	-	-	-	-	-	394,393	-	-	-	-
Finance lease liabilities	4,053	2,555	-	20,837	-	-	-	5,747	11,380	-
Notes payable	260,873	-	-	268,053	-	-	4,346,122	830,510	686,152	-
Total liabilities	517,894	181,502	70	466,976	104,018	678,477	4,480,767	957,073	925,697	70
Net assets:										
Without donor restrictions	(53,473)	4,247,885	(70)	214,092	1,160,455	995,847	(4,492,844)	(703,398)	(595,792)	75,866
Undesignated										
Board designated endowment fund	-	-	-	-	-	-	-	-	-	-
With donor restrictions	124,635	135,433	29,145	99,336	4,207	2,500	112,164	6,595	5,603	-
Total net assets	71,162	4,383,318	29,075	313,428	1,164,662	998,347	(4,380,680)	(696,803)	(590,189)	75,866
Total liabilities and net assets	$ 589,056	$ 4,564,820	$ 29,145	$ 780,404	$ 1,268,680	$ 1,676,824	$ 100,087	$ 260,270	$ 335,508	$ 75,936

See Independent Auditors' Report.

AMIkids, Inc. and Affiliates
Schedule I
Combining Schedule - Statement of Financial Position (Continued)
June 30, 2023

	AMIkids Savannah River	AMIkids South Carolina Statewide	AMIkids Southwest Florida	AMIkids Space Coast	AMIkids St. Louis	AMIkids Tallahassee	AMIkids Tampa	AMIkids Virginia	AMIkids Virginia Wilderness	AMIkids Volusia
Assets										
Cash and cash equivalents	$ 86,741	$ -	$ 63,887	$ 159,197	$ -	$ 318,439	$ 619,112	$ 166,634	$ -	$ 43,944
Investments	-	-	-	-	-	-	-	-	-	-
Accounts receivable:										
Funding agencies	153,095	-	(598)	61,121	-	-	64,495	660,201	-	3,232
Other	-	-	693,846	-	-	-	-	-	-	-
Contributions receivable	-	-	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	16,815	-	1,392	15,713	-	3,714	8,538	135	580	16,056
Due from affiliates	7,307	1,064	45,161	158,718	-	33,736	114,284	949,722	-	70,582
Assets held for sale	-	-	-	-	-	-	-	-	120,000	-
Boat inventory	-	-	-	-	-	-	-	-	-	-
Boats under lease	-	-	-	-	-	-	-	-	-	-
Beneficial interest in assets held by others	-	-	-	-	-	-	-	-	-	-
Operating lease right-of-use assets, net	-	-	-	-	-	-	-	16,366	-	-
Finance lease right-of-use assets, net	-	-	-	-	-	4,728	725	-	-	63,029
Property and equipment, net	31,329	-	28,927	291,883	-	121,731	156,852	129,328	-	29,993
Total assets	$ 295,287	$ 1,064	$ 832,615	$ 686,632	$ -	$ 482,348	$ 964,006	$ 1,922,386	$ 120,580	$ 226,836
Liabilities and Net Assets										
Liabilities:										
Lines of credit	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accounts payable	23,835	-	537	9,799	-	8,799	5,342	4,041	-	9,338
Accrued expenses	80,040	-	31,339	102,103	-	10,370	73,129	1,220,491	2,950	32,728
Accrued pension	2,024	-	215	2,420	-	224	2,413	840	-	423
Due to Affiliates	74,777	104	27,060	90,349	-	12,559	43,874	29,921	51,972	64,767
Deferred revenues	-	-	-	-	-	271,129	21,971	-	-	160,064
Refundable advances	-	-	-	-	-	-	41,991	-	-	-
Security deposits	-	-	-	-	-	-	-	-	-	-
Operating lease liabilities	-	-	-	-	-	-	-	16,597	-	-
Finance lease liabilities	-	-	-	-	-	5,031	1,310	-	-	63,420
Notes payable	3,246,061	-	266,377	530,000	-	317,952	-	-	272,165	500,957
Total liabilities	3,426,737	104	325,528	734,671	-	626,064	190,030	1,271,890	327,087	831,697
Net assets:										
Without donor restrictions	(3,142,086)	(105)	(196,651)	(109,999)	(21,829)	(145,716)	688,043	650,496	(206,507)	(608,807)
Undesignated										
Board designated endowment fund	-	-	-	-	-	-	-	-	-	-
With donor restrictions	10,636	1,065	703,738	61,960	21,829	2,000	85,933	-	-	3,946
Total net assets	(3,131,450)	960	507,087	(48,039)	-	(143,716)	773,976	650,496	(206,507)	(604,861)
Total liabilities and net assets	$ 295,287	$ 1,064	$ 832,615	$ 686,632	$ -	$ 482,348	$ 964,006	$ 1,922,386	$ 120,580	$ 226,836

See Independent Auditors' Report.

AMIkids, Inc. and Affiliates
Schedule I
Combining Schedule - Statement of Financial Position (Continued)
June 30, 2023

	AMIkids White Pines	AMIkids YES	South Carolina Wilderness Institute	Total Before Eliminations	Eliminations	Total
Assets						
Cash and cash equivalents	$ 963,422	$ 219,089	$ -	$ 27,119,608	$ -	$ 27,119,608
Investments	-	447,319	-	3,844,688	-	3,844,688
Accounts receivable:						
Funding agencies	14,111	71,570	-	5,054,217	-	5,054,217
Other	-	-	-	1,052,099	-	1,052,099
Contributions receivable	-	-	-	109,292	-	109,292
Prepaid expenses and other assets	14,014	14,646	-	2,751,065	-	2,751,065
Due from affiliates	361,904	171,762	-	32,602,500	(32,602,500)	-
Assets held for sale	-	-	-	183,626	-	183,626
Boat inventory	-	-	-	6,304,865	-	6,304,865
Boats under lease	-	-	-	22,614,207	-	22,614,207
Beneficial interest in assets held by others	-	-	-	593,572	-	593,572
Operating lease right-of-use assets, net	-	-	-	870,677	(56,000)	814,677
Finance lease right-of-use assets, net	-	24,974	-	682,918	-	682,918
Property and equipment, net	29,526	34,935	103,000	12,396,936	-	12,396,936
Total assets	$ 1,382,977	$ 984,295	$ 103,000	$ 116,180,270	$ (32,658,500)	$ 83,521,770
Liabilities and Net Assets						
Liabilities:						
Lines of credit	$ -	$ -	$ -	$ 6,250,000	$ -	$ 6,250,000
Accounts payable	5,657	6,976	-	850,533	(3,785)	846,748
Accrued expenses	131,992	99,179	1,086	15,359,236	(5,099,922)	10,259,314
Accrued pension	4,468	1,486	-	2,547,878	-	2,547,878
Due to Affiliates	49,596	58,865	10,547	12,017,455	(12,017,455)	-
Deferred revenues	-	-	-	4,754,318	-	4,754,318
Refundable advances	-	-	-	62,991	-	62,991
Security deposits	-	-	-	6,081,728	-	6,081,728
Operating lease liabilities	-	-	-	871,809	(56,791)	815,018
Finance lease liabilities	-	27,199	-	681,296	-	681,296
Notes payable	-	590,000	-	23,080,282	(20,581,626)	2,498,656
Total liabilities	191,713	783,705	11,633	72,557,526	(37,759,579)	34,797,947
Net assets:						
Without donor restrictions	1,125,671	146,960	91,367	34,433,858	6,786,142	41,220,000
Undesignated						
Board designated endowment fund	-	-	-	-	-	-
With donor restrictions	65,593	53,630	-	9,188,886	(1,685,063)	7,503,823
Total net assets	1,191,264	200,590	91,367	43,622,744	5,101,079	48,723,823
Total liabilities and net assets	$ 1,382,977	$ 984,295	$ 103,000	$ 116,180,270	$ (32,658,500)	$ 83,521,770

See Independent Auditors' Report.

AMIkids, Inc. and Affiliates
Schedule II
Combining Schedule - Statement of Activities
Year ended June 30, 2023

	AMIkids	AMIkids Foundation	AMIkids Acadiana	AMIkids Alabama	AMIkids Baton Rouge	AMIkids Beaufort	AMIkids Behavior Health	AMIkids Bennettsville	AMIkids Caddo	AMIkids Clay County
Public Support and revenue:										
Federal support	$ 1,433,447	$ -	$ 85,925	$ -	$ 352,105	$ 443,714	$ 55,346	$ 59,103	$ 36,908	$ 505
State support	4,813,258	-	1,586,316	120,218	155,686	1,392,998	-	1,444,557	-	712,641
Regional revenue	43,419	-	123,700	-	-	-	-	-	1,995,353	388,697
Nongovernmental	-	-	-	-	-	4,750	-	2,000	-	-
Service revenue	1,685,219	-	-	-	-	-	927,396	-	-	-
Contributions	2,169,205	2,919,813	34,951	5	147,192	454,673	10,216	96,674	27,258	44,975
Total Public Support	10,144,548	2,919,813	1,830,892	120,223	654,983	2,296,135	992,958	1,602,334	2,059,519	1,146,818
Revenue										
Boat Program	19,773,774	-	-	-	-	-	-	-	-	-
Investment income (loss)	1,584,210	333,811	-	-	930	-	-	-	-	-
Other	281,975	-	-	-	15	739	284	72	224	47
Total revenue	21,639,959	333,811	-	-	945	739	284	72	224	47
Total public support and revenue	31,784,507	3,253,624	1,830,892	120,223	655,928	2,296,874	993,242	1,602,406	2,059,743	1,146,865
Expenses:										
Program Services	6,438,853	1,057,854	2,321,267	230,313	654,373	1,752,788	994,542	1,714,486	1,953,421	970,302
Boat Program	15,453,505	-	1,176	-	-	-	-	-	-	-
Management and general	12,858,390	199,821	160,928	11,280	44,405	37,676	10,042	88,719	187,871	36,141
Fundraising	754,059	-	-	-	-	-	-	-	-	-
Total expense	35,504,807	1,257,675	2,483,371	241,593	698,778	1,790,464	1,004,584	1,803,205	2,141,292	1,006,443
Change in Net assets	(3,720,300)	1,995,949	(652,479)	(121,370)	(42,850)	506,410	(11,342)	(200,799)	(81,549)	140,422
Net assets (deficit), beginning of the year	34,887,591	5,105,654	(1,673,801)	394	265,449	1,416,219	122,950	(809,130)	(518,656)	65,844
Net assets (deficit), end of the year	$ 31,167,291	$ 7,101,603	$ (2,326,280)	$ (120,976)	$ 222,599	$ 1,922,629	$ 111,608	$ (1,009,929)	$ (600,205)	$ 206,266

See Independent Auditors' Report.

AMIkids, Inc. and Affiliates
Schedule II
Combining Schedule - Statement of Activities (Continued)
Year ended June 30, 2023

	AMIkids Duval	AMIkids Emerald Coast	AMIkids Family Services	AMIkids Gadsden Center for Academic Discipline	AMIkids Gainesville	AMIkids Gateways	AMIkids Georgetown	AMIkids Georgia	AMIkids Georgia Properties	AMIkids Greater Ft. Lauderdale
Public Support and revenue:										
Federal support	$ -	$ 83,365	$ 95,260	$ 91,434	$ 19,017	$ 7,191	$ 58,908	$ -	$ -	$ 101,298
State support	41,881	-	664,368	376,991	785,929	1,116,900	1,347,661	-	-	252,865
Regional revenue	553,809	-	-	-	153,863	-	-	-	-	23,391
Nongovernmental	-	23,000	-	3,514	-	-	-	-	-	-
Service revenue	-	-	7,100	-	-	-	-	-	-	-
Contributions	23,649	182,959	2,337	690	49,529	39,171	49,094	-	301,140	56,282
Total Public Support	619,339	289,324	769,065	472,629	1,008,338	1,163,262	1,455,663	-	301,140	433,836
Revenue										
Boat Program	-	-	-	-	-	-	-	-	-	-
Investment income (loss)	-	-	-	-	41	-	2,513	275	-	118
Other	615	3	-	2,306	21	1,758	3,296	-	-	1,500
Total revenue	615	3	-	2,306	62	1,758	5,809	275	-	1,618
Total public support and revenue	619,954	289,327	769,065	474,935	1,008,400	1,165,020	1,461,472	275	301,140	435,454
Expenses:										
Program Services	605,329	220,449	776,313	477,073	952,600	1,088,868	1,349,933	-	86,384	566,882
Boat Program	-	-	-	-	-	-	-	-	-	-
Management and general	67,487	43,014	9,656	13,849	85,890	23,114	28,100	-	14,908	49,316
Fundraising	-	-	-	-	-	-	-	-	-	-
Total expense	672,816	263,463	785,969	490,922	1,038,490	1,111,982	1,378,033	-	101,292	616,198
Change in Net assets	(52,862)	25,864	(16,904)	(15,987)	(30,090)	53,038	83,439	275	199,848	(180,744)
Net assets (deficit), beginning of the year	(188,256)	(613,878)	12,059	231,793	(1,319,997)	282,917	461,613	17,201	1,594,193	(274,996)
Net assets (deficit), end of the year	$ (241,118)	$ (588,014)	$ (4,845)	$ 215,806	$ (1,350,087)	$ 335,955	$ 545,052	$ 17,476	$ 1,794,041	$ (455,740)

See Independent Auditors' Report.

AMIkids, Inc. and Affiliates
Schedule II
Combining Schedule - Statement of Activities (Continued)
Year ended June 30, 2023

	AMIkids Infinity Marlboro	AMIkids Infinity Wake County	AMIkids Jacksonville	AMIkids Louisiana Properties	AMIkids Manatee	AMIkids Miami-Dade	AMIkids New Mexico	AMIkids New Mexico Properties	AMIkids North Carolina Family Services	AMIkids North Carolina Properties
Public Support and revenue:										
Federal support	$ 8,872	$ 6,965	$ 59,469	$ -	$ 12,639	$ 176,385	$ -	$ -	$ 337	$ -
State support	-	-	873,751	-	654,690	1,503,939	-	-	2,589,813	-
Regional revenue	278,915	449,253	174,110	-	370,951	135,788	434,184	-	-	-
Nongovernmental	-	25,751	-	-	-	106,488	-	-	-	-
Service revenue	-	-	-	-	-	-	-	-	-	-
Contributions	6,702	25,323	127,534	-	24,483	101,687	308	450,000	6,388	260,308
Total Public Support	294,489	507,292	1,234,864	-	1,062,763	2,024,287	434,492	450,000	2,596,538	260,308
Revenue										
Boat Program	-	-	-	-	-	-	-	-	-	-
Investment income (loss)	-	-	6	24,902	20,134	10,266	1	36,033	78,679	-
Other	1	-	3,417	140,000	-	4,501	-	-	-	35,788
Total revenue	1	-	3,423	164,902	20,134	14,767	1	36,033	78,679	35,788
Total public support and revenue	294,490	507,292	1,238,287	164,902	1,082,897	2,039,054	434,493	486,033	2,675,217	296,096
Expenses:										
Program Services	348,194	436,466	1,273,315	253,084	886,832	2,309,332	440,008	33,172	3,603,254	27,952
Boat Program	-	-	-	-	-	36	-	-	-	-
Management and general	23,376	37,341	66,017	1,206	27,335	33,184	9,344	757,516	30,221	7,415
Fundraising	-	-	-	-	-	-	-	-	-	-
Total expense	371,570	473,807	1,339,332	254,290	914,167	2,342,552	449,352	790,688	3,633,475	35,367
Change in Net assets	(77,080)	33,485	(101,045)	(89,388)	168,730	(303,498)	(14,859)	(304,655)	(958,258)	260,729
Net assets (deficit), beginning of the year	63,251	142,479	15,182	1,696,621	887,016	695,521	13,958	826,585	3,083,222	(7,737)
Net assets (deficit), end of the year	$ (13,829)	$ 175,964	$ (85,863)	$ 1,607,233	$ 1,055,746	$ 392,023	$ (901)	$ 521,930	$ 2,124,964	$ 252,992

See Independent Auditors' Report.

AMIkids, Inc. and Affiliates
Schedule II
Combining Schedule - Statement of Activities (Continued)
Year ended June 30, 2023

	AMIkids Orlando	AMIkids Panama City Marine Institute	AMIkids Pasco	AMIkids Pensacola	AMIkids Piedmont	AMIkids Pinellas	AMIkids Rio Grande Valley	AMIkids Sand Hills	AMIkids Sandoval	AMIkids Sarasota County
Public Support and revenue:										
Federal support	$ 37,946	$ 277,354	$ -	$ 338,665	$ 48,120	$ 136,863	$ 4,124	$ 70,091	$ (1,876)	$ -
State support	784,500	173,293	-	1,795,271	1,444,557	388,564	468,385	1,392,998	652,055	-
Regional revenue	154,334	-	-	-	-	-	-	-	-	-
Nongovernmental	-	-	-	(3,478)	-	-	-	-	-	-
Service revenue	-	227,735	-	-	-	-	-	-	664,711	-
Contributions	145,030	384,530	-	134,091	13,944	26,400	36,343	142,299	8,079	-
Total Public Support	1,121,810	1,062,912	-	2,264,549	1,506,621	551,827	508,852	1,605,388	1,322,969	-
Revenue										
Boat Program	-	-	-	-	-	-	-	-	-	-
Investment income (loss)	24	4	-	13	406	33,253	-	1	26	2,093
Other	5,193	784,277	-	-	-	1,800	34	1,906	6,552,830	-
Total revenue	5,217	784,281	-	13	406	35,053	34	1,907	6,552,856	2,093
Total public support and revenue	1,127,027	1,847,193	-	2,264,562	1,507,027	586,880	508,886	1,607,295	7,875,825	2,093
Expenses:										
Program Services	1,030,899	1,151,398	-	2,412,346	1,124,612	552,503	1,218,354	1,538,325	2,186,833	-
Boat Program	-	1,651	-	-	-	-	-	-	-	-
Management and general	48,289	13,946	70	45,041	24,257	21,482	266,967	67,539	555,206	71
Fundraising	-	-	-	-	-	-	-	-	-	-
Total expense	1,079,188	1,166,995	70	2,457,387	1,148,869	573,985	1,485,321	1,605,864	2,742,039	71
Change in Net assets	47,839	680,198	(70)	(192,825)	358,158	12,895	(976,435)	1,431	5,133,786	2,022
Net assets (deficit), beginning of the year	23,323	3,703,120	29,145	506,253	806,504	985,452	(3,404,245)	(698,234)	(5,723,975)	73,844
Net assets (deficit), end of the year	$ 71,162	$ 4,383,318	$ 29,075	$ 313,428	$ 1,164,662	$ 998,347	$ (4,380,680)	$ (696,803)	$ (590,189)	$ 75,866

See Independent Auditors' Report.

AMIkids, Inc. and Affiliates
Schedule II
Combining Schedule - Statement of Activities (Continued)
Year ended June 30, 2023

	AMIkids Savannah River	AMIkids South Carolina Statewide	AMIkids Southwest Florida	AMIkids Space Coast	AMIkids St. Louis	AMIkids Tallahassee	AMIkids Tampa	AMIkids Virginia	AMIkids Virginia Wilderness	AMIkids Volusia
Public Support and revenue:										
Federal support	$ 729	$ -	$ 112,731	$ 292,751	$ -	$ 45,682	$ 143,127	$ -	$ -	$ 10,797
State support	1,246,848	-	-	1,614,030	-	285,154	730,432	6,543,699	-	824,659
Regional revenue	-	-	-	160,803	-	7,150	335,015	-	-	145,983
Nongovernmental	-	-	-	64,000	-	8,162	-	-	-	-
Service revenue	-	-	-	-	-	-	-	-	-	-
Contributions	45,241	-	835,601	102,308	-	16,109	193,804	2,196	-	15,727
Total Public Support	1,292,818	-	948,332	2,233,892	-	362,257	1,402,378	6,545,895	-	997,166
Revenue										
Boat Program	-	-	-	-	-	-	-	-	-	-
Investment income (loss)	-	-	7	14	-	-	315	10,848	-	-
Other	4	-	-	-	-	276	2,388	-	-	41
Total revenue	4	-	7	14	-	276	2,703	10,848	-	41
Total public support and revenue	1,292,822	-	948,339	2,233,906	-	362,533	1,405,081	6,556,743	-	997,207
Expenses:										
Program Services	1,882,512	-	301,225	2,649,809	-	339,574	1,204,370	6,460,137	29,005	990,925
Boat Program	-	-	-	-	-	-	-	-	-	-
Management and general	274,560	52	23,562	51,527	-	23,072	32,497	12,333	18,447	51,133
Fundraising	-	-	-	705	-	-	-	-	-	-
Total expense	2,157,072	52	324,787	2,702,041	-	362,646	1,236,867	6,472,470	47,452	1,042,058
Change in Net assets	(864,250)	(52)	623,552	(468,135)	-	(113)	168,214	84,273	(47,452)	(44,851)
Net assets (deficit), beginning of the year	(2,267,200)	1,012	(116,465)	420,096	-	(143,603)	605,762	566,223	(159,055)	(560,010)
Net assets (deficit), end of the year	$ (3,131,450)	$ 960	$ 507,087	$ (48,039)	$ -	$ (143,716)	$ 773,976	$ 650,496	$ (206,507)	$ (604,861)

See Independent Auditors' Report.

AMIkids, Inc. and Affiliates
Schedule II
Combining Schedule - Statement of Activities (Continued)
Year ended June 30, 2023

	AMIkids White Pines	AMIkids YES	South Carolina Wilderness Institute	Total Before Eliminations	Eliminations	Total
Public Support and revenue:						
Federal support	$ 148,505	$ 68,461	$ -	$ 4,922,263	$ -	$ 4,922,263
State support	2,859,697	1,565,343	-	43,203,947	-	43,203,947
Regional revenue	-	262,921	-	6,191,639	-	6,191,639
Nongovernmental	-	-	-	234,187	-	234,187
Service revenue	-	-	-	3,512,161	(2,601,831)	910,330
Contributions	189,087	42,002	-	9,945,337	(4,373,756)	5,571,581
Total Public Support	3,197,289	1,938,727	-	68,009,534	(6,975,587)	61,033,947
Revenue						
Boat Program	-	-	-	19,773,774	-	19,773,774
Investment income (loss)	2,269	45,920	-	2,187,112	(1,495,193)	691,919
Other	16,071	21	-	7,841,403	(6,730,253)	1,111,150
Total revenue	18,340	45,941	-	29,802,289	(8,225,446)	21,576,843
Total public support and revenue	3,215,629	1,984,668	-	97,811,823	(15,201,033)	82,610,790
Expenses:						
Program Services	2,962,685	2,647,525	442	64,507,118	(6,736,528)	57,770,590
Boat Program	-	-	-	15,456,368	140	15,456,508
Management and general	45,333	66,002	1,190	16,606,138	(8,914,251)	7,691,887
Fundraising	-	-	-	754,764	(13,384)	741,380
Total expense	3,008,018	2,713,527	1,632	97,324,388	(15,664,023)	81,660,365
Change in Net assets	207,611	(728,859)	(1,632)	487,435	462,990	950,425
Net assets (deficit), beginning of the year	983,653	929,449	92,999	43,135,309	4,638,089	47,773,398
Net assets (deficit), end of the year	$ 1,191,264	$ 200,590	$ 91,367	$ 43,622,744	$ 5,101,079	$ 48,723,823

See Independent Auditors' Report.

INTERNAL CONTROL RECOMMENDATIONS

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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 Trustees
AMIKids, Inc.
Tampa, 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 combined financial statements of the AMIKids, Inc. and Affiliates ("the Organization"), which comprise the combined statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 13, 2023.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity'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.

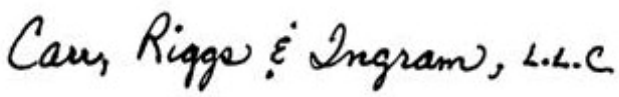
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's combined financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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*.

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 entity'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CARR, RIGGS, & INGRAM, LLC

Tampa, Florida
November 13, 2023

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.650, RULES OF THE AUDITOR GENERAL

To the Board of Trustees
AMIKids, Inc.
Tampa, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited AMIKids, Inc. and Affiliates ("the Organization")'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the *State of Florida Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs and state projects for the year ended June 30, 2023. The Organization's major federal programs and state projects are identified in the summary of Auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.650, Rules of the Auditor General, *Florida Single Audit Act Audits – Nonprofit and For-Profit Organizations*. Our responsibilities under those standards and the Uniform Guidance and Chapter 10.650, Rules of the Auditor General, are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs and state projects.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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, *Government Auditing Standards*, the Uniform Guidance and Chapter 10.650, Rules of the Auditor General, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, Rules of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

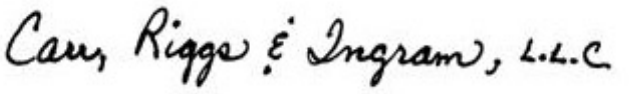
Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.650, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.



CARR, RIGGS & INGRAM, LLC

Tampa, Florida
November 13, 2023

AMIkids, Inc. and Affiliates
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended June 30, 2023

Grantor/Pass-Through Grantor/Program Title	ALN CSFA Number	Pass-Through Grant Number	Amount of Expenditures	Amount Provided To Subrecipients
FEDERAL AWARDS				
U.S. DEPARTMENT OF AGRICULTURE				
Indirect Programs:				
Child Nutrition Cluster				
Passed thru Florida Department of Agriculture				
School Breakfast Program	10.553	01-0233	$ 65,080	$ -
Passed thru Louisiana Department of Education				
School Breakfast Program	10.553	09-SFS-007	20,466	-
Passed thru South Carolina Department of Education				
School Breakfast Program	10.553	5697, 5699, 5713, 5714, 5715, 5716	88,105	-
Total ALN 10.553 - School Breakfast Program			173,651	-
Passed thru Florida Department of Agriculture				
National School Lunch Program	10.555	01-0233	157,314	-
Passed thru Louisiana Department of Education				
National School Lunch Program	10.555	09-SFS-007	50,464	-
Passed thru Texas Department of Agriculture				
National School Lunch Program	10.555	01198	628	-
Passed thru South Carolina Department of Education				
National School Lunch Program	10.555	5697, 5699, 5713, 5714, 5715, 5716	246,318	-
Total ALN 10.555 - National School Lunch Program			454,724	-
Total Child Nutrition Cluster			628,375	-
TOTAL U.S. DEPARTMENT OF AGRICULTURE			628,375	-
U.S. DEPARTMENT OF EDUCATION				
Indirect Programs:				
Passed thru Louisiana Dept. of Education				
Passed thru Caddo Parish				
Title I Grants to Local Educational Agencies	84.010	-	36,908	-
Total ALN 84.010 - Title I Grants to Local Educational Agencies			36,908	-
Passed thru Florida Dept. of Education				
COVID-19 Education Stabilization Fund - American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund	84.425U	93Q-1211U-3PR01	626,179	-
Total ALN 84.425U - COVID-19 American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund			626,179	-
TOTAL U.S. DEPARTMENT OF EDUCATION			663,087	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Direct Programs:				
COVID-19 The Pandemic Emergency Assistance Fund - TANF	93.558	ACF-PI-2021-02	1,750	
Total ALN 93.558 - COVID-19 Pandemic Emergency Assistance Fund - TANF			1,750	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	FAIN# H79SM084453	31,289	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79SM084949-01	42,732	-
Total ALN 93.243 - 'Substance Abuse and Mental Health Services Projects of Regional and National Significance			74,021	-
Indirect Programs:				
Passed thru New Mexico Children, Youth and Families Department				
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	DAJ07	130,000	-
Total ALN 93.674 - John H. Chafee Foster Care Program for Successful Transition to Adulthood			130,000	-
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			205,771	-

See accompanying notes to the schedule of expenditures of federal awards and state financial assistance.

AMIkids, Inc. and Affiliates
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended June 30, 2023 (Continued)

Grantor/Pass-Through Grantor/Program Title	ALN CSFA Number	Pass-Through Grant Number	Amount of Expenditures	Amount Provided To Subrecipients
U.S. DEPARTMENT OF LABOR				
Direct Programs:				
Reentry Employment Opportunities	17.270	YF-33606-19-60-A-12	282,071	-
Reentry Employment Opportunities	17.270	YF-38588-22-60-A-12	307,279	-
Total ALN 17.270 - Reentry Employment Opportunities			589,350	-
YouthBuild	17.274	YB-32999-18-60-A-22	60,544	-
YouthBuild	17.274	YB-36447-21-60-A-22	351,362	-
YouthBuild	17.274	YB-34255-19-60-A-45	267,141	-
YouthBuild	17.274	YB-38197-22-60-A-45	211,957	-
YouthBuild	17.274	YB-38233-22-60-A-12	326,333	-
YouthBuild	17.274	YB-36454-21-60-A-12	356,097	-
YouthBuild	17.274	YB-38211-22-60-A-12	257,319	-
Total ALN 17.274 - YouthBuild			1,830,753	-
Youth Apprentice Readiness Program	17.258	AP-35086-20-60-A-12	308,846	-
Total ALN 17.258 - Youth Apprentice Readiness Program			308,846	-
Workforce Pathways for Youth Grant Program	17.261	MI-36499-21-60-A-12	922,254	-
Total ALN 17.261 - Workforce Pathways for Youth Grant Program			922,254	-
TOTAL U.S. DEPARTMENT OF LABOR			3,651,203	-
U.S. DEPARTMENT OF ENERGY				
Indirect Programs:				
Passed thru Florida Dept. of Agriculture				
State Energy Program	81.041	28761	44,172	-
Total ALN 81.041 - State Energy Program			44,172	-
TOTAL U.S. DEPARTMENT OF ENERGY			44,172	-
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Indirect Programs:				
CDBG - Entitlement Grants Cluster				
Passed thru Brevard County				
Community Development Block Grants/Entitlement Grants	14.218	N/A	9,818	-
Total ALN 14.218 - Community Development Block Grants/Entitlement Grants			9,818	-
Total CDBG Entitlement Grants Cluster			9,818	-
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			9,818	-
U.S. DEPARTMENT OF JUSTICE				
Direct Programs:				
Juvenile Justice and Delinquency Prevention	16.540	15PJDP-21-GG-03260-TITL	35,287	-
Second Chance Act Reentry Initiative	16.812	15PJDP-21-GG-04091-SCAX	125,444	-
Emergency Planning for Juvenile Justice Facilities	16.823	2020-EJ-FX-0004	139,432	-
TOTAL U.S. DEPARTMENT OF JUSTICE			300,163	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			**$ 5,502,589**	**$ -**

See accompanying notes to the schedule of expenditures of federal awards and state financial assistance.

AMIkids, Inc. and Affiliates
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended June 30, 2023 (Continued)

Grantor/Pass-Through Grantor/Program Title	ALN CSFA Number	Pass-Through Grant Number	Amount of Expenditures	Amount Provided To Subrecipients
STATE FINANCIAL ASSISTANCE - FLORIDA				
FLORIDA DEPARTMENT OF EDUCATION				
Direct Projects:				
School and Instructional Enhancement Programs	48.040	93Q-97495-2Q001	$ 94,748	$ -
School and Instructional Enhancement Programs	48.040	93Q-97495-3Q001	896,628	-
Total CSFA 48.040 - School and Instructional Enhancement Programs			991,376	-
TOTAL FLORIDA DEPARTMENT OF EDUCATION			991,376	-
FLORIDA DEPARTMENT OF JUVENILE JUSTICE				
Direct Projects:				
Delinquency Prevention	80.029	10521	723,470	-
Delinquency Prevention	80.029	10716	733,273	-
Delinquency Prevention	80.029	10520	726,941	-
Delinquency Prevention	80.029	10394	689,520	-
Delinquency Prevention	80.029	10610	764,995	-
Total CSFA 80.029 - Delinquency Prevention			3,638,199	-
Day Treatment Programs - Facility Based	80.021	10573	4,892,972	-
Total CSFA 80.021 - Day Treatment Programs - Facility Based			4,892,972	-
TOTAL FLORIDA DEPARTMENT OF JUVENILE JUSTICE			8,531,171	-
FLORIDA DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES				
Direct Projects:				
Horse Country Specialty License Plate	76.104	N/A	209,210	-
TOTAL FLORIDA DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES			209,210	-
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE - FLORIDA			**$ 9,731,757**	**$ -**

See accompanying notes to the schedule of expenditures of federal awards and state financial assistance.

NOTE 1: BASIS OF PRESENTATION

The schedule of expenditures of federal awards and state financial assistance represents amounts expended from federal award programs and state projects during the fiscal year as determined on the modified accrual basis of accounting. The information in the schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *Florida Department of Financial Services' State Projects Compliance Supplement*. The amounts reported on the Schedule have been reconciled to and are in material agreement with amounts recorded in the Organization's accounting records from which the basic financial statements have been reported. Federal and state funds that are not subject to Uniform Guidance or Florida Single Audit are not included on this schedule.

The Organization has elected to use the 10 percent de minimis cost rate allowed under the Uniform Guidance for the year ended June 30, 2023.

The Organizations' federal awards do not have any loans or loan guarantees.

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements:

1. Type of auditors' report issued — Unmodified
2. Internal control over financial reporting:
   a. Material weaknesses identified? — None
   b. Significant deficiencies identified not considered to be material weaknesses? — None noted
   c. Noncompliance material to the financial statements noted? — None

Federal Awards:

1. Type of auditors' report issued on compliance for major programs — Unmodified
2. Internal control over major programs:
   a. Material weaknesses identified? — None
   b. Significant deficiencies identified not considered to be material weaknesses? — None noted
3. Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a)? — No
4. Identification of major programs:

ALN Number	Program
17.274	YouthBuild

5. Dollar threshold used to distinguish between type A and type B programs: — $750,000
6. Auditee qualified as low-risk auditee under 2 CFR 200.520? — Yes

State Projects:

1. Type of auditors' report issued on compliance for major programs — Unmodified
2. Internal control over major programs:
   a. Material weaknesses identified? — None
   b. Significant deficiencies identified not considered to be material weaknesses? — None noted
3. Any audit findings disclosed that are required to be reported in accordance with Rule 10.554(1)(l)(4)? — None
4. Identification of major programs:

CSFA Number	Project
80.021	Day Treatment Programs – Facility Based

5. Dollar threshold used to distinguish between type A and type B programs: — $750,000

SECTION II – FINANCIAL STATEMENT FINDINGS

None noted.

SECTION III – FEDERAL AWARD FINDINGS

None noted.

SECTION IV – SUMMARY OF PRIOR YEAR AUDIT FINDINGS

No prior year findings noted.