

**DISTRICT SCHOOL BOARD, CHARTER SCHOOL AND CHARTER
TECHNICAL CAREER CENTER, THE FLORIDA VIRTUAL SCHOOL
(INCLUDING FLORIDA VIRTUAL SCHOOL GLOBAL), AND
VIRTUAL INSTRUCTION PROGRAM PROVIDER
AUDIT REPORT SUBMITTAL CHECKLIST**

Entity Name: AMIkids Panama City Marine Institute, Inc.
dba Maritime Academy

Entity Address: 200 E Beach Drive
Panama City, FL 32401

Entity Contact Person:

Name: Carolyn McBean

Title: Principal

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CPA Firm Contact Person:

Name: Christine E. Noll-Rhan

Title: Partner

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E-mail Address: cnollrhan@CRLadv.com

Fiscal Year Audited: 2025

Date the auditor delivered the audit report to the entity: 9/26/2025

Does the audit report include the following items required by Sections 10.806(2) or 10.856(2), Rules of the Auditor General, as applicable?

Yes Financial statements, as described in Sections 10.805(3) and 10.855(3) - (7), Rules of the Auditor General, as applicable, together with related notes to financial statements?

N/A Required supplementary information such as the management's discussion and analysis?

Yes The auditor's report on the financial statements?

Yes The auditor's report on internal control and compliance?

N/A Any other auditor's reports, related financial information, and auditee-prepared documents required pursuant to Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) or other applicable Federal law?

- Yes The management letter defined in Sections 10.804(1)(f) and 10.854(1)(e), Rules of the Auditor General, as applicable?
- N/A The written statement of explanation or rebuttal required by Sections 10.807(2) and 10.857(2), Rules of the Auditor General, as applicable?

In addition to the above, have the following requirements been complied with:

- Yes Are all the above elements of the audit report included in a **single document** as required by Sections 10.806(2) and 10.856(2), Rules of the Auditor General, as applicable?
- Yes Are **one** paper copy and **one** electronic copy of the audit report being submitted as required by Sections 10.807(4) and 10.857(4), Rules of the Auditor General, as applicable?
- Yes Is the electronic copy named using all lowercase letters as follows: [fiscal year] [name of entity].pdf? For example, the converted document for the 2023-24 fiscal year for Alachua County District School Board should be named "2023 alachua county dsb.pdf", while the converted document for the 2023-24 fiscal year for Alachua Learning Center, Inc. should be named "2024 alachua learning center.pdf". If the charter school goes by a DBA (doing business as), use the DBA in the file name.
- Yes Was the audit report submitted within 45 days after receipt of the audit report from the auditor, but no later than 9 months after the end of the fiscal year as required by Section 218.39(7), Florida Statutes, as referenced by Sections 10.807(4) and 10.857(4), Rules of the Auditor General? **NOTE:** There is no provision in law authorizing an extension for filing the audit report.

This checklist should accompany the audit report. It is suggested that you retain a copy of the checklist for your files. Do not hesitate to contact us if assistance or clarification is needed regarding reporting requirements. Our contact information is as follows:

Auditor General
Local Government Audits/251
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, Florida 32399-1450

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Web Site Address: FLAuditor.gov



AMIkids Panama City Marine Institute, Inc.

FINANCIAL STATEMENTS

June 30, 2025



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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
AMIkids Panama City Marine Institute, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of AMIkids Panama City Marine Institute, Inc. (Institute), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AMIkids Panama City Marine Institute, Inc. as of June 30, 2025, and the changes in its net assets and its 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of AMIkids Panama City Marine Institute, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an

Auditor's report that includes our 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of AMIkids Panama City Marine Institute, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about AMIkids Panama City Marine Institute, Inc.'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 financial statements as a whole. The accompanying supplemental schedules, as described in the table of contents, are presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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, as described in the table of contents, is fairly stated, in all material respects, in relation to the 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 September 26, 2025, on our consideration of AMIkids Panama City Marine Institute, Inc.'s 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of AMIkids Panama City Marine Institute, Inc.'s 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 Panama City Marine Institute, Inc.'s internal control over financial reporting and compliance.

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

CARR, RIGGS & INGRAM

Tampa, Florida
September 26, 2025

AMIkids Panama City Marine Institute, Inc.
Statement of Financial Position

<i>June 30,</i>	2025
Assets	
Cash and cash equivalents	\$ 86,861
Accounts receivable:	
Funding agencies	7,191
Prepaid expenses and other assets	8,331
Due from affiliates	144,800
Property and equipment, net	663
Total assets	\$ 247,846
Liabilities and Net Assets	
Liabilities:	
Accounts payable	\$ 3,514
Accrued expenses	40,815
Accrued pension	1,543
Due to affiliates	47,319
Finance lease liabilities	875
Related party notes payable	537,801
Total liabilities	631,867
Net Assets:	
Without donor restrictions	(424,008)
With donor restrictions	39,987
Total net assets	(384,021)
Total liabilities and net assets	\$ 247,846

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

AMIkids Panama City Marine Institute, Inc.
Statement of Activities

<i>For the years ended June 30,</i>	Without Donor Restrictions	With Donor Restrictions	2025 Total
Public support and revenue:			
Public support			
Federal	\$ 169,988	\$ -	\$ 169,988
Regional	216,040	-	216,040
Contributions	144,857	26,088	170,945
Total public support	530,885	26,088	556,973
Revenue			
Investment income	625	-	625
Other	123	-	123
Total revenue	748	-	748
Net assets released from restrictions	118,016	(118,016)	-
Total public support and revenue	649,649	(91,928)	557,721
Expenses:			
Program services	960,672	-	960,672
Management and general	26,146	-	26,146
Total expenses	986,818	-	986,818
Change in net assets before distribution to affiliates	(337,169)	(91,928)	(429,097)
Distributions to Affiliates	(385,670)	-	(385,670)
Change in net assets	(722,839)	(91,928)	(814,767)
Net assets, beginning of year	298,831	131,915	430,746
Net assets, end of year	\$ (424,008)	\$ 39,987	\$ (384,021)

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

AMIkids Panama City Marine Institute, Inc.
Statement of Functional Expenses

<i>For the years ended June 30,</i>	Program Services			Management and General	2025 Total
	Workforce Development	Charter School	Total Program Services		
Direct	\$ 3,302	\$ 84,646	\$ 87,948	\$ -	\$ 87,948
Salary and Wages	161,970	282,287	444,257	-	444,257
Payroll Benefits	53,593	64,467	118,060	-	118,060
Payroll Taxes	11,338	20,196	31,534	-	31,534
Professional Fees	-	94,323	94,323	9,114	103,437
Grants Awarded Expense	550	-	550	-	550
Advertising and Promotion	764	7,112	7,876	-	7,876
Amortization	1,400	-	1,400	-	1,400
Provision for credit losses	-	-	-	2,261	2,261
Conferences, Conventions, and Meetings	1,156	8,874	10,030	378	10,408
Depreciation	484	950	1,434	-	1,434
Facilities	-	72,018	72,018	-	72,018
Insurance	20,351	38,064	58,415	4,899	63,314
Interest and Bank Charges	-	-	-	547	547
Office Supplies	379	1,987	2,366	5,087	7,453
Other Expenses	3,619	11,861	15,480	595	16,075
Repairs and Maintenance	3,097	5,172	8,269	3,265	11,534
Telecommunication	134	630	764	-	764
Travel Expenses	116	5,166	5,282	-	5,282
Utilities	666	-	666	-	666
Total expense	\$ 262,919	\$ 697,753	\$ 960,672	\$ 26,146	\$ 986,818

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

AMIkids Panama City Marine Institute, Inc.
Statement of Cash Flows

<i>For the years ended June 30,</i>	2025
Cash flows from operating activities:	
Change in net assets before distribution to affiliates	\$ (429,097)
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation and amortization	2,834
Gain on disposal of property and equipment	1,961
(Increase) decrease in:	
Accounts receivable	105,037
Prepaid expenses and other	30,719
Boat Inventory	946
Due from affiliates	(127,341)
Increase (decrease) in:	
Accounts payable	(996)
Accrued expenses	(116,282)
Accrued pension	448
Due to affiliates	34,047
Net cash and cash equivalents used in operating activities	(497,724)
Cash flows from financing activities:	
Proceeds from new borrowings from affiliates	411,500
Payments on finance lease liabilities	(852)
Net cash and cash equivalents provided by financing activities	410,648
Net decrease in cash and cash equivalents	(87,076)
Cash and cash equivalents at beginning of year	173,937
Cash and cash equivalents at end of year	\$ 86,861
Supplemental disclosure:	
Cash paid for interest	\$ 37
Cash paid for amounts included in the measurement of lease liabilities	
Financing cash flows from finance leases	\$ 852
Disclosures of noncash investing and financing activities:	
Distributions of property to affiliates	\$ 352,749
Due to affiliates converted into a related party note payable	\$ 126,301

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

AMIkids Panama City Marine Institute, Inc. Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

AMIkids Panama City Marine Institute, Inc. is a non-profit corporation (referred to as “Institute”) and seek to fulfill the mission of empowering young people to believe in themselves and believe success is possible. The AMIkids Personal Growth Model is a proven success, tying together education and workforce development, treatment, and behavior and skills training. These services are performed by the Institute, which is one of over forty affiliated, but independently governed member programs and schools located in Alabama, Florida, Georgia, Louisiana, New Mexico, North Carolina and South Carolina. The Institute’s educational component is accredited by Cognia, a global accrediting agency dedicated to advancing excellence in schools, universities, and educational agencies.

The Institute entered into a Type 1 charter school contract with Bay County School Board (BCSB) to operate a Charter School in Panama City, Florida. The Charter School (d/b/a AMIkids Maritime Academy) serves Bay County students in grades 9-12 who are eligible to attend a public school in Bay County and provides multiple pathways to college and careers, all centered around a marine-focused curriculum. With the ocean as our classroom, we provide hands-on training in careers related to the sea, including military service, oceanography, marine biology, and recreational industries. Students gain practical skills through lifeguarding, sailing, and seamanship courses. In their first semester alone, students earn certifications in CPR, boater safety, and lifeguarding alongside their academic studies. The Institute is an independent non-profit entity, separate and distinct from the Bay County School Board, the primary government and reporting entity. However, the Charter School is a component unit of BCSB and the School’s financial statements are included in the BCSB’s basic financial statements as a component unit. All net position and activities of the charter school operation are included in AMIkids Panama City Marine Institute, Inc. Separate disclosure of the charter school's position and activities in accordance with reporting requirement of the Florida Department of Education is included as supplementary information to the Institute’s financial statements.

AMIkids, Inc. (AMIkids) is the sole member of the Institute. AMIkids is located in Florida and executes the contracts, collects funds, coordinates the operations and manages the record keeping of these member programs and schools through a subcontract agreement between AMIkids and the Institute. The Institute’s operating funds are primarily generated from federal and state contracts, local funds and contributions.

Continued operation of the Institute’s and charter school programs are dependent on continued funding from AMIkids’ federal and state contracts and local agencies as well as financial and other support from AMIkids.

AMIkids Panama City Marine Institute, Inc.
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and such differences could be material.

Basis of Accounting

The accompanying 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).

Net Assets

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.

Net Assets Without Donor Restriction: Include net assets that are not subject to donor-imposed stipulations and net assets that have been designated for a specific purpose by the Board of Directors.

Net Assets With Donor Restrictions: Include gifts for which donor-imposed restrictions due to time or purpose have not yet been met and gifts that require, by donor restriction, that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions, as applicable.

Cash and Cash Equivalents

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less.

AMKids Panama City Marine Institute, Inc.
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable

Accounts receivable consists primarily of receivables from federal and state agencies and county school boards. The Institute 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. The Institute considers its accounts receivable to be fully collectible and therefore, no material allowance has been recorded. Amounts becoming uncollectible will be charged against the allowance for credit losses when that determination is made.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses on the statement of net position. The cost of prepaid expenses is recorded as an expense when consumed rather than when purchased.

Property and Equipment

All acquisitions of property and equipment in excess of \$1,000 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. 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 the Institute by a funding agency are stated at estimated fair value at date of transfer. Property transferred or acquired with grant funds may revert to the funding agency should the Institute no longer provide the rehabilitation 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:

Permanent site improvements	10 years
Buildings and improvements	10-20 years
Furniture, fixtures and equipment	3-5 years
Motor vehicles	3-5 years
Boats, motors and trailers	3 years

AMKids Panama City Marine Institute, Inc. Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of Long-Lived Assets

The Institute 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.

Leases

The Institute leases equipment. The Institute determines if an arrangement is a lease at inception. Finance leases are included in finance lease right-of-use (ROU) assets and finance lease liabilities on the 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. As most of the leases do not provide an implicit rate, the Institute uses its incremental borrowing rate or a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Institute will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

In determining the discount rate used to measure the right-of-use asset and lease liability, the Institute uses rates implicit in the lease, or if not readily available, the Institute 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 Institute's assets. Determining a credit spread as secured by the Institute's assets may require significant judgment.

Public Support and Revenue

Public support is primarily from the Institute's contracts with various state agencies. Contracts with state agencies generally provide funding based on enrollment. Other public support represents amounts received from federal and regional sources.

A significant portion of 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 revenue.

AMIkids Panama City Marine Institute, Inc. Notes to Financial Statements

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 without donor restrictions.

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

Under section 501(c)(3) of the Internal Revenue Code, the Institute is exempt from taxes on income other than unrelated business income. The Institute utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, Income Taxes. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of June 30, 2025, the Institute has no uncertain tax provisions that qualify for recognition or disclosure in the financial statements.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, September 26, 2025, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

AMIkids Panama City Marine Institute, Inc.
Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Change in Affiliate Structure

As a result of operational changes, the individual affiliate locations that make up the AMIkids Panama City Marine Institute affiliate have changed year over year. As of June 30, 2024 the affiliate consisted of the following entities: AMIkids Panama City Marine Institute, Inc. and PCMI Properties, Inc. During the year ended June 30, 2025, there was a reorganization and PCMI Properties is now part of the AMIkids Bay County Affiliate; therefore AMIkids Panama City Marine Institute, Inc. is issuing standalone statements. The June 30, 2025 statements were not shown as comparative statements due to this reorganization. The amounts relating to PCMI Properties as of and during the year ended June 30, 2024 are summarized below:

Statement of Activities	2024
Total public support and revenue	\$ 424,823
Total expenses	382,899
Change in net assets	41,924

Statement of Financial Position	2024
Total assets	\$ 3,630,918
Total liabilities	2,391
Total net assets	3,628,527

In connection with the reorganization, assets with a carrying value of \$385,670 as of 30th June 2024 were transferred to other affiliates during the year ended June 30, 2025.

Note 2: PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2025 consists of:

	2025
Furniture, fixtures and equipment	\$ 3,103
Less accumulated depreciation	3,103 (2,440)
Property and equipment, net	\$ 663

Depreciation and amortization expense for the years ended June 30, 2025 amounted to \$2,834.

AMIkids Panama City Marine Institute, Inc.
Notes to Financial Statements

Note 3: LEASES

The Institute has finance leases for equipment. The leases have remaining lease terms of one year, 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 one year. As of June 30, 2025 assets recorded under finance leases were \$3,361, and accumulated amortization associated with finance leases was \$3,361.

The components of lease expense consist of the following:

<i>For the years ended June 30,</i>	2025
Finance lease cost	
Amortization of right-of-use assets	\$ 1,400
Interest on lease liabilities	37
Total finance lease cost	\$ 1,437

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

<i>For the years ended June 30,</i>	2025
Weighted average remaining lease term	
Finance leases	1 year
Weighted average discount rate	
Finance leases	2.75%

The maturities of lease liabilities subsequent to June 30, 2025 consist of the following:

<i>For the years ended June 30,</i>		
2026	\$	875
Total future minimum lease payments		875
Less imputed interest		-
Present value of lease liabilities	\$	875

AMIkids Panama City Marine Institute, Inc.
Notes to Financial Statements

Note 4: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at June 30, 2025:

	2025
Education/scholarship	\$ 4,000
Building/equipment	31,020
Experiential activities	310
Workforce development	668
Other	3,990
	\$ 39,987

Net assets were released from donor restrictions by occurrence of events specified by donors as follows for the years ended June 30, 2025:

	2025
Education/scholarship	\$ 21,621
Building/equipment	80,735
Experiential activities	14,090
Workforce development	1,570
	\$ 118,016

Note 5: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Institute's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

<i>As of June 30,</i>	2025
Cash and cash equivalents	\$ 86,861
Accounts receivable	7,191
Due from affiliates	144,800
Total	238,852
Less: Amounts unavailable for general expenditures within one year, due to:	
Restricted by donors with purpose restrictions	(39,987)
Financial assets available within one year to meet cash needs for general expenditures within one year	\$ 198,865

AMIkids Panama City Marine Institute, Inc. Notes to Financial Statements

Note 5: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (Continued)

The Institute prepares an annual budget that is approved by the Board of Directors 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 the Institute 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 the Institute liquidity management, financial assets are structured to be available as general expenditures, liabilities and other obligations come due. To help manage unanticipated liquidity needs, the Institute has available intercompany short-term notes payable, which it could draw upon. The amount available would be sufficient to cover any deficit in available financial assets below general expenditures within the next fiscal year.

Note 6: RELATED PARTY TRANSACTIONS

As stated in Note 1, AMIkids executes the contracts, collects funds, coordinates the operations and manages the record keeping of the Institute and remits these funds to the Institute on a monthly basis in accordance with the subcontract agreement. For providing these and other services, AMIkids was paid \$17,631 in fiscal year 2025, which was recorded as management fee and other expense included in program services and management and general in the accompanying statement of functional expenses.

Amounts due from AMIkids and other affiliates at June 30, 2025 consists of:

	<u>2025</u>
Affiliate trade receivables	\$ 144,800
Total	<u>\$ 144,800</u>

The Institute periodically enters into transactions with AMIkids and affiliated Institutes for intercompany billings of common costs and services received or rendered. The Institute may also enter into other financing transactions with AMIkids. Except as noted below, these amounts are non-interest bearing and have no maturity date or collateral.

AMIkids Panama City Marine Institute, Inc.
Notes to Financial Statements

Note 6: RELATED PARTY TRANSACTIONS (Continued)

Amounts due to AMIkids and other affiliates at June 30, 2025 consists of:

		2025
Affiliate trade payables	\$	47,319
Notes payable to AMIkids, due on demand interest charges accruing at 3.5% per annum; Unsecured AMIkids, Inc. intends to forgive the interest expense for fiscal year 2025.		537,801
	\$	585,120

Note 7: PENSION PLAN

AMIkids maintains a non-contributory defined contribution money purchase 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 compensation for the year. The pension expense for the years ended June 30, 2025 totaled \$39,128.

Note 8: CONTINGENCIES

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

In the opinion of AMIkids and the Institute’s management, no public support funds will be required to be refunded. Accordingly, no provision for such contingency has been made in these financial statements.

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

AMIkids Panama City Marine Institute, Inc.
Notes to Financial Statements

Note 8: CONTINGENCIES (Continued)

The Institute reported a decrease to net assets without donor restrictions of \$722,839 for the year ended June 30, 2025, resulting in negative net assets without donor restrictions of \$424,008 as of June 30, 2025. The ability of the Institute to continue as a going concern is dependent on the support of AMIkids, Inc. It is the intention of AMIkids, Inc. to continue to support the operations of the Institute and provide working capital as needed.

Note 9: CONCENTRATIONS OF CREDIT RISK

Cash is maintained in bank deposit accounts, which at times may exceed federally insured limits. The Institute believes it is not exposed to any significant credit risk in these accounts.

AMKids Panama City Marine Institute, Inc.
Charter School Balances and Information
Net Position

		Governmental Activities
Assets		
Due from related party	\$	342
Prepaid expenses		2,324
Capital assets, net		138
Total assets		2,804
Liabilities		
Accounts payable		3,510
Due to affiliate		563,834
Accrued expenses		26,835
Total liabilities		594,179
Net Position		
Net Investment in Capital Assets		138
Unrestricted		(591,513)
Total net position	\$	(591,375)

Note: Information presented in this supplementary information is to present the standalone assets, liabilities and net position of the charter school program.

**AMIkids Panama City Marine Institute, Inc.
Charter School Balances and Information
Activities**

	Expenses	Program Revenues Operating Grants and Contributions	Net (Expenses) Revenue and Changes Net Position Governmental Activities
Governmental Activities:			
Instruction	\$ 376,894	\$ 23,591	\$ (353,303)
School administration (office of the principal)	127,833	-	(127,833)
Food services	5,419	5,012	(407)
Operation of Plant	197,204	-	(197,204)
Maintenance of Plant	240	-	(240)
Administrative technology services	7,530	-	(7,530)
Total Governmental Activities	\$ 715,121	\$ 28,604	\$ (686,517)
General Revenue			
State through local			216,040
Total General Revenues			216,040
Change in Net Position			(470,477)
Net position, beginning of year			(120,898)
Net position, end of year			\$ (591,375)

Note: Information presented in this supplementary information is to present the standalone revenues, expenses and net position of the charter school program.

The following is a reconciliation of total charter school expenses reported above to total charter program expenses reported on the statement of function expense for the year ended June 30, 2025:

	2025
Total Charter School expenses reported on the Charter School Balances and Information - Activities:	\$ 715,121
Charter school management and general expense:	(17,368)
Total Charter Program expense reported on the consolidated statement of functional expenses:	697,753



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INDEPENDENT AUDITOR'S 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

The Board of Trustees
AMIkids Panama City Marine Institute, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of AMIkids Panama City Marine Institute, Inc. (the Institute), which comprise the statement of financial position as of June 30, 2025, 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 September 26, 2025.

Report on Internal Control Over Financial Reporting

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

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

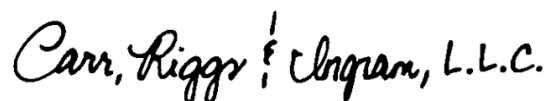
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Institute's financial statements are free of 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 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Carr, Riggs & Ingram, L.L.C." in a cursive script.

CARR, RIGGS & INGRAM, LLC

Tampa, Florida
September 26, 2025



CARR, RIGGS & INGRAM, L.L.C.

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**MANAGEMENT LETTER AS REQUIRED BY RULES
OF THE FLORIDA AUDITOR GENERAL, CHAPTER 10.850,
FLORIDA STATUTES, CHARTER SCHOOL AUDITS**

The Board of Trustees
AMIkids Panama City Marine Institute, Inc.

Report on the Financial Statements

We have audited the financial statements of the AMIkids Panama City Marine Institute, Inc. as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated September 26, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Disclosures in those reports and schedule, which are dated September 26, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no prior year findings noted.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are AMIkids Panama City Marine Institute, Inc., FL-03-0764.

Financial Condition and Management

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require us to apply appropriate procedures and communicate whether or not AMIkids Panama City Marine Institute, Inc. has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that AMIkids Panama City Marine Institute, Inc. did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for AMIkids Panama City Marine Institute, Inc. and Affiliate. It is management's responsibility to monitor AMIkids Panama City Marine Institute, Inc. financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Transparency

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether AMIkids Panama City Marine Institute, Inc. maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that AMIkids Panama City Marine Institute, Inc. maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

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

Purpose of this Letter

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

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

CARR, RIGGS & INGRAM, LLC

Tampa, Florida
September 26, 2025