HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Doral Performing Arts and Entertainment Academy
WL# 7009
(A charter school under The Doral Academy, Inc.)

Doral, Florida

Financial Statements and
Independent Auditors' Report

June 30, 2026

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Doral Performing Arts and Entertainment Academy

W/L#: 7009

11100 NW 27th Street
Doral, FL 33172

2025-2026

BOARD OF DIRECTORS

Rene Rovirosa, Board Chair, Treasurer and Director
Miranda Murillo, Secretary, Director and Student Alumni Representative
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SCHOOL ADMINISTRATION

Carlos Ferralls, Principal

HLB GRAVIER, LLP
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Doral Performing Arts and Entertainment Academy
Doral, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Doral Performing Arts and Entertainment Academy (the "School"), a charter school under The Doral Academy, Inc. as of, and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Doral Performing Arts and Entertainment Academy as of June 30, 2026, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Doral Academy, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Doral Performing Arts and Entertainment Academy's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Emphasis of a Matter – Presentation

As described in Note 1, the accompanying financial statements referred to above present only the financial position and change in financial position of Doral Performing Arts and Entertainment Academy that is attributable to the transactions of the School and is not intended to be a complete presentation of The Doral Academy, Inc. These financial statements do not purport to, and do not, present fairly the financial position of The Doral Academy, Inc. as of June 30, 2026 and its changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5 through 9 and 31 to 33 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2026 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 15, 2026

Management's Discussion and Analysis
Doral Performing Arts and Entertainment Academy
(A Charter School Under The Doral Academy, Inc.)
June 30, 2026

The corporate officers of The Doral Academy, Inc. have prepared this management's discussion and analysis of the School's financial performance for the fiscal year ended June 30, 2026.

About the School
Doral Performing Arts and Entertainment Academy opened in 2005 and is a Miami-Dade County public charter school and serves students in ninth through twelfth grades. Doral Performing Arts and Entertainment Academy is part of the Doral Academy, Inc. network of public charter schools.

Overview of the Financial Statements
The financial statements of Doral Performing Arts and Entertainment Academy present the financial position and results of operations of the School for the fiscal year ended June 30, 2026 in accordance with generally accepted accounting principles for state and local governments.

The financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

The government-wide financial statements report all assets and liabilities of the government, including both financial and nonfinancial assets and both short-term and long-term obligations. Revenues are recognized when they relate to the current reporting period, regardless of when the related cash is received, and expenses are recognized when incurred, regardless of when cash is paid. The government-wide statements also report deferred outflows and deferred inflows of resources that relate to future reporting periods. Accordingly, the government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting.

The governmental fund financial statements focus on current financial resources. They generally report current financial assets and liabilities, such as cash, receivables, and accounts payable, rather than long-term capital assets and long-term liabilities. Revenues are recognized when they are both measurable and available to finance current-period expenditures, while expenditures generally are recognized when the related governmental fund liability is incurred, subject to certain exceptions for long-term obligations. Deferred outflows and deferred inflows reported at the governmental fund level are limited to those applicable to current financial resources. Accordingly, governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting.

More detail about the measurement focuses and bases of accounting can be found in the first note to the financial statements, the Summary of Significant Accounting Policies.

FINANCIAL SUMMARY

A summary and analysis of the School's net position as of June 30, 2026 and 2025 is as follows:

	2026	2025	Variance
Cash	$ 3,169	$ 2,820	$ 349
Investments	5,716,000	8,400,000	(2,684,000)
Prepaid expenses and other assets	2,677	2,676	1
Due from other agencies	22,970	583,290	(560,320)
Due from other divisions of The Doral Academy, Inc.	6,873,966	2,323,886	4,550,080
Capital and right-of-use capital assets, net	4,497,072	4,808,069	(310,997)
Total Assets	17,115,854	16,120,741	995,113
Deferred outflows of resources	-	-	-
Accounts payable and accrued liabilities	130,291	62,732	67,559
Compensated absences	51,058	57,540	(6,482)
Lease liability	4,592,241	4,833,494	(241,253)
Total Liabilities	4,773,590	4,953,766	(180,176)
Deferred inflows of resources	-	-	-
Net Position:			
Net investment in capital assets	(95,169)	(25,425)	(69,744)
Restricted	754,852	535,189	219,663
Unrestricted	11,682,581	10,657,211	1,025,370
Total Net Position	$12,342,264	$11,166,975	$ 1,175,289

The School's financial position improved during the year ended June 30, 2026. Total net position increased by approximately $1.1 million, or approximately 10%. See analysis of the School's summary of revenues and expenses for further detail.

The most significant changes in total assets and liabilities were as follows: Cash and investments decreased by approximately $2.7 million primarily attributable to the increase in net position during the current year. Amounts due from other divisions of The Doral Academy, Inc. increased by approximately $4.5 million, based on board approval at year end. Amounts due from other agencies decreased by approximately $560,000, primarily reflecting the collection of amounts outstanding from Miami-Dade County Public School for referendum funds at the prior fiscal year-end.

Capital and right-to-use assets, net, and lease liabilities decreased primarily as a result of depreciation and amortization exceeding current-year capital additions. Information on the School's capital assets can be found in Note 4.

The components of net position changed as follows: Net investment in capital assets decreased by approximately $70,000. The decrease reflects the relationship between the School's net capital and right-to-use assets and the related outstanding obligations at year-end. Restricted balance increased by approximately $220,000, primarily attributable to unspent referendum funding received. Unrestricted net position increased by approximately $1.03 million, primarily attributable to the School's current year change in net position.

A summary and analysis of the School's changes in net position for the years ended June 30, 2026 and June 30, 2025 follows:

REVENUES	2026	2025	Variance
Program Revenues			
Federal sources	$ 89,092	$ 664,040	$ (574,948)
Capital grants and contributions	585,383	407,159	178,224
Charges for services	55,479	44,452	11,027
General Revenues			
State and local sources	4,268,970	4,162,859	106,111
Other revenue	317,137	365,554	(48,417)
Total Revenues	$ 5,316,061	$ 5,644,064	$ (328,003)
EXPENSES			
Component Unit Activities:			
Instruction	$ 1,990,253	$ 1,979,528	$ 10,725
Student support services	98,301	65,349	32,952
Instructional staff training services	15,374	15,617	(243)
School board	47,182	35,370	11,812
School administration	436,926	341,752	95,174
Fiscal services	61,433	58,425	3,008
Food services	130,182	103,254	26,928
Central services	64,967	72,687	(7,720)
Student transportation services	1,600	-	1,600
Operation of plant	920,889	857,101	63,788
Maintenance of plant	126,390	111,420	14,970
Administrative technology services	12,599	13,391	(792)
Debt service	234,676	246,411	(11,735)
Total Expenses	4,140,772	3,900,305	240,467
Increase in Net Position	1,175,289	1,743,759	(568,470)
Net Position at Beginning of Year	11,166,975	9,423,216	1,743,759
Net Position at End of Year	$12,342,264	$11,166,975	$ 1,175,289

Enrollment had a slight increase between fiscal years, with 388 full-time equivalent students during fiscal year 2026 compared with 369 students during fiscal year 2025.

Total revenues decreased by approximately $328,000, or 6%. The decrease was primarily attributable to the decrease of operating grants and contributions, while state and local funding and other revenues remained relatively stable consistent with enrollment levels.

Major changes in revenues and expenses included:

Operating grants and contributions decreased by approximately $575,000, primarily due to the expiration of the grant expenditure period for the Education Stabilization Fund – American Rescue Plan – Elementary and Secondary School Emergency Relief (ESSER), which ended in the prior fiscal year on September 30, 2024.

Capital grants and contributions increased by approximately $178,000, reflecting increased funding. Capital Outlay funding per student increased at the state level by approximately $40 per pupil. Additionally, local capital improvement revenue rose by $341 per pupil compared to the prior year. The budget originally projected an increase in local capital improvement revenue; however, higher than expected local tax collections resulted in an additional increase above the anticipated growth, producing a materially higher year over year revenue gain.

Increase in overall expenses are attributable to increase in enrollment and corresponding revenues.

Governmental Funds

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

At the end of the fiscal year, the School's governmental general fund reported ending fund balance of $5,614,525. The fund balance unassigned and available for spending at the School's discretion is $4,856,996. These funds will be available for the School's future ongoing operations.

Capital Assets

The School's investment in capital and right-of-use lease assets (building) as of June 30, 2026 amounts to $4,497,072 (net of accumulated depreciation and amortization). This investment in capital assets includes right-of-use lease assets (building), furniture, fixtures and computer equipment. Significant asset additions are primarily equipment purchases. Information on the School's capital assets can be found in Note 4.

The School occupies a facility located at 11100 NW 27th Street, Doral, Florida 33172. The facility is shared with Doral Academy Charter High School under a usage agreement and is also approved to operate at 2601 NW 112 Ave, Doral Florida, 33172.

Long-Term Liabilities

As of June 30, 2026, the School had long term lease liabilities of $4,592,241 associated with its right-of-use lease assets (building).

The lease asset is amortized using the straight-line method over the term of the lease and the lease liability amortizes based on the effective interest method resulting in a higher liability and expense during the early years of the lease.

CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

Currently known facts, decisions or conditions expected to affect the School's financial position include:

- **Enrollment** – enrollment is projected to be approximately 391 in fiscal year 2027.
- **Changes in funding or legislative appropriations** - the School receives Secure Our Future Referendum to raise/maintain teacher compensation and improve school safety and security from Miami-Dade County School District. The current renewal is set to expire on June 30, 2027. A new referendum with the same wording regarding allowable uses will be on the ballot in Dade County in November 2026. Local Capital Improvement Revenue will increase an additional 25% in 2026-27 from the amount in 2025-26 plus any increases from higher local tax collections.

Requests for Information

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

Doral Performing Arts and Entertainment Academy
(A charter school under The Doral Academy, Inc.)

Statement of Net Position
June 30, 2026

	Primary Government
	Governmental Activities
Assets	
Current assets:	
Cash	$ 3,169
Investments	5,716,000
Due from other agencies, net	22,970
Prepaid expenses and other assets	2,677
Total current assets	5,744,816
Capital assets, net:	
Capital assets, depreciable	754,549
Less: accumulated depreciation	(350,932)
Right-of-use lease asset	5,655,565
Less: accumulated amortization	(1,562,110)
Total capital assets, net	4,497,072
Due from other divisions of The Doral Academy, Inc., long-term	6,873,966
Total Assets	17,115,854
Deferred Outflows of Resources	-
Liabilities	
Current liabilities:	
Accounts payable and accrued expenses	70,686
Salaries and wages payable	59,605
Compensated absences, current	15,847
Lease liability, current	253,221
Total current liabilities	399,359
Compensated absences	35,211
Lease liability	4,339,020
Total liabilities	4,773,590
Deferred Inflows of Resources	-
Net Position:	
Net investment in capital assets	(95,169)
Restricted	754,852
Unrestricted	11,682,581
Total Net Position	$ 12,342,264

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

Doral Performing Arts and Entertainment Academy
(A charter school under The Doral Academy, Inc.)

Statement of Activities
For the year ended June 30, 2026

Primary Government:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental activities:					
Instruction	$ 1,990,253	$ -	$ 10,358	$ -	$ (1,979,895)
Student support services	98,301	-	-	-	(98,301)
Instructional staff training services	15,374	-	14,358	-	(1,016)
School board	47,182	-	-	-	(47,182)
School administration	436,926	-	-	-	(436,926)
Fiscal services	61,433	-	-	-	(61,433)
Food services	130,182	55,479	64,376	-	(10,327)
Central services	64,967	-	-	-	(64,967)
Student transportation services	1,600	-	-	-	(1,600)
Operation of plant	920,889	-	-	585,383	(335,506)
Maintenance of plant	126,390	-	-	-	(126,390)
Administrative technology services	12,599	-	-	-	(12,599)
Debt service	234,676	-	-	-	(234,676)
Total governmental activities	4,140,772	55,479	89,092	585,383	(3,410,818)
	General revenues:				
	State and local sources				4,268,970
	Investment income				309,657
	Other revenues				7,480
	Change in net position				1,175,289
	Net position, beginning,				11,166,975
	Net position, ending				$ 12,342,264

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

Doral Performing Arts and Entertainment Academy
(A charter school under The Doral Academy, Inc.)

Balance Sheet - Governmental Funds
June 30, 2026

	General Fund	Capital Projects Fund	Total Governmental Funds
Assets			
Cash	$ 3,169	$ -	$ 3,169
Investments	5,716,000	-	5,716,000
Prepaid expenses	2,677	-	2,677
Due from other agencies	-	22,970	22,970
Due from fund	22,970	-	22,970
Total Assets	5,744,816	22,970	5,767,786
Deferred Outflows of Resources	-	-	-
Liabilities			
Salaries and wages payable	59,605	-	59,605
Accounts payable and accrued expenses	70,686	-	70,686
Due to fund	-	22,970	22,970
Total Liabilities	130,291	22,970	153,261
Deferred Inflows of Resources	-	-	-
Fund balance			
Nonspendable, not in spendable form	2,677	-	2,677
Restricted	754,852	-	754,852
Unassigned	4,856,996	-	4,856,996
	5,614,525	-	5,614,525
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 5,744,816	$ 22,970	$ 5,767,786

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

Doral Performing Arts and Entertainment Academy
(A charter school under The Doral Academy, Inc.)

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

Total Fund Balance - Governmental Funds		$ 5,614,525
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of accumulated depreciation and amortization used in governmental activities are not financial resources and therefore are not reported in the fund.		
Capital assets	754,549	
Accumulated depreciation	(350,932)	
Right-of-use lease asset	5,655,565	
Less: accumulated amortization	(1,562,110)	4,497,072
Long term receivables in governmental activities are not financial resources and therefore are not reported in the governmental funds.		6,873,966
Long term liabilities in governmental activities are not due and payable in the current period and therefore, are not reported in the governmental funds.		
Lease liability	(4,592,241)	
Compensated absences	(51,058)	(4,643,299)
Total Net Position - Governmental Activities		$ 12,342,264

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

Doral Performing Arts and Entertainment Academy
(A charter school under The Doral Academy, Inc.)

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
Revenues:				
State passed through local and other local	$ 3,582,070	$ -	$ -	$ 3,582,070
State capital outlay funding	-	-	261,256	261,256
Local sources	686,900	-	324,127	1,011,027
Federal sources	-	89,092	-	89,092
Charges for services and other revenue	317,137	55,479	-	372,616
Total Revenues	4,586,107	144,571	585,383	5,316,061
Expenditures:				
Current				
Instruction	1,886,386	10,358	-	1,896,744
Student support services	98,301	-	-	98,301
Instructional staff training	1,016	14,358	-	15,374
Board	47,182	-	-	47,182
School administration	430,540	-	-	430,540
Food services	-	130,182	-	130,182
Fiscal services	61,433	-	-	61,433
Central services	64,967	-	-	64,967
Pupil transportation services	1,600	-	-	1,600
Operation of plant	478,442	-	109,454	587,896
Maintenance of plant	125,845	-	-	125,845
Administrative technology services	12,599	-	-	12,599
Capital Outlay:				
Other capital outlay	128,918	-	-	128,918
Debt Service:				
Redemption of Principal	-	-	241,253	241,253
Interest	-	-	234,676	234,676
Total Expenditures	3,337,229	154,898	585,383	4,077,510
Excess (deficit) of revenues over expenditures	1,248,878	(10,327)	-	1,238,551
Other financing sources (uses)				
Transfers in (out)	1,036	(1,036)		-
Advances to other divisions of Doral Academy, Inc.	(4,550,080)	-	-	(4,550,080)
Net change in fund balance	(3,300,166)	(11,363)	-	(3,311,529)
Fund Balance at beginning of year	8,914,691	11,363	-	8,926,054
Fund Balance at end of year	$ 5,614,525	$ -	$ -	$ 5,614,525

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

Doral Performing Arts and Entertainment Academy
(A charter school under The Doral Academy, Inc.)

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For the year ended June 30, 2026

Net Change in Fund Balance - Governmental Funds		$ (3,311,529)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which capital outlays exceeded depreciation and amortization expense.		
Capital outlays	128,918	
Depreciation and amortization expense	(439,915)	(310,997)
Issuance of long term receivables represents a financial expenditure to governmental funds, but increases long-term assets in the statement of net position. Increase in long term receivables is an expenditure in the governmental funds, but a decrease or collections of such receivables reduces long-term assets in the statement of net position. This is the amount by which the increase in long-term receivables of $4,550,080 exceeded collections of $-0- in the current period.		4,550,080
Increase in long term liabilities is revenue in the governmental funds, but a decrease or repayment of such payables reduces liabilities in the statement of net position.		
Compensated absences	6,482	
Principal payments on long-term liabilities	241,253	247,735
Change in Net Position of Governmental Activities		$ 1,175,289

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

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

Doral Performing Arts and Entertainment Academy (the "School"), is a charter school sponsored by the School Board of Miami-Dade County, Florida (the "District"). The School's charter is held by The Doral Academy, Inc., a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act. The governing body of the School is the board of directors of The Doral Academy, Inc., which is composed of four members and also governs other charter schools. The board has determined no component units exist that would require inclusion in the School's financial statements.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter granted by the sponsoring District, the School Board of Miami-Dade County, Florida. The former charter between the district and Doral College, Inc. was amended and renewed under Doral Academy, Inc. for the remainder of the term. The current charter expires on June 30, 2030 and it can be renewed in accordance with law. A charter can also be terminated before its date of expiration for reasons set forth in the charter and Section 1002.33 of the Florida Statutes.

The School is located in Doral, Florida for students from ninth through twelfth grades. These financial statements are for the year ended June 30, 2026, when on average 388 students were enrolled for the school year.

Basis of Presentation

The School's accounting policies conform to accounting principles generally accepted in the United States as applicable to state and local governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Accordingly, the basic financial statements include both the government-wide and fund financial statements.

Government-wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information for the School as a whole. Both statements report only governmental activities as the School does not engage in any business type activities. These statements also do not include fiduciary funds.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity.

Note 1 – Summary of Significant Accounting Policies (continued)

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

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

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

Special Revenue Fund – accounts for specific revenues, such as federal funding and the federal lunch program, that are legally restricted to expenditures for particular purposes.

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

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

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

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

Note 1 – Summary of Significant Accounting Policies (continued)

Revenues from grants and donations are recognized on the accrual basis, in the fiscal year in which all eligibility requirements have been satisfied. Donations are recognized on the accrual basis, in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Florida Education Finance Program (FEFP) revenues are recognized when received. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Charges for services and fees are recognized when cash is collected as amounts are not measurable. When grant terms provide that the expenditure of funds is the prime factor for determining eligibility for federal, state, and other grant funds, revenue is recognized at the time the expenditure is made.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt and compensated absences, which are reported as expenditures when due. General capital asset acquisitions are reported as expenditures in governmental funds.

Budgets and Budgetary Accounting

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

Cash and Cash Equivalents

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

Investments

The School has adopted a formal investment policy that permits the investment of surplus funds, subject to Board approval, in cash and cash equivalents, debt instruments, mutual funds, certificates of deposit, government-sponsored investment vehicles, and certain investments that support the Charter School Network's educational mission. The School currently invests excess deposit funds in a government money market mutual fund. The School follows the provisions of GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and External Investment Pools, GASB Statement No. 72, *Fair Value Measurement and Application,* and other related standards which establish accounting and financial reporting standards for all investments (see Note 2). Money market investment that have maturities of one year or less from the date of acquisition are reported at amortized cost rather than fair value. Amortized cost closely approximates fair value.

Note 1 – Summary of Significant Accounting Policies (continued)

Inter-fund Transfers
Inter-fund receivables/payables are short-term balances that represent reimbursements between funds for payments made by one fund on behalf of another fund.

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

Capital Assets
The School's property, plant and equipment with useful lives of more than one year are stated at historical cost and comprehensively reported in the statement of net position in the government-wide financial statements. Donated capital assets are recorded at their estimated fair market value on the date donated. The School generally capitalizes assets with a cost of $1,000 or more. Building improvements, additions and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. Capital assets are depreciated using the straight-line method. When capital assets are sold or disposed of, the related cost and accumulated depreciation are removed from the accounts, and the resulting gain or loss is recorded in the government wide statements. Proceeds received from the sale or disposal of capital assets are recorded as Other Financing Sources in the governmental funds.

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

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

Right-of-use assets (building)	15 – 27 Years
Improvements	10 – 20 Years
Furniture, Fixtures and Equipment	5 – 10 Years

Deferred Outflows/Inflows of Resources
In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

Note 1 – Summary of Significant Accounting Policies (continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The School does not have any items that qualify for reporting in this category.

Long-Term Debt and Liabilities

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

Compensated Absences

GASB Statement No. 101, *Compensated Absences*, requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. GASB Statement No. 101 establishes guidance for measuring a liability that has not been used, generally using an employee's pay rate as of the date of the financial statements.

The School grants a specific number of personal time off. Full time teachers and instructional employees are eligible to one day per month to up to ten days of active work during the ten-month period (a "benefit year"). In the event that available time is not used by the end of the benefit year, employees may "rollover" all unused days for use in future benefit years. There is an opportunity to "cash out" unused days for personal time off however, the employees may only cash out if they have used three days or less in that benefit year. Employees may not cash out more than ten days per school year and are required to always maintain a minimum of twenty-one unused days in order to cash out. The cash out value is eighty percent of their current daily rate. Non-exempt and office salaried employees are not eligible to "cash out" unused personal time off days.

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

Revenue Sources

Revenues for operations will be received primarily from the District pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the School will report the number of full-time equivalent (FTE) students and related data to the District.

Note 1 – Summary of Significant Accounting Policies (continued)

Revenue Sources

Under the provisions of Section 1011.62, Florida Statutes, the District reports the number of the full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for funding through the FEFP. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods. After review and verification of FTE reports and supporting documentation, the FDOE may adjust subsequent fiscal period allocations of FEFP funding for prior year errors disclosed by its review as well as to prevent statewide allocations from exceeding the amount authorized by the Legislature. Normally, such adjustments are treated as reductions of revenue in the year the adjustment is made. In addition, the School receives a portion of the local operating millage revenues levied by the District (Secure our Future Referendum).

The School receives state funds through the District under charter school capital outlay funding pursuant to Section 1013.62, Florida Statutes. Funds are based on a capital outlay plan submitted to the District. In addition, the School may receive a portion of the local capital improvement tax revenues levied by the District.

Finally, the School also receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to and approved by various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred. Any excess amounts are recorded as deferred revenues until expended. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

Net Position and Fund Balance Classifications

Government-wide financial statements

Equity is classified as net position and displayed in three (3) components:

a) Net investment in capital assets - consists of capital assets net of accumulated depreciation and amortization, and reduced by the outstanding balances of any borrowings that are attributable to the acquisition or improvement of those assets.
b) Restricted net position - consists of net position with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments.
c) Unrestricted net position - all other net position that does not meet the definition of "restricted" or "net investment in capital assets".

When both restricted and unrestricted resources are available for a specific purpose, it is the School's policy to use restricted resources first, until exhausted, before using unrestricted resources.

Note 1 – Summary of Significant Accounting Policies (continued)

Fund financial statements
Under GASB Codification Section 1800.142, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB requires the fund balance amounts to be properly reported within one of the fund balance categories listed below:

a) Nonspendable - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Consists of fund balance associated with prepaid expenses (unless the proceeds are restricted, committed, or assigned).
b) Restricted - fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The restricted fund balance pertains to the unspent local referendum funds of $754,852.
c) Committed - fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School's Board of Directors. There are no committed fund balances at year end.
d) Assigned - fund balance classification are intended to be used by the School's management for specific purposes but do not meet the criteria to be classified as restricted or committed. There are no assigned fund balances at year end.
e) Unassigned - portion of the fund balance that has not been restricted, committed or assigned for a specific purpose. This is the residual classification for the School's general fund.

Committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

New Accounting Standard Adopted
In fiscal year 2026, the School adopted GASB Statement No. 103, *Financial Reporting Model Improvements*. Statement No. 103 requirements updates reporting requirements and changes to MD&A, unusual/infrequent items, proprietary fund presentation, major component units, budgetary comparison information and statistical information. The adoption of this statement did not have a material impact on the School's financial statements. This statement was applied prospectively.

Note 1 – Summary of Significant Accounting Policies (continued)

New Accounting Standard Adopted (continued)
In fiscal year 2026, the School adopted GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. Statement No. 104 requires certain capital assets to be separately identified within the capital asset footnote. This includes lease assets by major class of underlying asset and other specified categories of capital assets. It also establishes accounting and disclosure requirements for capital assets held for sale. The adoption of this statement did not have a material impact on the School's financial statements. This statement was applied prospectively.

Pronouncements Issued But Not Yet Effective
The GASB issued GASB Statement No. 105, Subsequent Events. The requirements of this Statement are effective for reporting periods beginning after June 15, 2026.

The School is currently evaluating the effect that the implementation of the new standards will have on its financial statements.

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

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Subsequent Events
In accordance with GASB Codification Section 2250.106, the School has evaluated subsequent events and transactions for potential recognition or disclosure through September 15, 2026, which is the date the financial statements were available to be issued.

Note 2 – Cash and Investments

Deposits
The School maintains its cash and cash equivalents in one financial institution. Deposits at FDIC-insured institutions are insured up to $250,000 per depositor, per financial institution. The School is a charter school under Doral Academy, Inc., which also operates various other charter schools. All bank accounts are opened under the account ownership of Doral Academy, Inc., therefore, bank balances at times may potentially be in excess of FDIC coverage. As of June 30, 2026, bank balances in potential excess of FDIC coverage was $2,969.

Note 2 – Cash and Investments (continued)

Investments

The School follows the Governmental Accounting Standards Board (GASB) Statement No. 72, Fair Value Measurement and Application. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in markets for identical assets: Level 2 inputs are significant other observable inputs (including quoted prices for similar investments, interest rates, credit risk, etc.); Level 3 inputs are significant unobservable inputs.

At June 30, 2026, the School had $7,180,000 invested in a governmental money market mutual fund that is exempt from GASB 72 fair value hierarchy disclosures. The governmental money market mutual fund values its portfolio securities at amortized cost which approximates fair value. The government money market mutual fund primarily invests in cash, high quality, short-term U.S. government securities and/or repurchase agreements that are collateralized fully by government securities that have been valued by the fund as Level 2. As of June 30, 2026, maturities of the fund's portfolio holdings are approximately 77% within 30 days.

Credit Risk

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

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

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

Note 3 – Due from Other Agencies

The following is due from other agencies as of June 30, 2026:

Funding Source	Fund	
Capital Outlay	Capital Projects Fund	$ 22,970
Total Due from Other Agencies		$ 22,970

Note 4 – Capital Assets

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

	Balance 07/01/25	Additions	Retirements	Balance 06/30/26
Capital Assets, depreciable:				
Improvements	$ 13,632	$ -	$ -	$ 13,632
Furniture, fixtures and equipment	638,585	128,918	(26,586)	740,917
Total Capital Assets	652,217	128,918	(26,586)	754,549
Less Accumulated Depreciation:				
Improvements	(12,501)	(545)		(13,046)
Furniture, fixtures and equipment	(236,009)	(128,463)	26,586	(337,886)
Total Accum. Depreciation	(248,510)	(129,008)	26,586	(350,932)
Capital Assets, net	$ 403,707	$ (90)	$ -	$ 403,617
Lease Assets:				
Property under Leases (Right of Use)	$ 5,655,565	$ -	$ -	$ 5,655,565
Less accumulated amortization - Right of use	(1,251,203)	(310,907)		(1,562,110)
Total Lease Assets being amortized, net	4,404,362	(310,907)	-	4,093,455
Governmental Activities Capital Assets, net	$ 4,808,069	$ (310,997)	$ -	$ 4,497,072

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

	Depreciation	Amortization
Instruction	$ 101,970	$ -
Operation of plant	21,502	310,907
Maintenance of plant	545	-
School administration	4,991	-
Total Expense	$ 129,008	$ 310,907

Note 5 – Education Service and Support Provider

Academica Dade, LLC, a professional charter school education service and support provider, provides administrative services to the School including, but not limited to, facility design, staffing recommendations, human resource coordination, regulatory compliance, legal and corporate upkeep, maintenance of the books and records, bookkeeping, budgeting, financial reporting and virtual services. The agreement with the education service provider calls for a fee on a per student basis. The agreement is with Doral Academy, Inc., through June 30, 2028, and unless terminated by the board will have an option to renew for an additional five year period. During the year ended June 30, 2026, the School incurred $184,299 in fees.

Note 6 – Transactions with other Divisions of The Doral Academy, Inc.

During 2026, the School was located on the premises of Doral Academy High School (a charter school under The Doral Academy, Inc.). Management allocates a proportionate share of leases, salaries, lunch receipts, food and supplies, and other expenses to each school individually based on student enrollment. In addition, Doral Academy High School holds the student activities fund of the School. The School's lunch program is shared with various other charter schools under The Doral Academy, Inc. Revenues and expenses related to such program have been allocated based on FTE equivalent for purposes of presentation in the financial statements.

The following schedule provides a summary of changes in long-term receivables for the year ended June 30, 2026. In addition, as of June 30, 2026, the School has transferred a total of $1,073,966 of funds received in connection with the retroactive referendum settlement agreement to Doral Academy, Inc. for future investments on behalf of the School.:

	Balance 06/30/25	Additions	Repayment	Balance 06/30/26
The Doral Academy, Inc.	$ 2,323,886	$ 4,550,080	$ -	$ 6,873,966
Long-term receivables	$ 2,323,886	$ 4,550,080	$ -	$ 6,873,966

The Doral Academy, Inc. charges all its affiliated schools an assessment for shared corporate costs and accreditation expenses. The School paid The Doral Academy, Inc. $77,600 in connection with these charges during the year.

Note 7 – Long-Term Liabilities

Usage Fee Agreement – Doral Hall

On January 4, 2018, Miami-Dade County Industrial Development Authority issued tax-exempt revenue bonds of $22,045,000 on behalf of The Doral Academy, Inc. (the Organization), to be secured by a first mortgage on the land owned by the Organization as well as revenues of Doral Academy Charter High School, Doral Performing Arts & Entertainment Academy, Doral Academy Charter Middle School and Doral Academy of Technology (the "Four Schools"). The proceeds of the bond issue have been used to finance or refinance all or a portion of the cost of the acquisition, design, construction, installation and equipping of a 91,000 square foot, six story building known as the Doral Hall Educational Facility ("Doral Hall"), fund a debt service reserve fund, and pay costs of the bond issuance.

Note 7 – Long-Term Liabilities (continued)

Through a Usage Fee Agreement approved by the Board of Directors of the Organization, all Capital and Operating costs as defined herein will be due on a monthly basis commencing on the first day of the first full calendar month following the date on which the Organization receives a temporary certificate of occupancy for Doral Hall. All costs of the required annual debt service of Doral Hall, together with an annual administrative fee of 5% of the sum of the Capital and Operating Costs each year, shall be shared among the Four Schools in proportion to their relative annual student enrollments. The annual Usage fee in relation to this agreement is approximately $1,510,000 allocated among the Four Schools.

The Organization's debt agreements contain various covenants, restrictions and financial test requirements. In the event an instance of default is not remedied, the maturity can be accelerated and / or the underlying collateral may be subject to foreclosure.

All of the School's revenues (except for revenues restricted or assigned for specific programs) are pledged, under this bond issuance, up to the outstanding balance as of June 30, 2026 of $18,900,000.

Lease Agreement- School Development LLC

The School entered into a lease and security agreement ("agreement"), as amended, with School Development, LLC (the "Landlord", an affiliate of the School's education service provider – (Note 5) for its 57,000 square foot building including all ancillary facilities, outdoor areas and other improvements. Fixed annual payments under this agreement are based on a rate of $30.23 per square footage of the building, which amounted to $1,722,842 adjusted annually based on the Consumer Price Index (CPI) plus additional property costs including repairs, maintenance and insurance. The agreement continues through June 2036 with an option to renew for two additional five-year terms.

At the time of the initial measurement, based on the annual usage fee, the allocation used for implementation for the right-of-use asset and liability of Doral Hall was approximately 10% for the School, 47% for Doral Academy Charter High School, 36% for Doral Academy Charter Middle School and 7% for Doral Academy of Technology. The allocation used for School Development, LLC was approximately 18% for the School and 82% for Doral Academy Charter High School. There was no interest rate specified in the original lease or usage agreements. The School has used an average effective interest for comparable borrowings during fiscal year 2021 and 2022.

For the year ended June 30, 2026, interest expense totaled $234,676, as it relates to its agreements. For 2026, variable and other payments of $69,978 in connection with the lease agreement not previously included in the measurement of the lease liability were recorded in rent expense based on enrollment and usage of facility.

Note 7 – Long-Term Liabilities (continued)

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

Year	Principal	Interest	Total	
2027	$ 253,221	$ 222,342	$ 475,563	
2028	266,230	209,385	475,615	
2029	279,771	195,766	475,537	
2030	294,406	181,446	475,852	
2031	309,629	166,379	476,008	
2032–2036	1,800,333	577,689	2,378,022	(Total for a five year period.)
2037–2041	469,179	284,301	753,480	(Total for a five year period.)
2042–2046	602,148	151,385	753,533	(Total for a five year period.)
2047–2048	286,931	15,182	302,113	(Total for a two year period.)
	$ 4,561,848	$ 2,003,875	$ 6,565,723	

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

	Balance 07/01/25	Additions	Deletions	Balance 06/30/26
Lease liability - School Development, LLC	$ 2,744,589	$ -	$ (192,019)	$ 2,552,570
Lease liability - Doral Hall	2,058,512	-	(49,234)	2,009,278
Total Long Term Liabilities	4,803,101	-	(241,253)	4,561,848
Lease liability - deferred CPI adjustment	30,393	-	-	30,393
Total Long Term Liabilities	$ 4,833,494	$ -	$ (241,253)	$ 4,592,241

Note 8 – Contingencies, and Concentrations

The School receives the majority of its funding from the District under the Florida Education Finance Program (FEFP) and various other state and local funding. The FEFP is based in part on a computation of the number of full-time equivalent (FTE) students attending different instructional programs. The accuracy of FTE student data submitted by individual schools and used in the FEFP computations is subject to audit by the state and, if found to be in error, could result in refunds to the state or in decreases to future funding allocations.

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

Pursuant to the Charter School contract with the School District, the District withholds an administrative fee of 2% of the qualifying revenues of the School. For the year ended June 30, 2026, administrative fees withheld by the School District totaled $43,561.

Note 8 – Contingencies, and Concentrations (continued)

On November 6, 2018, and November 8, 2022, the voters of Miami-Dade approved and renewed, respectively, the Secure Our Future Referendum to raise/maintain teacher compensation and improve school safety and security. The Miami-Dade County School District shares a portion with charter schools. The current renewal is set to expire on June 30, 2027. For the year ended June 30, 2026, the Schools total referendum revenues were approximately $687,000 or 13% of total revenues.

Note 9 – Interfund Transfers

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

	General Fund	Special Revenue Fund	Capital Projects Fund
To reimburse general fund for prior period expenses	$ 1,036	$ (1,036)	$ -
Total Transfers, net	$ 1,036	$ (1,036)	$ -
Due to General Fund from Capital Projects Fund for capital outlay	$ 22,970	$ -	$ (22,970)
Total Due from/(Due to)	$ 22,970	$ -	$ (22,970)

Note 10 – Risk Management

The School is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors and omissions and natural disasters for which the School carries commercial insurance. Settlement amounts have not exceeded insurance coverage in any of the past three fiscal years. In addition, there were no reductions in insurance coverage from those in the prior year.

The School has entered into a strategic relationship with ADP TotalSource, Inc., a human resource management firm, typically known as "Professional Employer Organization" (PEO). Under a co-employment agreement, the PEO is the employer of record and is responsible for administering payroll, payroll taxes, provide employee benefits and assist with human resources and risk management. Accordingly, certain human resource related risks are transferred to the PEO. Nevertheless, the School may be subject to risks, including loss, penalties and fines related to employment practices, administrative error and omissions.

Note 11 – Defined Contribution Retirement Plan

The School's personnel, who are leased through ADP TotalSource Group, Inc., are eligible to participate in a defined contribution 401(k) plan sponsored by the leasing company, covering employees who meet certain age and tenure requirements. Under the ADP TotalSource Retirement Savings Plan (the "Plan"), the School approved a match of 100% of the employee's contribution up to 4% of the employee's compensation. The School contributed to the Plan $44,077 for the year ended June 30, 2026. The School does not exercise any control or fiduciary responsibility over the Plan's assets, which are administered by Voya Financial.

Note 12 – Compensated Absences

Compensated absences payable consist of leave benefits, paid time off, that employees earned based on services already rendered. Compensated absences are recognized as a liability when the leave accumulates, is attributable to past service, and it is more likely than not that the leave will be used or paid.

Changes in compensated absence liabilities during the year are as follows:

	07/01/25	Increases	Decreases *	06/30/26	Amounts Due within One Year
Compensated absences	$ 57,540		$ (6,482)	$ 51,058	$ 15,847
	$ 57,540	$ -	$ (6,482)	$ 51,058	$ 15,847

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

REQUIRED SUPPLEMENTARY INFORMATION

Doral Performing Arts and Entertainment Academy
(A charter school under The Doral Academy, Inc.)

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

	General Fund			Variance	
	Original Budget	Final Budget	Actual	Original to Final	Final to Actual
REVENUES					
State Passed Through Local	$ 3,527,472	$ 3,575,501	$ 3,582,070	$ 48,029	$ 6,569
Local Sources (Including Referendum Revenue)	672,480	683,142	686,900	10,662	3,758
Other Revenue and Charges for Services	301,984	315,659	317,137	13,675	1,478
Total Revenues	4,501,936	4,574,302	4,586,107	72,366	11,805
EXPENDITURES					
Current:					
Instruction	1,936,561	1,894,621	1,886,386	(41,940)	(8,235)
Student Support Services	102,138	100,264	98,301	(1,874)	(1,963)
Instructional Staff Training	3,000	2,611	1,016	(389)	(1,595)
Board	49,430	47,400	47,182	(2,030)	(218)
School Administration	431,581	431,210	430,540	(371)	(670)
Fiscal Services	68,437	64,449	61,433	(3,988)	(3,016)
Central Services	72,267	68,433	64,967	(3,834)	(3,466)
Student Transportation Services	1,600	1,600	1,600	-	-
Operation of Plant	483,982	482,183	478,442	(1,799)	(3,741)
Maintenance of Plant	130,000	128,286	125,845	(1,714)	(2,441)
Administrative Technology Services	13,861	13,131	12,599	(730)	(532)
Total Current Expenditures	3,292,857	3,234,188	3,208,311	(58,669)	(25,877)
Excess (deficit) of Revenues				-	-
Over Current Expenditures	1,209,079	1,340,114	1,377,796	131,035	37,682
Capital Outlay:					
Other Capital Outlay	132,664	131,528	128,918	(1,136)	(2,610)
Total Capital Outlay & Debt Service Expenditures	132,664	131,528	128,918	(1,136)	(2,610)
Total Expenditures	3,425,521	3,365,716	3,337,229	(59,805)	(28,487)
Excess (deficit) of Revenues Over Expenditures	1,076,415	1,208,586	1,248,878	132,171	40,292
Other financing sources (uses):					
Transfers in (out)	(24,689)	(17,563)	1,036	7,126	18,599
Long Term Advances from (to) Other Divisions of (A charter school under The Doral Academy, Inc.)	-	(4,550,080)	(4,550,080)	(4,550,080)	-
Net change in fund balance	1,051,726	(3,359,057)	(3,300,166)	(4,410,783)	58,891
Fund Balance at beginning of year	8,914,691	8,914,691	8,914,691	-	-
Fund Balance at end of year	$ 9,966,417	$ 5,555,634	$ 5,614,525	$ (4,410,783)	$ 58,891

See accompanying notes to budgetary comparison schedules

Doral Performing Arts and Entertainment Academy
(A charter school under The Doral Academy, Inc.)

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

	Special Revenue Funds			Variance	
	Original Budget	Final Budget	Actual	Original to Final	Final to Actual
REVENUES					
Federal Sources	$ 85,560	$ 87,460	$89,092	$ 1,900	$ 1,632
Charges for Services	52,700	53,900	55,479	1,200	1,579
Total Revenues	138,260	141,360	144,571	3,100	3,211
EXPENDITURES					
Current:					
Instruction	13,560	11,529	10,358	(2,031)	(1,171)
Instructional Staff Training	16,122	15,960	14,358	(162)	(1,602)
Food Services	133,267	131,433	130,182	(1,834)	(1,251)
Total Current Expenditures	162,949	158,922	154,898	(4,027)	(4,024)
Excess (Deficit) of Revenues Over Current Expenditures	(24,689)	(17,562)	(10,327)	7,127	7,235
Total Capital Outlay	-	-	-	-	-
Total Expenditures	162,949	158,922	154,898	(4,027)	(4,024)
Excess (Deficit) of Revenues Over Expenditures	(24,689)	(17,562)	(10,327)	7,127	7,235
Other financing sources (uses)					
Transfers in (out)	24,689	17,562	(1,036)	(7,127)	(18,598)
Net change in fund balance	-	-	(11,363)	-	(11,363)
Fund Balance at beginning of year	11,363	11,363	11,363	-	-
Fund Balance at end of year	$ 11,363	$ 11,363	$ -	$ -	$ (11,363)

See accompanying notes to budgetary comparison schedules

Note 1 – Budgets and Budgetary Accounting

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

Note 2 – Variances

Original to Final Budget – General

Long Term Advances from (to) Other Divisions of The Doral Academy, Inc. – increased based on board approval at year end.

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*

Board of Directors of
Doral Performing Arts and Entertainment Academy
Doral, Florida

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

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

We issued a separate management letter, pursuant to Chapter 10.850, Rules of the Auditor General dated August 30, 2026.

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.



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 15, 2026

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

MANAGEMENT LETTER

Board of Directors of
Doral Performing Arts and Entertainment Academy
Doral, Florida

Report on the Financial Statements

We have audited the financial statements of Doral Performing Arts and Entertainment Academy, Doral, Florida, as of and for the fiscal year ended June 30, 2026 and have issued our report thereon dated September 15, 2026.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in those reports and schedules, which are dated September 15, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

There were no findings or recommendations made in the preceding financial audit report.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity is Doral Performing Arts and Entertainment Academy, 7009.

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 Doral Performing Arts and Entertainment Academy has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identify the specific condition(s) met. In connection with our audit, we determined that Doral Performing Arts and Entertainment Academy did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.854(1)(e)6.a and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for Doral Performing Arts and Entertainment Academy. It is management's responsibility to monitor Doral Performing Arts and Entertainment Academy's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we address in the management letter 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 Doral Performing Arts and Entertainment Academy maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that Doral Performing Arts and Entertainment Academy maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

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

Purpose of this Letter

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

HLB Gravier, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 15, 2026