HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

iMater Academy Middle School
(A charter school under
Mater Academy, Inc.)
W/L# 6014

Hialeah, Florida

Financial Statements and
Independent Auditors' Report
June 30, 2026

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iMater Academy Middle School
(A charter school under Mater Academy, Inc.)
W/L# 6014

651 West 20th Street
Hialeah, Florida 33010

2025-2026

Board of Directors

Idalia Suarez, Board Chair, Director, effective May 26, 2026
Cesar Christian Crousillat, Board Chair, Director, resigned effective May 26, 2026
Shannie Sadesky, Vice Chair, Director, resigned effective May 26, 2026
Maria Beatriz Nunez, Director, resigned effective May 26, 2026
Yasmeen Hasan, Secretary, Director
Maurene Sotero Balmaseda, Director and Student Alumni Representative

School Administration

Teresa Santalo, Principal

Other Non-voting Corporate Officers

Roberto Blanch, President
Kim Guilarte, Chief Operating Officer

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
iMater Academy Middle School
Hialeah, Florida

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Mater 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 iMater Academy Middle School's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Emphasis of a Matter – Presentation

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

Emphasis of a Matter – Charter School Consolidation

As described in Note 1 and Note 13 of the financial statements, the School's operations have been approved to consolidate with those of iMater Preparatory Academy High School effective July 1, 2026. As a result, the School will no longer present stand-alone financial statements in the future. 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 through 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.



Coral Gables, Florida
September 15, 2026

CERTIFIED PUBLIC ACCOUNTANTS

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

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

About the School

iMater Academy Middle School opened in 2013 and is a Miami-Dade County public charter school serving students in grades six through eight. iMater Academy Middle School is part of the Mater Academy, Inc. network of public charter schools.

Overview of the Financial Statements

The financial statements of iMater Academy Middle School present the financial position and results of operations of the School for the fiscal year ended June 30, 2026, in accordance with generally accepted accounting principles for state and local governments.

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

The government-wide financial statements report all assets and liabilities of the government, including both financial and 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	$ 1,141	$ 4,223	$ (3,082)
Investments	11,164,000	9,439,000	1,725,000
Prepaid expenses and other current assets	41,754	40,195	1,559
Due from other agencies	49,114	1,164,357	(1,115,243)
Deposits receivable	17,473	17,473	-
Due from other divisions of Mater Academy, Inc.	3,454,775	2,363,915	1,090,860
Capital and right-of-use capital assets, net	22,313,642	17,222,480	5,091,162
Total Assets	37,041,899	30,251,643	6,790,256
Deferred outflows of resources	-	-	-
Salaries and wages payable	374,444	360,694	13,750
Accounts payable and accrued expenses	12,838	94,648	(81,810)
Compensated absences	411,699	413,146	(1,447)
Lease liability	23,569,032	18,417,378	5,151,654
Total Liabilities	24,368,013	19,285,866	5,082,147
Deferred inflows of resources	-	-	-
Net Position:			
Net investment in capital assets	(1,255,390)	(1,194,898)	(60,492)
Restricted	-	866,474	(866,474)
Unrestricted	13,929,276	11,294,201	2,635,075
Total Net Position	$ 12,673,886	$10,965,777	$ 1,708,109

The School's financial position improved during the year ended June 30, 2026. Total net position increased by approximately $1.71 million, from approximately $10.97 million at June 30, 2025, to approximately $12.67 million at June 30, 2026, representing an increase of approximately 15.6%.

The most significant changes in total assets and liabilities were as follows: Investments increased by approximately $1.73 million, from approximately $9.44 million at June 30, 2025, to approximately $11.16 million at June 30, 2026, primarily attributable to the increase in net position during the current year. Amounts due from other agencies decreased by approximately $1.12 million, from approximately $1.16 million at June 30, 2025, to approximately $49,000 at June 30, 2026, primarily reflecting the collection of amounts outstanding from Miami-Dade County Public Schools for referendum funds at the prior fiscal year-end. Amounts due from other divisions of Mater Academy, Inc. increased by approximately $1.09 million, from approximately $2.36 million at June 30, 2025, to approximately $3.45 million at June 30, 2026, based on Board approval at year end.

Capital and right-of-use capital assets, net, increased by approximately $5.09 million, from approximately $17.22 million at June 30, 2025, to approximately $22.31 million at June 30, 2026, primarily as a result of a lease modification during the current fiscal year. The lease

modification resulted in the remeasurement of the lease and a corresponding increase in the right-of-use asset by approximately $5.23 million. Information on the School's capital assets can be found in Note 4.

Lease liabilities increased by approximately $5.15 million, from approximately $18.42 million at June 30, 2025, to approximately $23.57 million at June 30, 2026, primarily as a result of the remeasurement of the lease liability associated with the lease modification which increased the lease liability by approximately $5.23 million. See Note 7 for additional information regarding the School's lease arrangements.

The components of net position changed as follows: Restricted net position decreased by approximately $866,000, from approximately $866,000 at June 30, 2025, to zero at June 30, 2026, primarily attributable to the use of previously restricted local referendum funds and School Lunch Program funds for their intended purposes during the current fiscal year. Unrestricted net position increased by approximately $2.64 million, from approximately $11.29 million at June 30, 2025, to approximately $13.93 million at June 30, 2026, primarily attributable to the School's positive operating results during the current fiscal year.

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

	2026	2025	Variance
REVENUES			
Program Revenues			
Operating Grants and Contributions	$ 692,571	$ 621,517	$ 71,054
Capital Grants and Contributions	1,244,507	873,208	371,299
Charges for Services	7,623	28,889	(21,266)
General Revenues			
Local Sources	8,446,242	7,798,996	647,246
Charges for Services and Other Revenues	396,926	373,948	22,978
Total Revenues	$ 10,787,869	$ 9,696,558	$ 1,091,311
EXPENSES			
Instruction	$ 4,332,983	$ 4,452,471	$ (119,488)
Student support services	165,456	112,841	52,615
Instructional staff training	39,453	38,102	1,351
School board	54,611	62,811	(8,200)
School administration	851,935	760,468	91,467
Fiscal services	131,575	123,342	8,233
Food services	274,256	268,035	6,221
Central services	146,509	153,848	(7,339)
Student Tranportation Services	-	3,079	(3,079)
Operation of plant	1,718,650	1,626,901	91,749
Maintenance of plant	148,451	186,866	(38,415)
Administrative technology services	35,252	25,464	9,788
Debt Service	1,180,629	927,487	253,142
Total Expenses	9,079,760	8,741,715	338,045
Change in Net Position	1,708,109	954,843	753,266
Net Position at Beginning of Year	10,965,777	10,010,934	954,843
Net Position at End of Year	$ 12,673,886	$ 10,965,777	$ 1,708,109

Enrollment increased between fiscal years, with 831 full-time equivalent students during fiscal year 2026 compared with 779 full-time equivalent students during fiscal year 2025, an increase of 52 students, or approximately 6.7%.

Total revenues increased from approximately $9.70 million in 2025 to approximately $10.79 million in 2026, an increase of approximately $1.09 million, or 11.3%. The increase was primarily attributable to increases of approximately $647,000 in local sources and approximately $371,000 in capital grants and contributions.

Major changes in revenues and expenses included:

Local sources increased by approximately $647,000, from approximately $7.80 million in 2025 to approximately $8.45 million in 2026, primarily attributable to the 6.7% increase in enrollment, which resulted in higher Florida Education Finance Program (FEFP) funding, as well as an increase in local referendum funding compared to the prior fiscal year.

Capital grants and contributions increased by approximately $371,000, from approximately $873,000 in 2025 to approximately $1.24 million in 2026, reflecting increased capital outlay funding. Capital Outlay funding per student increased at the state level by approximately $40 per pupil. Additionally, local capital improvement revenue increased by approximately $341 per pupil compared to the prior year.

Debt service expense increased by approximately $253,000, from approximately $927,000 in 2025 to approximately $1.18 million in 2026, primarily attributable to increased interest expense associated with the School's lease obligations following the lease modification during the current fiscal year.

Governmental Funds

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

At the end of the fiscal year, the School's governmental general fund reported ending fund balance of $10,868,727. The fund balance unassigned and available for spending at the School's discretion is $10,673,335. These funds will be available for the School's future ongoing operations. The general fund has a committed fund balance attributable to roof replacement contract disclosed in Note 8.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

The School's investment in capital assets as of June 30, 2026, amounts to $789,925 (net of accumulated depreciation) and right of use lease asset (building) $21,523,717 (net of accumulated amortization). This investment in capital assets includes right of use lease asset (building), construction in progress, improvements, and furniture, fixtures and equipment. Significant asset additions are primarily improvements finished during the year in relation to a new bus parking lot and dumpster area. Information on the School's fixed assets can be found in Note 4.

The School leases a facility located at 651 W 20th Street and 701 W 20th Street, Hialeah, Florida.

Long-Term Liabilities

As of June 30, 2026, the School had long-term liabilities of $23,569,032 associated to its right of use lease asset (building).

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

CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

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

- **Consolidation with Another Charter School** - The School Board of Miami-Dade County approved a charter consolidation of the School with iMater Preparatory Academy High School (MSID 7090) The continuing school will be iMater Academy Middle High School (MSID 7090). See Note 13 for further information.
- **Enrollment** – enrollment is projected to be approximately 1,851 students consolidated under MSID 7090.
- **Changes in funding or legislative appropriations** - The School receives the Secure Our Future Referendum to raise/maintain teacher compensation and improve school safety and security from Miami-Dade County School District. The current renewal is set to expire on June 30, 2027. Additionally, Local Capital Improvement Revenue is expected to increase by an additional 25% in fiscal year 2026-2027 compared to fiscal year 2025-2026, in addition to any increases resulting from higher local tax collections.
- **Major program changes or new initiatives** – The School is consolidating as mentioned above.
- **Planned capital projects or financing activities** – The School is consolidating as mentioned above.

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.

iMater Academy Middle School
(A charter school under Mater Academy, Inc.)

Statement of Net Position
June 30, 2026

	Primary Government
	Governmental Activities
Assets	
Current assets:	
Cash	$ 1,141
Investments	11,164,000
Prepaid expenses and other current assets	41,754
Due from other agencies	49,114
Total Current Assets	11,256,009
Due from other divisions of Mater Academy, Inc.	3,454,775
Deposits receivable	17,473
	3,472,248
Capital assets, net:	
Capital assets, non depreciable	38,362
Capital assets, depreciable	1,484,494
Less: accumulated depreciation	(732,931)
Right-of-use lease asset	24,683,853
Less: accumulated amortization	(3,160,136)
Total Capital Assets, net	22,313,642
Total Assets	37,041,899
Deferred Outflows of Resources	-
Liabilities	
Current liabilities:	
Salaries and wages payable	374,444
Accounts payable and accrued expenses	12,838
Compensated absences, current	183,350
Lease liability, current	254,733
Total Current Liabilities	825,365
Compensated absences	228,349
Lease liability	23,314,299
Total Liabilities	24,368,013
Deferred Inflows of Resources	-
Net Position	
Net investment in capital assets	(1,255,390)
Unrestricted	13,929,276
Total Net Position	$ 12,673,886

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

iMater Academy Middle School
(A charter school under Mater 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	$4,332,983	$ -	$ 356,930	$ -	$ (3,976,053)
Student support services	165,456	-	-	-	(165,456)
Instructional staff training	39,453	-	30,116	-	(9,337)
School board	54,611	-	-	-	(54,611)
School administration	851,935	-	17,680	-	(834,255)
Fiscal services	131,575	-	-	-	(131,575)
Food services	274,256	7,623	287,845	-	21,212
Central services	146,509	-	-	-	(146,509)
Operation of plant	1,718,650	-	-	1,244,507	(474,143)
Maintenance of plant	148,451	-	-	-	(148,451)
Administrative technology services	35,252	-	-	-	(35,252)
Debt Service	1,180,629	-	-	-	(1,180,629)
Total governmental activities	$9,079,760	$ 7,623	$ 692,571	$ 1,244,507	$ (7,135,059)

General revenues:	
State and local sources	8,446,242
Investment and other revenue	396,926
Change in net position	1,708,109
Net position, beginning	10,965,777
Net position, ending	$ 12,673,886

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

iMater Academy Middle School
(A charter school under Mater Academy, Inc.)

Balance Sheet - Governmental Funds
June 30, 2026

	General Fund	Special Revenue Funds	Capital Projects Fund	Total Governmental Funds
Assets				
Cash	$ 1,141	$ -	$ -	$ 1,141
Investments	11,164,000	-	-	11,164,000
Due from other agencies	-	-	49,114	49,114
Due from fund	49,114	-	-	49,114
Prepaid expenses and other current assets	41,754	-	-	41,754
Total Assets	11,256,009	-	49,114	11,305,123
Deferred Outflows of Resources	-	-	-	-
Liabilities				
Salaries and wages payable	374,444	-	-	374,444
Accounts payable and accrued expenses	12,838	-	-	12,838
Due to fund	-	-	49,114	49,114
Total Liabilities	387,282	-	49,114	436,396
Deferred Inflows of Resources	-		-	-
Fund balance				
Nonspendable, not in spendable form	41,754	-	-	41,754
Unassigned	10,826,973	-	-	10,826,973
	10,868,727	-	-	10,868,727
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 11,256,009	$ -	$ 49,114	$ 11,305,123

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

iMater Academy Middle School
(A charter school under Mater Academy, Inc.)

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

Total Fund Balance - Governmental Funds		$ 10,868,727
Amounts reported for governmental activities in the statement of net position are different because:		
Depreciable and non-depreciable capital assets net of accumulated depreciation and amortization used in governmental activities are not financial resources and therefore are not reported in the fund.		
Capital assets, non-depreciable	38,362	
Capital assets, depreciable	1,484,494	
Less: accumulated depreciation	(732,931)	
Right-of-use lease asset	24,683,853	
Less: accumulated amortization	(3,160,136)	22,313,642
Long term liabilities in governmental activities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Compensated absences	(411,699)	
Lease liability	(23,569,032)	(23,980,731)
Long term receivables and deposits in governmental activities are not financial resources and therefore are not reported in the governmental funds.		3,472,248
Total Net Position - Governmental Activities		$ 12,673,886

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

iMater Academy Middle School
(A charter school under Mater Academy, Inc.)

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

	General Fund	Special Revenue Funds	Capital Projects Fund	Total Governmental Funds
Revenues:				
State capital outlay funding	$ -	$ -	$ 555,423	$ 555,423
State passed through local	6,992,983	-	-	6,992,983
Local sources	1,453,259	-	689,084	2,142,343
Federal sources	-	692,571	-	692,571
Charges for services	-	7,623	-	7,623
Other revenues	396,926	-	-	396,926
Total Revenues	8,843,168	700,194	1,244,507	10,787,869
Expenditures:				
Current				
Instruction	3,878,911	356,930	-	4,235,841
Student support services	163,986	-	-	163,986
Instructional staff training	9,337	30,116	-	39,453
School board	54,611	-	-	54,611
School administration	846,113	17,680	-	863,793
Fiscal services	131,575	-	-	131,575
Food services	-	274,256	-	274,256
Central services	146,509	-	-	146,509
Operation of plant	1,045,170	-	-	1,045,170
Maintenance of plant	148,451	-	-	148,451
Administrative technology services	35,252	-	-	35,252
Capital Outlay:				
Right to use asset (building)		-	5,231,452	5,231,452
Other capital outlay	621,391	-	-	621,391
Debt Service:				
Principal	-	-	79,798	79,798
Interest	15,920	-	1,164,709	1,180,629
Total Expenditures	7,097,226	678,982	6,475,959	14,252,167
Excess / (deficit) of revenues over expenditures	1,745,942	21,212	(5,231,452)	(3,464,298)
Other financing sources (uses)				
Transfers in (out)	405,764	(405,764)	-	-
Increase in lease liability	-	-	5,231,452	5,231,452
Advances to other divisions of Mater Academy, Inc.	(1,090,860)	-	-	(1,090,860)
Net change in fund balance	1,060,846	(384,552)	-	676,294
Fund Balance at beginning of year	9,807,881	384,552	-	10,192,433
Fund Balance at end of year	$10,868,727	$ -	$ -	$ 10,868,727

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

iMater Academy Middle School
(A charter school under Mater Academy, Inc.)

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

Net Change in Fund Balance - Governmental Funds		$ 676,294
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 expense.		
Capital outlay	621,391	
Right-of-use lease asset capital outlay	5,231,452	
Depreciation and amortization expense	(761,681)	5,091,162
Increase in long term assets is an expenditure in the governmental funds, but a recovery of such assets reduces long-term assets in the statement of net position. This is the amount by which increase in long term receivables of $1,090,860 exceeded recoveries in the current period.		1,090,860
Increases in long-term liabilities are revenues in the governmental funds, but a decrease or repayment of such payables reduces liabilities in the statement of net position.		
Change in compensated absences	1,447	
Increase in lease liabilities	(5,231,452)	
Principal payments on long-term liabilities	79,798	(5,150,207)
Change in Net Position of Governmental Activities		$ 1,708,109

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

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

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

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter granted by the sponsoring district, the School Board of Miami-Dade County, Florida. The current charter expires on June 30, 2033. It can be renewed for additional terms 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 District has approved a charter consolidation of the School into the current charter of iMater Preparatory Academy High School (MSID 7090) for the subsequent school year (see Note 13). Therefore, this charter will cease operations, and the continuing charter will be iMater Preparatory Academy High School.

The School is located in Hialeah, Florida for students from sixth through eighth grade. These financial statements are for the year ended June 30, 2026, when on average 831 students were enrolled for the school year.

Basis of Presentation

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

Government-wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information about the School as a whole. Any internal interfund activity has been eliminated from these financial statements. Both statements report only governmental activities as the School does not engage in any business type activities. These statements also do not include fiduciary funds.

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

Note 1 – Summary of Significant Accounting Policies (continued)

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

Fund Financial Statements

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

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

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

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

Measurement Focus and Basis of Accounting

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

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

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

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

Note 1 – Summary of Significant Accounting Policies (continued)

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

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

Budgets and Budgetary Accounting

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

Cash, Cash Equivalents and Investments

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

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.

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.

Capital Assets

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

The right of use assets are initially measured 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-of-use assets are amortized on a straight-line basis over the life of the related lease.

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

Improvements	10-20 Years
Furniture, Fixtures, and Equipment	5-10 Years
Right-of-use asset (building)	30 Years

Inter-fund Transfers

Inter-fund receivables/payables ("due from/to") are short-term balances that represent reimbursements between funds for payments made by one fund on behalf of another fund.

Due from Other Governments or Agencies

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

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.

Note 1 – Summary of Significant Accounting Policies (continued)

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

The School grants a specific number of personal time off. Full time teachers and instructional employees are eligible to receive one day per month up to ten days of active work during the ten-month period (a "benefit year"). In the event that available time is not used by the end of the benefit year, employees may "rollover" all unused days for use in future benefit years. Employees may "cash out" unused days for personal time off, however, 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 maintain a minimum of twenty-one unused days in order to cash out. The cash out value is eighty percent of their current daily rate. There is no termination payment for accumulated unused days. Non-exempt and office salaried employees are not eligible to "cash out" unused personal time off days.

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

Revenue Sources

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

Note 1 – Summary of Significant Accounting Policies (continued)

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

Net Position and Fund Balance Classification

Government-wide financial statements

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

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

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

Fund financial statements

GASB Codification Section 1800.142, *Fund Balance Reporting and Governmental Fund Type Definitions,* defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB requires the fund balance amounts to be properly reported within one of the fund balance categories list below:

a) Nonspendable - includes amounts that cannot be spent because they are either not expected to be converted to cash or legally or contractually required to be maintained intact. Consists of fund balance associated with inventories and prepaid expenses.
b) Restricted - this classification includes fund balance category amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. There were no restricted fund balances at year end.
c) Committed - fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the School's Board of Directors. There were no committed fund balances at year end.
d) Assigned - fund balance classification that is intended to be used by the School's management for specific purposes but does not meet the criteria to be classified as restricted or committed. There are no assigned fund balances at year end.

Note 1 – Summary of Significant Accounting Policies (continued)

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.

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

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.

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

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

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 implementation of the new standards will have on its financial statements.

Note 1 – Summary of Significant Accounting Policies (continued)

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

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

Note 2 – Cash and Investments

Deposits
The School maintains its cash in two financial institutions. Deposits at FDIC-insured institutions are insured up to $250,000 per depositor, per financial institution. The School is a charter school under Mater Academy, Inc., which also operates various other charter schools. All bank accounts are opened under the account ownership of Mater Academy, Inc., therefore, bank balances at times may potentially be in excess of FDIC coverage. As of June 30, 2026, bank balances in potential excess of FDIC coverage was $685.

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 $11,280,000 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.

Note 2 – Cash and Investments (continued)

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

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

Note 3 – Due from Other Agencies

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

Funding Source	Governmental Fund	Balance
Capital Outlay	Capital Projects Fund	$ 49,114
Total Due from Other Agencies		$ 49,114

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, non-depreciable:				
Building improvements under construction	$ 88,244	$ 38,362	$ (88,244)	$ 38,362
Capital assets, depreciable:				
Improvements	236,641	513,407	88,244	838,292
Furniture, Fixtures and Equipment	576,580	69,622	-	646,202
Total Capital Assets	901,465	621,391	-	1,522,856
Less Accumulated Depreciation:				
Improvements	(196,477)	(48,785)	-	(245,262)
Furniture, Fixtures and Equipment	(389,735)	(97,934)	-	(487,669)
Total Accumulated Depreciation	(586,212)	(146,719)	-	(732,931)
Total depreciable capital assets, net	$ 315,253	$ 474,672	$ -	$ 789,925
Lease assets:				
Right-of-use lease asset (building)	$ 19,452,401	$ 5,231,452	$ -	$ 24,683,853
Less Accumulated amortization	(2,545,174)	(614,962)	-	(3,160,136)
Total amortized lease assets, net	16,907,227	4,616,490	-	21,523,717
Governmental Activities Capital Assets, net	$ 17,222,480	$ 5,091,162	$ -	$ 22,313,642

Note 4 – Capital Assets (continued)

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

	Depreciation	Amortization
Instruction	$ 84,047	$ -
School administration	4,476	-
Operation of plant	58,196	614,962
Total Expenses	$ 146,719	$ 614,962

Note 5 – Education Service and Support Provider

Academica Dade, LLC, an educational service and support provider, offers administrative services to the School including, but not limited to, facility design, staffing recommendations, human resource coordination, regulatory compliance, legal and corporate upkeep, maintenance of the books and records, bookkeeping, budgeting, financial reporting, and virtual education services. The agreement calls for a fee on a per student basis.

The agreement is with Mater Academy, Inc., through June 30, 2028, and unless terminated by the board will have an option to renew for an additional five-year period. During the year ended June 30, 2026, the School incurred $394,725 in fees under this agreement.

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

For 2026, the School's facility was shared with iMater Preparatory Academy High School (a charter school under Mater 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 and usage of facilities and staff to these schools. In addition, the School's student activities account is recorded in the books of iMater Preparatory Academy High School.

Mater Academy, Inc., charges all its affiliated schools with an assessment for shared corporate costs and accreditation expenses. iMater Academy Middle School paid Mater Academy, Inc., approximately $124,652 in connection with these charges during the year.

In addition, the School has made long term, non-interest bearing advances to other divisions of Mater Academy, Inc. In addition, as of June 30, 2026, the School has transferred a total of $2,129,775 of funds received in connection with the retroactive referendum settlement agreement to Mater Academy, Inc. for future investments on behalf of the School. Changes in long-term receivables during the year are as follow:

	Balance 07/01/25	Increases	Decreases	Balance 06/30/26
Mater Academy - Corporate account	$ 2,363,915	$ 1,090,860	$ -	$ 3,454,775
Total Long Term Receivables	$ 2,363,915	$ 1,090,860	$ -	$ 3,454,775

Note 7 – Long-Term Liability with Related Party

On July 1, 2025, Mater Academy, Inc, entered into an amended and restated lease and security agreement with Mater Academy Foundation Inc., a not-for-profit supporting organization of Mater Academy, Inc. under Section 509(a)(3) of the Internal Revenue Code. This agreement continues through June 30, 2061, with two options to renew of five additional years each. Rent is based on the full-time equivalent student enrollment, subject to minimum enrollment levels. The annual rate per full-time equivalent student is $1,346.61 for 2026, based on a minimum enrollment of 2,080 students, and $1,525 for 2027 and thereafter, based on a minimum enrollment of 2,080 students. The per full-time equivalent student rate under this agreement is adjusted annually based on the Consumer Price Index (CPI) plus additional property costs including repairs, maintenance, and insurance.

Under the agreement, Mater Academy, Inc. must meet certain requirements and covenants. All of the School's revenues (except for revenues restricted or assigned for specific programs) are pledged to the lease and security agreement for the outstanding principal and interest balance of the bonds issued to Mater Academy Foundation, Inc. to finance the acquisition and construction of the facility. The revenues pledged during the school year ended June 30, 2026, exceeded the required principal and interest for that period.

At the time of the initial measurement a right-of-use lease asset and liability were recorded on the School's books. At the time of remeasurement, the average borrowing rate was 5% which was used to discount the annual lease payments to recognize the intangible right to use this asset and the lease liability. The School has used an average effective interest for several borrowings of Mater Academy Inc.

The allocation used upon lease inception was approximately 45% for the School and 55% for iMater Preparatory Academy High School. As disclosed in Note 13 these schools will consolidate and operate under iMater Academy Middle High School and the allocation will no longer be necessary.

For 2026, interest expense totaled $1,180,629 as it relates to this agreement. For 2026, variable and other payments of $15,009 in connection with the lease agreement not previously included in the measurement of the lease liability were recorded in rent expense.

Note 7 – Long-Term Liability with Related Party (continued)

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

Year	Principal	Interest	Total	
2027	$ 254,733	$ 1,172,667	$ 1,427,400	
2028	267,766	1,159,634	1,427,400	
2029	281,466	1,145,934	1,427,400	
2030	295,866	1,131,534	1,427,400	
2031	311,003	1,116,397	1,427,400	
2032-2036	1,810,606	5,326,394	7,137,000	(Total for a five year period.
2037-2041	2,323,656	4,813,344	7,137,000	(Total for a five year period.
2042-2046	2,982,085	4,154,915	7,137,000	(Total for a five year period.
2047-2051	3,827,084	3,309,916	7,137,000	(Total for a five year period.
2052-2056	4,911,522	2,225,478	7,137,000	(Total for a five year period.
2057-2061	6,303,245	833,756	7,137,001	(Total for a five year period.
	$ 23,569,032	$ 26,389,969	$ 49,959,001	

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

	Balance 07/01/25	Increases	Decreases	Balance 06/30/26
Lease liability	18,417,378	$ 5,231,452	$ (79,798)	$ 23,569,032
	$ 18,417,378	$ 5,231,452	$ (79,798)	$ 23,569,032

Note 8 – Commitments, Contingencies, and Concentrations

The School receives the majority of its funding from the State through the District under the Florida Education Finance Program (FEFP) and various other state and local funding. The FEFP is based in part on a computation of the number of full-time equivalent (FTE) students attending different instructional programs. The accuracy of FTE student data submitted by individual schools and used in the FEFP computations is subject to audit by the state and, if found to be in error, could result in refunds to the state or in decreases to future funding allocations. 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% for high performing schools of the qualifying revenues of the School. For the year ended June 30, 2026, administrative fees withheld by the School District totaled $39,456.

Note 8 – Commitments, 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 School's total referendum revenues were approximately $1,453,000 or 13% of total revenues.

On April 17, 2025, Mater Academy, Inc., entered into a construction contract for the construction of a new bus parking lot in the facilities with an estimated cost of approximately $513,000 to be shared with iMater Preparatory Academy High School. The project was completed and placed into service during the current school year.

On June 1, 2026, Mater Academy, Inc., entered a commitment with a roofing company for a roof replacement with an estimated cost of $192,000. As of June 30, 2026, remaining commitment was approximately $154,000.

Note 9 – Risk Management

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

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

Note 10 – Inter-fund Transfers

Inter-fund transfers between governmental funds as of June 30, 2026 consist of the following:

	General Fund	Special Revenue Fund	Capital Projects Fund
To reimburse general fund for federal prior period expenditures	$ 405,764	$ (405,764)	$ -
Total Transfers, net	$ 405,764	$ (405,764)	$ -
Due to General Fund from Capital Projects Fund for capital outlay	$ 49,114	$ -	$ (49,114)
Total Due from/(Due to), net	$ 49,114	$ -	$ (49,114)

Note 11 – Defined Contribution Retirement Plan

The School's personnel, which are leased through ADP TotalSource Group, Inc., are eligible to participate in a defined contribution 401(k) plan sponsored by the leasing company, covering employees who meet certain age and tenure requirements. Under the ADP TotalSource Retirement Savings Plan (the "Plan"), the School matches 100% of the employee's contributions up to 4% of the employee's compensation. The School contributed to the Plan $96,134 for the year ended June 30, 2026. The School does not exercise any control or fiduciary responsibility over the Plans' assets, which are administered by Voya Financial.

Note 12 - Compensated Absences

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

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

	7/1/2025	Increases *	Decreases	6/30/2026	Due within One Year
Compensated absences	$ 413,146	$ -	$ (1,447)	$ 411,699	$ 183,350
	$ 413,146	$ -	$ (1,447)	$ 411,699	$ 183,350

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

Note 13 – Consolidation with Another Charter School

Effective for the 2026-2027 school year, the District approved a charter school consolidation under Section 1002.331, High Performing Charter Schools, of the School with iMater Preparatory Academy High School consolidating both charter contracts into a single school and charter contract d/b/a iMater Academy Middle High School serving students in grades six through twelve grade at 651 W 20th Street and 701 W 20th Street, Hialeah, Florida with a maximum enrollment of 2,000 students. New charter contract is for a 7-year term through June 30, 2032.

Note 13 – Consolidation with Another Charter School (continued)

The following table shows the assets, liabilities and net position of the School that were transferred to iMater Academy Middle High School effective July 1, 2026.

	Carrying Values
Transferred Assets (Net):	
Cash	$ 1,141
Investments	11,164,000
Prepaid expenses and other current assets	41,754
Due from other agencies	49,114
Due from affiliates and other charter schools	3,454,775
Deposit receivable	17,473
Capital Assets, net	22,313,642
Total Assets	$ 37,041,899
Transferred Liabilities:	
Accounts payable and accrued expenses	$ 12,838
Salaries and wages payable	374,444
Compensated absences	411,699
Lease liability	23,569,032
Total Liabilities	$ 24,368,013
Net Position of transferred charter school operations	
Net investment in capital assets	$ (1,255,390)
Unrestricted	13,929,276
Total Net Position	$ 12,673,886

REQUIRED SUPPLEMENTARY INFORMATION

iMater Academy Middle School
(A charter school under Mater Academy, Inc.)

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

	General Fund			Variance	
	Original Budget	Final Budget	Actual	Original to Final	Final to Actual
REVENUES					
State passed through local	$ 6,800,650	$ 6,976,756	$ 6,992,983	$ (176,106)	$ (16,227)
Local sources (Including Referendum revenue)	1,336,100	1,437,613	1,453,259	(101,513)	(15,646)
Charges for services and other revenue	-	393,063	396,926	(393,063)	(3,863)
Total Revenues	8,136,750	8,807,432	8,843,168	(670,682)	(35,736)
EXPENDITURES					
Current:					
Instruction	4,220,409	3,914,957	3,878,911	305,452	36,046
Student support services	201,537	175,061	163,986	26,476	11,075
Instructional staff training	20,000	10,000	9,337	10,000	663
Board	56,155	54,657	54,611	1,498	46
School administration	889,993	860,062	846,113	29,931	13,949
Fiscal services	135,150	131,575	131,575	3,575	-
Central services	156,507	153,075	146,509	3,432	6,566
Operation of plant	1,087,278	1,052,955	1,045,170	34,323	7,785
Maintenance of plant	162,444	154,705	148,451	7,739	6,254
Administrative technology services	40,889	36,521	35,252	4,368	1,269
Total Current Expenditures	6,970,362	6,543,568	6,459,915	426,794	83,653
Excess (deficit) of Revenues Over Current Expenditures	1,166,388	2,263,864	2,383,253	(1,097,476)	(119,389)
Capital Outlay:					
Other Capital Outlay	660,361	640,361	621,391	20,000	18,970
Debt Service:					
Interest expense	15,920	15,920	15,920	-	-
Total Capital Outlay & Debt Service	676,281	656,281	637,311	20,000	18,970
Total Expenditures	7,646,643	7,199,849	7,097,226	446,794	102,623
Excess (deficit) of Revenues Over Expenditures	490,107	1,607,583	1,745,942	(1,117,476)	(138,359)
Other financing sources (uses):					
Transfers in (out)	(14,335)	11,832	405,764	(26,167)	(393,932)
Change in due from Mater Academy, Inc.	-	(1,090,860)	(1,090,860)	1,090,860	-
Net change in fund balance	475,772	528,555	1,060,846	(52,783)	(532,291)
Fund Balance at beginning of year	9,807,881	9,807,881	9,807,881	-	-
Fund Balance at end of year	$ 10,283,653	$ 10,336,436	$ 10,868,727	$ (52,783)	$ (532,291)

See accompanying notes to the budgetary comparison schedules.

iMater Academy Middle School
(A charter school under Mater Academy, Inc.)

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

	Special Revenue Fund			Variance	
	Original Budget	Final Budget	Actual	Original to Final	Final to Actual
REVENUES					
Federal sources	$ 683,450	$ 687,622	$ 692,571	$ (4,172)	$ (4,949)
Charges for services and other revenue	5,845	6,705	7,623	(860)	(918)
Total Revenues	689,295	694,327	700,194	(5,032)	(5,867)
EXPENDITURES					
Current:					
Instruction	369,950	358,364	356,930	11,586	1,434
Instructional staff training	40,000	31,578	30,116	8,422	1,462
School administration	17,680	17,680	17,680	-	-
Food services	276,000	274,873	274,256	1,127	617
Total Current Expenditures	703,630	682,495	678,982	21,135	3,513
Excess (Deficit) of Revenues Over Current Expenditures	(14,335)	11,832	21,212	(26,167)	(9,380)
Other financing sources (uses)					
Transfers in (out)	14,335	(11,832)	(405,764)	26,167	393,932
Net change in fund balance	-	-	(384,552)	-	384,552
Fund Balance at beginning of year	384,552	384,552	384,552	-	-
Fund Balance at end of year	$ 384,552	$ 384,552	$ -	$ -	$ 384,552

See accompanying notes to the budgetary comparison schedules.

Note 1 – Budgets and Budgetary Accounting

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

Note 2 – Variances

The variances in Charges for Services and Other Revenues in the General Fund occurred because the final budget was increased to capture the interest earned from funds invested during the year.

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

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

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Directors of
iMater Academy Middle School
Hialeah, Florida

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

Report On Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

A separate management letter dated September 15, 2026, has been issued pursuant to Chapter 10.850, Rules of the Auditor General.

Purpose of This Report

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

HLB Gravier, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 15, 2026

HLB GRAVIER, LLP
CERTIFIED PUBLIC ACCOUNTANTS

MANAGEMENT LETTER

To the Board of Directors of
iMater Academy Middle School
Hialeah, Florida

Report on the Financial Statements

We have audited the financial statements of iMater Academy Middle School as of and for the 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.

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 and recommendations made in the preceding audit report.

Official Title

Section 10.854.(1)(e)5., Rules of the Auditor General, requires the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity is iMater Academy Middle School, (#6014).

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 iMater Academy Middle School 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 iMater Academy Middle School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.854(1)(e)6.a and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for iMater Academy Middle School. It is management's responsibility to monitor iMater Academy Middle School'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 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 iMater Academy Middle School maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In Connection with our audit, we determined that iMater Academy Middle School maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

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

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



CERTIFIED PUBLIC ACCOUNTANTS

Coral Gables, Florida
September 15, 2026