

Lincoln-Marti Charter Schools, Inc.
Hialeah Campus Charter School
(A Charter School under Lincoln-Marti
Charter Schools, Inc.)

Financial Statements
Years Ended June 30, 2026 and 2025

The report accompanying these financial statements was issued by
BDO USA, P.C., a Virginia professional service corporation, is the U.S. member of
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Lincoln-Marti Charter Schools, Inc.
Hialeah Campus Charter School
(A Charter School under Lincoln-Marti Charter Schools, Inc.)

Financial Statements
Years Ended June 30, 2026 and 2025

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Hialeah Campus Charter School
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Independent Auditor's Report

Board of Directors
Lincoln-Marti Charter Schools, Inc.
Hialeah Campus Charter School
(A Charter School under Lincoln-Marti Charter Schools, Inc.)
Miami, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and major fund of Lincoln-Marti Charter Schools, Inc. Hialeah Campus Charter School (the "School") (a Charter School under Lincoln-Marti Charter Schools, Inc.), as of and for the years ended June 30, 2026 and 2025, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the School, as of June 30, 2026 and 2025, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits 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 School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the School and do not purport to, and do not, present fairly the financial position of Lincoln-Marti Charter Schools, Inc., as of June 30, 2026 and 2025, the changes in its financial position, or, where applicable, its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.



Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 the 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 GAAS 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 GAAS 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.

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 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 August 27, 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, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

BDO USA, P.C.

Miami, Florida
August 27, 2026

Lincoln-Marti Charter Schools, Inc.
Hialeah Campus Charter School
(A Charter School under Lincoln-Marti Charter Schools, Inc.)

Management's Discussion and Analysis

As management of Lincoln-Marti Charter Schools, Inc. (Hialeah Campus Charter School) (the "School"), we offer readers this narrative overview and analysis of the financial activities of the School as of and for the years ended June 30, 2026, 2025 and 2024.

Management's discussion and analysis provides, in layman's terms, the past and current position of the School's financial condition. This summary should not be taken as a replacement for the audited financial statements, which consists of the financial statements and supplementary information intended to furnish additional detail to support the financial statements themselves.

Financial Highlights

Our financial statements provide these insights into the results of current and prior years' operations.

The School's current year of operations generated a change in net position of \$325,176 compared to a change in net position of \$(529,015) and \$(491,373) in fiscal years 2025 and 2024, respectively. Revenues for the year ended June 30, 2026 decreased from the prior year by approximately \$598,000 mainly as a result of a decrease in state FTE revenues and local grants, other contributions, and other by approximately \$217,000 and \$385,000, respectively, which was due to decreased enrollment. These decreases were offset by a gain of approximately \$1,133,000 due to the lease forgiveness detailed in Note 5 in the notes to basic financial statements. Revenues for the year ended June 30, 2025 decreased from the prior year by approximately \$11,000 mainly as a result of a decrease in contributions of nonfinancial assets by approximately \$819,000, offset by an increase in local grants, other contributions, and other by approximately \$831,000 (which includes Employee Retention Credits income of approximately \$259,000).

During the year ended June 30, 2026, expenses decreased from the prior year by approximately \$320,000. The decrease was mainly a result of a decrease in instruction, due to decreased enrollment. During the year ended June 30, 2025, expenses increased from the prior year by approximately \$27,000. The increase was mainly a result of an increase in instruction.

The net position of the School at June 30, 2026, 2025 and 2024 was \$715,530, \$390,354 and \$919,369, of which \$110,802, \$735,650 and \$851,414, respectively, is unrestricted.

Using this Annual Report

This discussion and analysis are intended to serve as an introduction to the School's financial statements. The School's financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information in addition to the financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the School's finances, in a manner similar to a private-sector business.

The statements of net position present information on all the School's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.

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Management's Discussion and Analysis

The statements of activities present information showing how the School's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected revenues and services rendered but unpaid).

The government-wide financial statements include all governmental activities that are principally supported by grants and entitlements from the state for full-time equivalent funding. The School does not have any business-type activities. The governmental activities of the School primarily include instructional and support services.

The government-wide financial statements can be found on pages 14 through 16 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School, like state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The School's only fund is the General Fund, a governmental fund type.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflow and outflow of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the School's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School's near-term financing decisions. Both the governmental fund balance sheets and the governmental fund statements of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School maintains only one governmental fund type, which is the General Fund. Information is presented in the governmental fund balance sheets and the governmental fund statements of revenues, expenditures, and changes in fund balance for the General Fund.

The School adopts an annual budget for its governmental fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with the budget and is presented as required supplementary information.

The governmental fund financial statements can be found on pages 17 and 18 of this report.

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Management's Discussion and Analysis

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 20 through 31 of this report.

Other Information

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary information for the School's general fund. Required supplementary information can be found on pages 33 through 35 of this report.

Government-Wide Financial Analysis

Our analysis of the financial statements of the School begins below. The Statements of Net Position and the Statements of Activities report information about the School's activities that will help answer questions about the position of the School.

Net Position

A summary of the School's Net Position is presented in Table A-1 and a summary of changes in net position is presented in Table A-2.

Table A-1 - Summary of Net Position

<i>June 30,</i>	2026	2025	2024
Assets			
Current assets	\$ 179,524	\$ 783,076	\$ 920,238
Capital assets, net	604,728	1,758,839	2,391,014
Total Assets	\$ 784,252	\$ 2,541,915	\$ 3,311,252
Liabilities			
Current liabilities	\$ 68,722	\$ 47,426	\$ 68,824
Noncurrent liabilities	-	2,104,135	2,323,059
Total Liabilities	68,722	2,151,561	2,391,883
Net Position			
Net investment in capital assets	604,728	(345,296)	67,955
Unrestricted	110,802	735,650	851,414
Total Net Position	\$ 715,530	\$ 390,354	\$ 919,369

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Management's Discussion and Analysis

Table A-2 - Summary of Changes in Net Position

<i>Year ended June 30,</i>	2026	2025	2024
Revenues			
State FTE revenues	\$ 1,253,272	\$ 1,470,042	\$ 1,493,503
Local grants, other contributions, and other	1,095,566	1,480,779	649,287
Contributions of nonfinancial assets	247,276	243,665	1,062,201
Total Revenues	2,596,114	3,194,486	3,204,991
Expenses			
Instruction	1,383,299	1,576,059	1,476,055
Student support services	30,498	37,418	59,791
Instruction and curriculum development services	14,515	21,160	29,277
School board	58,993	70,247	70,590
School administration	273,304	280,290	307,070
Fiscal services	100,886	134,425	121,428
Food services	185,738	216,040	216,152
Central services	20,649	6,228	11,232
Student transportation services	27,625	27,625	27,625
Operation of plant	1,166,589	1,178,589	1,204,561
Maintenance of plant	92,211	71,701	48,282
Debt service	49,407	103,719	124,301
Total Expenses	3,403,714	3,723,501	3,696,364
Infrequent Item: Gain on lease forgiveness	1,132,776	-	-
Change in Net Position	325,176	(529,015)	(491,373)
Net Position, beginning	390,354	919,369	1,410,742
Net Position, ending	\$ 715,530	\$ 390,354	\$ 919,369

As noted in Table A-2, the cost of all governmental activities during the years ended June 30, 2026, 2025 and 2024 was \$3,403,714, \$3,723,501 and \$3,696,364, respectively. The majority of these activities were financed through general revenues of \$1,253,272, \$1,470,042 and \$1,493,503, respectively, which consist of FTE funding from the state.

See "Financial Highlights" on page 6 of this report, for a further explanation of the reason for the increase in net position.

Financial Analysis of the School's Fund

As noted earlier, the School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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Management's Discussion and Analysis

Governmental Fund - The focus of the School's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the School's fiscal year of operations for 2026, 2025 and 2024, the fund balance of the General Fund was \$110,802, \$735,650 and \$851,414, respectively. The General Fund is the chief operating fund and only fund of the School.

A summary of the General Fund's condensed balance sheets and statements of revenues, expenditures and changes in fund balance is presented in Table B-1 and B-2 as of and for the years ended June 30, 2026, 2025 and 2024.

Table B-1 - Summary of Condensed Balance Sheets

<i>June 30,</i>	2026	2025	2024
Total Assets	\$ 179,524	\$ 783,076	\$ 920,238
Total Liabilities	\$ 68,722	\$ 47,426	\$ 68,824
Total Fund Balance	110,802	735,650	851,414
Total Liabilities and Fund Balance	\$ 179,524	\$ 783,076	\$ 920,238

Table B-2 - Summary of Condensed Statements of Revenues, Expenditures and Changes in Fund Balance

<i>Year ended June 30,</i>	2026	2025	2024
Total Revenue	\$ 2,596,114	\$ 3,194,486	\$ 3,204,991
Total Expenditures	3,220,962	3,310,250	3,839,148
Change in Fund Balance	\$ (624,848)	\$ (115,764)	\$ (634,157)

Major Governmental Funds Budgeting and Operating Highlights

An operating budget was adopted and maintained by the governing board for the School pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. There were no amendments to the budget during the years ended June 30, 2026 and 2025.

The General Fund's actual revenues were \$2,596,114 for the year ended June 30, 2026. Total revenues were lower than the budget estimates primarily due to lower than expected state FTE revenues, which is due to decreased enrollment. The actual expenditures of the General Fund were \$3,220,962 for the year ended June 30, 2026. Total expenditures were higher than the budget

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Management's Discussion and Analysis

estimates primarily due to higher than expected operation of plant, which is due to higher than planned expenditures of capital assets.

The General Fund's actual revenues were \$3,194,486 for the year ended June 30, 2025. Total revenues were higher than the budget estimates primarily due to higher than expected local grants, other contributions, and other and contributions of nonfinancial assets. The actual expenditures of the General Fund were \$3,310,250 for the year ended June 30, 2025. Total expenditures were higher than the budget estimates primarily due to higher than expected instruction and operation of plant.

See pages 32 through 34 for the budgetary comparison schedule.

Capital Assets

At June 30, 2026, 2025 and 2024, the School had \$2,710,199, \$7,683,622 and \$7,407,134 invested in right-to-use lease asset, improvements other than buildings, classroom furniture, fixtures, equipment and other of which \$2,105,471, \$5,924,783 and \$5,016,120 has been depreciated/amortized, which resulted in a net book value of \$604,728, \$1,758,839 and \$2,391,014, respectively. Total additions for the years ended June 30, 2026, 2025 and 2024 were \$156,668, \$276,488 and \$245,240, respectively. The additions were related to leasehold improvements to the buildings and school textbooks. The right-to-use asset was removed during 2026 as the lease liability was forgiven. Refer to Note 5 of the notes to basic financial statements.

Debt Administration

At the end of the School's fiscal year of operations for 2026, 2025 and 2024, the School had a total lease liability of \$0, \$2,104,135 and \$2,323,059, respectively. The lease term is for a period of nine years, expiring in December 2026, and includes a provision for escalating annual rentals based on a rate of 4% per year. An initial lease liability was recorded in the amount of \$5,130,091, using an annual interest rate of 4.5%. The lease liability was forgiven as of March 1, 2026 by the lessor. The lease liability was forgiven as of March 1, 2026; refer to Note 5 of the notes to the basic financial statements.

A summary of the lease liability at each fiscal year end is detailed as follows:

June 30,	2026	2025	2024
Lease liability, due within one year	\$ -	\$ 920,425	\$ 871,249
Lease liability, due in more than one year	-	1,183,710	1,451,810
Total lease liability	\$ -	\$ 2,104,135	\$ 2,323,059

Economic Factors and Next Year's Budget

The State of Florida education funding for the Florida Education Finance Program for the fiscal year 2025-2026 minimally increased. These factors were considered in preparing the School's budget for fiscal year 2026-2027.

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Management's Discussion and Analysis

Requests for Information

This financial report is designed to provide a general overview of the School's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Board of Directors of Lincoln-Marti Charter Schools, Inc., 2700 SW 8th Street, Miami, FL 33135.

Financial Statements

Lincoln-Marti Charter Schools, Inc.
Hialeah Campus Charter School
(A Charter School under Lincoln-Marti Charter Schools, Inc.)

Statements of Net Position

<i>June 30,</i>	2026	2025
Assets		
Cash	\$ 144,066	\$ 715,936
Due from other agencies and grantors	-	45,000
Prepaid expenses	35,458	22,140
Capital assets:		
Improvements other than buildings	888,261	759,806
Right-to-use lease asset	-	5,130,091
Classroom furniture, fixtures, equipment and other	1,821,938	1,793,725
Less accumulated depreciation/ amortization	(2,105,471)	(5,924,783)
Total Assets	\$ 784,252	\$ 2,541,915
Liabilities and Net Position		
Liabilities		
Accounts payable and accrued expenses	\$ 20,161	\$ 20,161
Wages payable	48,561	27,265
Noncurrent liabilities:		
Due within one year		
Lease liability	-	920,425
Due in more than one year		
Lease liability	-	1,183,710
Total Liabilities	68,722	2,151,561
Net Position		
Net investment in capital assets	604,728	(345,296)
Unrestricted	110,802	735,650
Total Net Position	715,530	390,354
Total Liabilities and Net Position	\$ 784,252	\$ 2,541,915

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

Lincoln-Marti Charter Schools, Inc.
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Statement of Activities

		Program Revenues			Net (Expenses)
					Revenues and
					Changes in
					Net Position
		Charges	Operating	Capital	Governmental
		for	Grants and	Grants and	Activities
Year ended June 30, 2026	Expenses	Services	Contributions	Contributions	Total
Functions/Programs					
Governmental Activities:					
Instruction	\$ (1,383,299)	\$ -	\$ 131,187	\$ -	\$ (1,252,112)
Student support services	(30,498)	-	-	-	(30,498)
Instruction and curriculum development services	(14,515)	-	-	-	(14,515)
School board	(58,993)	-	-	-	(58,993)
School administration	(273,304)	-	354,416	-	81,112
Fiscal services	(100,886)	-	-	-	(100,886)
Food services	(185,738)	-	185,738	-	-
Central services	(20,649)	-	-	-	(20,649)
Student transportation services	(27,625)	-	-	-	(27,625)
Operation of plant	(1,166,589)	-	-	214,352	(952,237)
Maintenance of plant	(92,211)	-	-	-	(92,211)
Debt service	(49,407)	-	-	-	(49,407)
Total Governmental Activities	\$ (3,403,714)	\$ -	\$ 671,341	\$ 214,352	\$ (2,518,021)
General Revenues:					
State FTE revenues					\$ 1,253,272
Local grants, other contributions, and other					395,611
Contributions of nonfinancial assets					61,538
Total General Revenues					1,710,421
Infrequent Item: Gain on lease forgiveness					1,132,776
Change in Net Position					325,176
Net Position, beginning					390,354
Net Position, ending					\$ 715,530

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

Lincoln-Marti Charter Schools, Inc.
Hialeah Campus Charter School
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Statement of Activities

<i>Year ended June 30, 2025</i>		Program Revenues			Net (Expenses)
		Charges	Operating	Capital	Revenues and
Functions/Programs	Expenses	for	Grants and	Grants and	Changes in
		Services	Contributions	Contributions	Net Position
					Governmental
					Activities
					Total
Governmental Activities:					
Instruction	\$ (1,576,059)	\$ -	\$ 184,083	\$ -	\$ (1,391,976)
Student support services	(37,418)	-	-	-	(37,418)
Instruction and curriculum development services	(21,160)	-	-	-	(21,160)
School board	(70,247)	-	-	-	(70,247)
School administration	(280,290)	-	817,849	-	537,559
Fiscal services	(134,425)	-	-	-	(134,425)
Food services	(216,040)	-	216,040	-	-
Central services	(6,228)	-	-	-	(6,228)
Student transportation services	(27,625)	-	-	-	(27,625)
Operation of plant	(1,178,589)	-	-	185,748	(992,841)
Maintenance of plant	(71,701)	-	-	-	(71,701)
Debt Service	(103,719)	-	-	-	(103,719)
Total Governmental Activities	\$ (3,723,501)	\$ -	\$ 1,217,972	\$ 185,748	\$ (2,319,781)
General Revenues:					
State FTE revenues					\$ 1,470,042
Local grants, other contributions, and other					293,099
Contributions of nonfinancial assets					27,625
Total General Revenues					1,790,766
Change in Net Position					(529,015)
Net Position, beginning					919,369
Net Position, ending					\$ 390,354

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

Lincoln-Marti Charter Schools, Inc.
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Balance Sheets - Governmental Fund

<i>June 30,</i>	2026	2025
Assets		
Cash	\$ 144,066	\$ 715,936
Due from other agencies and grantors	-	45,000
Prepaid expenses	35,458	22,140
Total Assets	\$ 179,524	\$ 783,076
Liabilities and Fund Balance		
Liabilities		
Accounts payable and accrued expenses	\$ 20,161	\$ 20,161
Wages payable	48,561	27,265
Total Liabilities	\$ 68,722	\$ 47,426
Fund Balance		
Nonspendable	35,458	22,140
Unassigned	75,344	713,510
Total Fund Balance	\$ 110,802	\$ 735,650
Total Liabilities and Fund Balance	\$ 179,524	\$ 783,076
<i>June 30,</i>	2026	2025
Fund balance	\$ 110,802	\$ 735,650
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore are not reported in the fund	604,728	1,758,839
Liabilities not payable with current available resources are not reported as fund liabilities in the governmental fund statements. Those liabilities consist of:		
Lease liability	-	(2,104,135)
Net Position of Governmental Activities	\$ 715,530	\$ 390,354

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

Lincoln-Marti Charter Schools, Inc.
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**Statements of Revenues, Expenditures and Changes in Fund Balance -
Governmental Fund**

<i>Year ended June 30,</i>	2026	2025
Revenues		
State FTE revenues	\$ 1,253,272	\$ 1,470,042
Local grants, other contributions, and other	1,095,566	1,480,779
Contributions of nonfinancial assets	247,276	243,665
Total Revenues	2,596,114	3,194,486
Expenditures		
Instruction	1,383,299	1,576,059
Student support services	30,498	37,418
Instruction and curriculum development services	14,515	21,160
School board	58,993	70,247
School administration	273,304	280,290
Fiscal services	100,886	134,425
Food services	185,738	216,040
Central services	20,649	6,228
Student transportation services	27,625	27,625
Operation of plant	670,181	546,414
Maintenance of plant	92,211	71,701
Debt service:		
Principal - lease liability	313,656	218,924
Interest - lease liability	49,407	103,719
Total Expenditures	3,220,962	3,310,250
Change in Fund Balance	(624,848)	(115,764)
Fund Balance, beginning of year	735,650	851,414
Fund Balance, end of year	\$ 110,802	\$ 735,650

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

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**Reconciliation of the Statements of Revenues, Expenditures and Changes in Fund
Balance of the Governmental Fund to the Statements of Activities**

<i>Year ended June 30,</i>	2026	2025
Amounts reported for governmental activities in the statements of activities are different because:		
Net change in fund balances - total governmental fund	\$ (624,848)	\$ (115,764)
Amount by which capital outlays exceeded depreciation/amortization	(496,408)	(632,175)
Principal paid on lease	313,656	218,924
Gain on lease termination	1,132,776	-
Change in Net Position of Governmental Activities	\$ 325,176	\$ (529,015)

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

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Notes to Basic Financial Statements

1. Reporting Entity and Summary of Significant Accounting Policies

Reporting Entity

On January 14, 2009, the Miami-Dade County School Board approved the application submitted by the Board of Directors of Lincoln-Marti Charter Schools, Inc. for the creation of Lincoln-Marti Charter School (Hialeah Campus Charter School) (the "School"). Lincoln-Marti Charter Schools, Inc. (the "Organization") is a non-profit organization incorporated under the laws of Florida to operate charter schools organized pursuant to Section 1002.33 of the Florida Statutes. The governing body of the School is the Organization's Board of Directors.

The School operates under a charter of the sponsoring school district, the Miami-Dade County School Board (the "School Board"). The School's charter was approved by the School Board on January 14, 2009 and is effective until June 30, 2029. The charter may be renewed for up to an additional five (5) years by mutual written agreement between the Organization and the School Board. At the end of the term of the charter, the School Board may choose not to renew the charter under grounds specified in the charter in which case the School Board is required to notify the Organization in writing at least 90 days prior to the charter's termination. Pursuant to Section 1002.33(8)(e), of the Florida Statutes, the charter school contract provides that in the event the School is dissolved or terminated, any unencumbered funds and all school property purchased with public funds automatically revert to the School Board. During the term of the charter, the School Board may also terminate the charter if good cause is shown.

Enrollment and Grade Configuration

School Name and Address	Grades	Enrollment
Lincoln-Marti Charter Schools (Hialeah Campus Charter School) 3550 W. 84 th Street Hialeah, FL 33018	K-12	147

Board of Directors

The Board of Directors of the Lincoln-Marti Charter Schools, Inc. consists of the following members:

Maria Denia Vasallo	President/Chairperson
Israel Salabarría	Vice President/Secretary
Yoryana Manrresa	Treasurer

Financial Statement Presentation

For financial reporting purposes, Hialeah Campus Charter School is a Charter School operated by Lincoln-Marti Charter Schools, Inc.

The financial statements present the government-wide statements, balance sheets and statements of revenues, expenditures and changes in fund balance for the Hialeah Campus Charter School of

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Lincoln-Marti Charter Schools, Inc. only and do not represent a complete presentation of the assets, liabilities, net position, statements of activities, and cash flows of the Organization. Accordingly, the accompanying financial statements are not intended to present the financial position of the Organization as of June 30, 2026 and 2025 or its changes in net position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Government-Wide and Fund Financial Statements

The School's government-wide financial statements (i.e., the statements of net position and the statements of activities) report information on all of the activities of the School. Governmental activities are supported by Full-Time Equivalent ("FTE") dollars and intergovernmental revenues.

The statements of activities demonstrate the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) Florida Department of Education ("FDOE") funding through the Florida Education Finance Program, 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function and 3) capital grants and contributions that are restricted to meeting the capital requirements of a particular function. FTE dollars and other items not properly included among program revenues are reported instead as general revenues.

The General Fund is the School's only operating fund and its only governmental fund. It accounts for all financial resources of the School.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The School's government-wide financial statements are reported using the economic resources measurement focus and the 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The School's fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting.

FTE dollars, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the School.

The School's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as applicable to state and local governments.

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Notes to Basic Financial Statements

The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Assets, Liabilities and Net Position

Cash and Cash Equivalents

The School considers all highly liquid investments with an original maturity of three months or less when purchased to be cash and cash equivalents. The School has no cash equivalents at June 30, 2026 and 2025.

Prepaid Expenses

Certain prepayments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in both government-wide and fund financial statements. The cost of prepaid expenses is recorded as expenditures/expenses when consumed rather than when purchased.

Due from Other Agencies and Grantors

The due from other agencies and grantors in the accompanying statements of net position and balance sheets-governmental fund represents capital outlay funds receivable from the School Board and outstanding monies owed from grantors. These receivables are considered to be fully collectible, and as such, no allowance for credit losses is recorded. For the years ended June 30, 2026 and 2025, the due from other agencies and grantors amounts are \$0 and \$45,000, respectively.

Capital Assets

Capital assets, which include right-to-use lease asset, improvements other than buildings and classroom furniture, fixtures, equipment and other, are reported in the government-wide financial statements. Capital assets are defined by the School as assets with an initial, individual or collective cost of more than \$750 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the School are depreciated/ amortized using the straight-line method over the following estimated useful lives:

Improvements Other Than Buildings	10 years
Classroom Furniture, Fixtures, Equipment and Other	3 - 7 years
Right-to-use lease asset	78 months

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Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statements of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) 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.

Leases

The School is party to one lease of a nonfinancial asset as a lessee. The School recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements.

At the commencement of a lease, the School initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the School determines (1) the discount rate used to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The School uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the School generally uses its estimated incremental borrowing rate as the discount rate for the lease. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of variable payments. There is no purchase option in the lease.

The School monitors changes in circumstances that would require a remeasurement of its lease and will remeasure lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of any lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statements of net position.

Fund Balance/Net Position

GASB defines fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints.

Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form (i.e. inventories and prepayments) or (b) are legally or contractually required to be maintained intact.

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Restricted - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the School's Board of Directors. These amounts cannot be used for any other purpose unless the School's Board of Directors removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned - This classification includes amounts that are constrained by the School's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the School's Board of Directors.

Unassigned - This classification consists of the fund balance for the General Fund. Unassigned amounts are the portion of fund balance which is not obligated or specifically designated and is available for any purpose.

The government-wide financial statements utilize a net position presentation. Net position is categorized as investment in capital assets (net of related debt), restricted and unrestricted.

Net Investment in Capital Assets - consists of capital assets, net of accumulated depreciation, less outstanding balances of any borrowings attributable to those assets.

Restricted Net Position - represent liquid assets (generated from revenues and not bond proceeds) which have third party (statutory, bond covenant or granting agency) limitations on their use. The School would typically use restricted net position first, as appropriate opportunities arise, but reserve the right to selectively defer the use thereof to a future project or for replacement equipment acquisition.

Unrestricted Net Position - consists of 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 use, it is the School's policy to use restricted resources first, then unrestricted resources as they are needed. When an expenditure is incurred for a purpose in which both restricted and unrestricted funds are available, the School considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the School considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the School has provided otherwise in its commitment or assigned actions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these

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estimates are based on management's knowledge of current events and actions it may undertake in the future, they may differ from actual results.

Revenue Sources

Revenues for current operations are received primarily from the School Board pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter, the School reports the number of full-time equivalent students and related data to the School Board. Under the provisions of Section 1011.62, of the Florida Statutes, the School Board reports the number of full-time equivalent students and related data to the FDOE funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the Florida Education Finance Program and the actual full-time equivalent students reported by the School during the designated full-time equivalent student survey periods.

Donated Revenue and Expense

The School records the value of donated goods when there is an objective basis available to measure the value. Donated items are reflected as contributions in the accompanying financial statements at their fair market values at date of receipt and consist of food contributed for the School's students. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the School. Donated use of facilities is recognized as in-kind revenue and expense based on the portion of the lease cost that is donated to the School in a given year. During the years ended June 30, 2026 and 2025, the School recognized donated revenue and expense of \$247,276 and \$243,665, respectively (Note 4).

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code") as a charitable organization whereby only unrelated business income, as defined by Section 509(a)(1) of the Code, is subject to federal income tax. The Organization currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded as of June 30, 2026 and 2025.

The Organization does not believe there are any material uncertain tax positions and, accordingly, it will not recognize the financial statement effects for unrecognized tax positions for the years ended June 30, 2026 and 2025. The Organization has filed for, and received, income tax exemptions in the jurisdictions where it is required to do so. Additionally, the Organization has filed IRS Form 990, as required, and all other applicable returns in jurisdictions when it is required.

Recent Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued several new accounting standards with upcoming implementation dates. The following new accounting standards were implemented by the School for the year ended June 30, 2026:

GASB Statement No. 103, Financial Reporting Model Improvements - The objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in

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providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. The School adopted this pronouncement on July 1, 2025. The adoption of this statement did not have a material effect on the School's financial statements.

GASB Statement No. 104, Disclosure of Certain Capital Assets - The objective of this statement is to provide users of government financial statements with essential information about certain types of capital assets. The statement will enable users to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments. The School adopted this pronouncement on July 1, 2025. The adoption of this statement did not have a material effect on the School's financial statements.

The GASB has issued a new accounting standard with an upcoming implementation date. Management has not fully evaluated the potential effects of this statement, and actual impacts have not yet been determined. The statement is as follows:

GASB Statement No. 105, Subsequent Events - Effective for year-end June 30, 2027. Earlier applications are encouraged. The objective of this statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users.

2. Cash

The School's cash includes cash held in a demand deposit account. At June 30, 2026 and 2025, the carrying amounts of the School's deposits were \$144,066 and \$715,936, respectively, while the bank balances of such deposits were \$161,656 and \$831,063, respectively. The School's deposits are insured up to \$250,000 by the Federal Deposit Insurance Corporation ("FDIC"). At times, bank balances are in excess of the FDIC coverage. As of June 30, 2025, the School's bank balances exceeded FDIC insured amounts by \$581,063. All cash in the bank is held in Qualified Public Depositories approved by the Office of the Chief Financial Officer of the State of Florida and is fully protected from loss in accordance with the Florida Security for Public Deposits Act (Chapter 280, Florida Statutes).

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3. Capital Assets

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

<i>Year ended June 30, 2026</i>	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Being Depreciated/ Amortized:				
Improvements other than buildings	\$ 759,806	\$ 128,455	\$ -	\$ 888,261
Right-to-use lease asset	5,130,091	-	(5,130,091)	-
Classroom furniture, fixtures, equipment and other	1,793,725	28,213	-	1,821,938
Total Capital Assets Being Depreciated/ Amortized	7,683,622	156,668	(5,130,091)	2,710,199
Less Accumulated Depreciation/ Amortization for:				
Improvements other than buildings	(514,474)	(14,503)	-	(528,977)
Right-to-use lease asset	(3,946,225)	(526,163)	4,472,388	-
Classroom furniture, fixtures, equipment and other	(1,464,084)	(112,410)	-	(1,576,494)
Total Accumulated Depreciation/ Amortization	(5,924,783)	(653,076)	4,472,388	(2,105,471)
Total Capital Assets Being Depreciated/ Amortized, Net	\$ 1,758,839	\$ (496,408)	\$ (657,703)	\$ 604,728

The following schedule provides a summary of changes in capital assets for the year ended June 30, 2025:

<i>Year ended June 30, 2025</i>	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Being Depreciated/ Amortized:				
Improvements other than buildings	\$ 600,393	\$ 159,413	\$ -	\$ 759,806
Right-to-use lease asset	5,130,091	-	-	5,130,091
Classroom furniture, fixtures, equipment and other	1,676,650	117,075	-	1,793,725
Total Capital Assets Being Depreciated/ Amortized	7,407,134	276,488	-	7,683,622
Less Accumulated Depreciation/ Amortization for:				
Improvements other than buildings	(500,827)	(13,647)	-	(514,474)
Right-to-use lease asset	(3,156,980)	(789,245)	-	(3,946,225)
Classroom furniture, fixtures, equipment and other	(1,358,313)	(105,771)	-	(1,464,084)
Total Accumulated Depreciation/ Amortization	(5,016,120)	(908,663)	-	(5,924,783)
Total Capital Assets Being Depreciated/ Amortized, Net	\$ 2,391,014	\$ (632,175)	\$ -	\$ 1,758,839

Expenditures for capital assets during the fiscal years ended June 30, 2026 and 2025 were \$156,668 and \$276,488, respectively. For the years ended June 30, 2026 and 2025, depreciation and amortization expense was charged to functions/programs of the School as follows:

<i>Year ended June 30,</i>	2026	2025
Governmental activities:		
Operation of plant	\$ 653,076	\$ 908,663

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4. Contributions of Nonfinancial Assets

Contributed nonfinancial assets (in-kind donations) during the years ended June 30, 2026 and 2025 were as follows:

Nonfinancial Asset	Revenue Recognized		Utilization in Programs/Activities	Valuation Techniques/Inputs
	June 30, 2026	June 30, 2025		
Food	\$ 185,738	\$ 216,040	Student Meal Program	The School estimated the fair value of donated food based on estimated wholesale prices of identical or similar products if purchased in the region.
Contributed services - Transportation	27,625	27,625	Student Transportation Program	The School estimated the fair value of donated transportation services based on the rate charged to related charter schools for similar services.
Management fees	33,913	-	Management fees	The School determined the fair value of donated management fees from the management agreement. The management company forgave four months of management fees during the year ended June 30, 2026.
	\$ 247,276	\$ 243,665		

5. Leases

In 2017, the School entered into a multi-year lease agreement as a lessee for the School's premises, with D.P. Real Estate Holdings, LLC ("DP"), a related party. The lease went into effect on May 1, 2017. The School is responsible for the leasehold improvements, repairs and maintenance, and the insurance of the properties. The lease term is for a period of nine years, expiring in December 2026, and includes a provision for escalating annual rentals based on a rate of 4% per year.

As of March 1, 2026, DP forgave lease payments through December 2026, detailing the School has no obligation to pay the forgiven rent. This lease modification resulted in the removal of the lease liability and right-of-use asset as of June 30, 2026, with 4 months of forgiven rent during the year ended June 30, 2026. The gain recognized due to the forgiveness of the remainder of the lease was \$1,132,776, equal to the difference between the forgiven lease liability of \$1,790,479 and the unamortized right of use lease asset balance of \$657,703 as of March 1, 2026.

An initial lease liability was recorded in the amount of \$5,130,091 as of July 1, 2020, using an annual interest rate of 4.5%. As of June 30, 2026 and 2025, the outstanding balance on the lease liability is \$0 and \$2,104,135, respectively. An initial right-to-use lease asset was recorded in the amount of \$5,130,091 as of July 1, 2020. The value of the right-to-use lease asset, net of accumulated amortization of \$0 and \$3,946,225, was \$0 and \$1,183,866 at June 30, 2026 and 2025, respectively.

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Notes to Basic Financial Statements

The following schedule provides a summary of changes in the lease liability:

<i>Year ended June 30,</i>	2026	2025
Balance, at beginning of year	\$ 2,104,135	\$ 2,323,059
Additions	-	-
Principal payments and forgiven principal	(2,104,135)	(218,924)
Balance, at end of year	-	2,104,135
Less: current portion	-	(920,425)
Long-term portion	\$ -	\$ 1,183,710

6. Commitments and Contingencies

Risk Management

The School is exposed to various risks of loss related torts, theft of, damage to and destruction of assets, errors and omissions and natural disasters for which the School carries property and liability insurance. Settlement amounts do not exceed insurance coverage. In addition, there have been no reductions of insurance coverage during the 2026 and 2025 fiscal years.

Management Services Agreement

The School entered into a five-year management agreement with a charter management company, Educational Management Associates, LLC (“EMA”), a related party, to provide management and administrative services to the School. The agreement expires on June 30, 2028. On July 1, 2023, the agreement was modified providing for changes in the management fee structure requiring the School to pay, as compensation, a management fee of \$577.24 per FTE student per annum. Management fee expense during the fiscal years 2026 and 2025 was approximately \$84,000 and \$101,000, respectively, which is included in fiscal services on the statements of activities. During the year ended June 30, 2026, EMA forgave 4 months of management fees. The forgiven management fees are shown as Contributions of nonfinancial assets on the statements of activities. See also Note 4.

Management Company Information:

Name and Address
Educational Management Associates, LLC
2700 SW 8th Street
Miami, FL 33135

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Notes to Basic Financial Statements

7. Related Party Transactions

Related party transactions occurred during the current and prior year with the following entities:

School Board

Pursuant to the Charter School Agreement with the School Board, the School Board is paid an administrative fee of up to five percent (5%) of the qualifying revenues of the School. During the years ended June 30, 2026 and 2025, approximately \$59,000 and \$70,000, respectively, was paid to the School Board for administrative fees. Pursuant to the Charter School Agreement with the School Board, the School receives from the School Board an FTE for each full-time equivalent student enrolled. There were 147 and 173 full-time students enrolled during the years ended June 30, 2026 and 2025, respectively. The School also receives other allowances based upon students enrolled.

D.P. Real Estate Holdings, LLC ("DP")

The School is related to DP as a result of the School and DP sharing common management. During the years ended June 30, 2026 and 2025, lease payments for the rental of the School property between DP and the School were approximately \$573,000 and \$244,000, respectively. During the year ended June 30, 2026, DP forgave 4 months of rent payments for the School. The forgiven rent payments are shown as Contributions of nonfinancial assets on the statements of activities. See also Notes 4 and 5. During the year ended June 30, 2025, the School paid three months of rent and settled with DP to pay the remaining nine months of rent at the maturity of the lease. This was included within the lease liability at June 30, 2025. Then as of March 1, 2026, DP forgave all rent due under the agreement, therefore 4 months for the year ended June 30, 2026, and the remainder of the lease through December 2026.

U.S. Community Transportation, Inc.

The School is a related party to U.S. Community Transportation, Inc. ("USCT") as a result of sharing common management. The School incurred transportation expenses under the terms of the transportation agreement with USCT of approximately \$28,000 during each of the years ended June 30, 2026 and 2025. The total amount of the transportation fees is considered in-kind revenue and expense as USCT contributed these services to the School.

Lincoln-Marti Community Agency, Inc.

The School is a related party to Lincoln-Marti Community Agency, Inc. ("LMCA") as a result of the terms and conditions of the meal program and sharing common management. The School participates in a meal program with LMCA, who purchases, prepares and delivers the food to the School for students that are eligible. The School recorded \$185,738 and \$216,040 in food services as an in-kind revenue and expense during the years ended June 30, 2026 and 2025, respectively. (Note 4)

8. Employee Benefit Plan

Commencing October 2024, the Organization offers the Lincoln-Marti Charter Schools 401(k) Profit Sharing Plan (the "Plan"), a defined contribution retirement plan, to all employees with no minimum service requirement through Pension Services, Inc. Employees are eligible to participate

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immediately upon commencement of employment. The Organization has the authority to amend the benefit provisions and contribution requirements of the Plan. Participants direct the investment of their contributions and associated employer matching contributions into various investment options offered by the Plan. Employees may contribute up to 100% of gross wages. The School contributes an employer match equal to 100% of the employees' contributions that are not in excess of 3%; plus 50% of the employees' contributions that exceed 3% but that do not exceed 5%. Employer contributions vest as follows: 20% after two years, 40% after three years, 60% after four years, 80% after five years, and 100% after 6 years. Employer contributions by the School to the Plan were \$5,301 and \$5,140 for the years ended June 30, 2026 and 2025, respectively.

9. Subsequent Events

The School has evaluated subsequent events through August 27, 2026, which is the date the financial statements were available to be issued and there were no subsequent events requiring adjustments to the financial statements or disclosures stated herein.

Required Supplementary Information

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Budgetary Comparison Schedule

<i>Year ended June 30, 2026</i>	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
State FTE revenues	\$ 1,663,248	\$ 1,663,248	\$ 1,253,272	\$ (409,976)
Local grants, other contributions, and other	1,013,603	1,013,603	1,095,566	81,963
Contributions of nonfinancial assets	-	-	247,276	247,276
Total Revenues	2,676,851	2,676,851	2,596,114	(80,737)
Expenditures				
Instruction	1,467,555	1,467,555	1,383,299	84,256
Student support services	37,216	37,216	30,498	6,718
Instruction and curriculum development services	10,291	10,291	14,515	(4,224)
School board	31,827	31,827	58,993	(27,166)
School administration	326,545	326,545	273,304	53,241
Fiscal services	26,523	26,523	100,886	(74,363)
Food services	236,156	236,156	185,738	50,418
Central services	-	-	20,649	(20,649)
Student transportation services	-	-	27,625	(27,625)
Operation of plant	239,339	239,339	670,181	(430,842)
Maintenance of plant	52,727	52,727	92,211	(39,484)
Debt service	212,180	212,180	363,063	(150,883)
Total Expenditures	2,640,359	2,640,359	3,220,962	(580,603)
Change in Fund Balance	36,492	36,492	(624,848)	(661,340)
Fund Balance, beginning of year	735,650	735,650	735,650	-
Fund Balance, end of year	\$ 772,142	\$ 772,142	\$ 110,802	\$ (661,340)

See accompanying note to budgetary comparison schedule.

Lincoln-Marti Charter Schools, Inc.
Hialeah Campus Charter School
(A Charter School under Lincoln-Marti Charter Schools, Inc.)

Budgetary Comparison Schedule

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
<i>Year ended June 30, 2025</i>	Original	Final	Actual	
Revenues				
State FTE revenues	\$ 1,614,804	\$ 1,614,804	\$ 1,470,042	\$ (144,762)
Local grants, other contributions, and other	984,081	984,081	1,480,779	496,698
Contributions of nonfinancial assets	-	-	243,665	243,665
Total Revenues	2,598,885	2,598,885	3,194,486	595,601
Expenditures				
Instruction	1,424,810	1,424,810	1,576,059	(151,249)
Student support services	35,080	35,080	37,418	(2,338)
Instruction and curriculum development services	11,043	11,043	21,160	(10,117)
School board	30,900	30,900	70,247	(39,347)
School administration	317,034	317,034	280,290	36,744
Fiscal services	25,750	25,750	134,425	(108,675)
Food services	229,278	229,278	216,040	13,238
Central services	-	-	6,228	(6,228)
Student transportation services	-	-	27,625	(27,625)
Operation of plant	238,368	238,368	546,414	(308,046)
Maintenance of plant	51,191	51,191	71,701	(20,510)
Debt service	200,000	200,000	322,643	(122,643)
Total Expenditures	2,563,454	2,563,454	3,310,250	(746,796)
Change in Fund Balance	35,431	35,431	(115,764)	(151,195)
Fund Balance, beginning of year	851,414	851,414	851,414	-
Fund Balance, end of year	\$ 886,845	\$ 886,845	\$ 735,650	\$ (151,195)

See accompanying note to budgetary comparison schedule.

Lincoln-Marti Charter Schools, Inc.
Hialeah Campus Charter School
(A Charter School under Lincoln-Marti Charter Schools, Inc.)

Notes to Budgetary Comparison Schedules

1. Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. All annual appropriations lapse at year-end. The original budget and any subsequent amendments are approved by the Board of Directors. For the years ended June 30, 2026 and 2025, there were no amendments to the original budget; as such, no column is presented for the variance between original and final budgeted amounts.

2. Excess of Expenditures over Appropriations

For the year ended June 30, 2026, expenditures exceeded appropriations in the following functions of the general fund by the amounts listed below:

Function	Amount which Expenditures Exceeded Appropriations
Instruction and curriculum development services	\$ (4,224)
School board	(27,166)
Fiscal services	(74,363)
Central services	(20,649)
Student transportation services	(27,625)
Operation of plant	(430,842)
Maintenance of plant	(39,484)
Debt service	(150,883)

For the year ended June 30, 2025, expenditures exceeded appropriations in the following functions of the general fund by the amounts listed below:

Function	Amount which Expenditures Exceeded Appropriations
Instruction	\$ (151,249)
Student support services	(2,338)
Instruction and curriculum development services	(10,117)
School board	(39,347)
Fiscal services	(108,675)
Central services	(6,228)
Student transportation services	(27,625)
Operation of plant	(308,046)
Maintenance of plant	(20,510)
Debt service	(122,643)

Lincoln-Marti Charter Schools, Inc.
Hialeah Campus Charter School
(A Charter School under Lincoln-Marti Charter Schools, Inc.)

Notes to Budgetary Comparison Schedules

3. Actual Budget Results

Budgetary Revenues

Differences - final budget to actual:

For the year ended June 30, 2026, the School received less State FTE revenues than budgeted due to lower than expected enrollment. The School did not budget for donated food, transportation services, or management services, which are reported as contributions of nonfinancial assets.

For the year ended June 30, 2025, the School received more local grants, other contributions, and other revenue than budgeted for due to more referendum monies and ESSER (Elementary and Secondary School Emergency Relief Fund) monies received than expected. The School did not budget for donated food and transportation services, which are reported as contributions of nonfinancial assets.

Budgetary Expenditures

Differences - final budget to actual:

For the year ended June 30, 2026, the School experienced greater than budgeted expenditures for the operation of plant due to more building improvements needed than expected. Debt service expenditures were greater than budgeted due to under-budgeting of principal and interest payments due for the lease.

For the year ended June 30, 2025, the School experienced greater than budgeted expenditures for the operation of plant due to more building improvements needed than expected. Debt service expenditures were greater than budgeted due to under-budgeting of principal and interest payments due for the lease. Instruction expenditures exceeded the budget due to higher than expected enrollment.

Supplementary Auditor's Reports



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
Lincoln-Marti Charter Schools, Inc.
Hialeah Campus Charter School
(A Charter School under Lincoln-Marti Charter Schools, Inc.)
Miami, 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 major fund of Lincoln-Marti Charter Schools, Inc. Hialeah Campus Charter School (the "School") (a Charter School under Lincoln-Marti Charter Schools, 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, and have issued our report thereon dated August 27, 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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.

BDO USA, P.C.

Miami, Florida
August 27, 2026



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Management Letter in Accordance with the Rules of the Auditor General of The State of Florida

Board of Directors
Lincoln-Marti Charter Schools, Inc.
Hialeah Campus Charter School
(A Charter School under Lincoln-Marti Charter Schools, Inc.)
Miami, Florida

Report on the Financial Statements

We have audited the financial statements of Lincoln-Marti Charter Schools, Inc. Hialeah Campus Charter School (the "School"), (a Charter School under Lincoln-Marti Charter Schools, Inc.), as of and for the fiscal year ended June 30, 2026, and have issued our report thereon dated August 27, 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 Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in this report, which is dated August 27, 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 recommendations or findings made in the preceding annual financial audit report.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are Lincoln-Marti Charter Schools, Inc. (Hialeah Campus Charter School); 5007.



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 the School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the 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 the School. It is management's responsibility to monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

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

Transparency

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

Additional Matters

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

Purpose of This Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, Miami-Dade County School Board, 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.

BDO USA, P.C.

Miami, Florida
August 27, 2026