AVANT GARDE ACADEMY, INC.
D/B/A VICTORY CHARTER SCHOOL

KISSIMMEE, FLORIDA
(A CHARTER SCHOOL AND COMPONENT UNIT OF THE
OSCEOLA COUNTY SCHOOL BOARD)

BASIC FINANCIAL STATEMENTS, INDEPENDENT
AUDITOR'S REPORT AND SUPPLEMENTAL
INFORMATION

FOR THE YEAR ENDED JUNE 30, 2026

AVANT GARDE ACADEMY, INC.
D/B/A VICTORY CHARTER SCHOOL
BASIC FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION
JUNE 30, 2026

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AVANT GARDE ACADEMY, INC.
D/B/A VICTORY CHARTER SCHOOL
(A CHARTER SCHOOL AND COMPONENT UNIT OF THE OSCEOLA COUNTY SCHOOL BOARD)

2880 N Orange Blossom Trail
Kissimmee, FL 34741
(321) 697-3800

2025-2026

BOARD OF DIRECTORS

Ms. Elaine Perez, Board Chair
Mr. Antonio Cejas, Treasurer
Mr. Nabin Timilsina, Vice-Chair
Ms. Erin Anding, Member

Ms. Maria DaSilva – Parent Contact

SCHOOL ADMINISTRATION

Ms. Jazmin Glogovac, Principal

GUTIERREZ MADARIAGA
CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Avant Garde Academy, Inc. d/b/a Victory Charter School
Kissimmee, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund and the aggregate information of Avant Garde Academy, Inc. d/b/a Victory Charter School (the "School") (a not-for-profit organization), a charter 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 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, each major fund and the aggregate information of the 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* (GAS), 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 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 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 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.

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 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 20, 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 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.

Gutierrez Madariaga, CPA P.A.

GUTIERREZ MADARIAGA, CPA P.A.
Coral Gables, Florida
September 20, 2026

Management's Discussion and Analysis
Avant Garde Academy, Inc. d/b/a Victory Charter School

June 30, 2026

The corporate officers of Avant Garde Academy, Inc. d/b/a Victory Charter School (the "School") have prepared this narrative overview and analysis of the School's financial activities for the fiscal year ended June 30, 2025.

FINANCIAL SUMMARY

1. The School had a net position of $952,825 at June 30, 2026.
2. The School had an decrease of $13,412 in its net position for the year ended June 30, 2026.
3. The School had current assets of $1,235,602 at June 30, 2026.
4. The School's unassigned fund balance at June 30, 2026 was $822,419.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's financial statements for the year ended June 30, 2026 are presented in accordance with GASB Codification Section 2200. 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.

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 *Statement of Net Position* presents information on all of the School's assets and liabilities. The difference between the two is reported as *net position*. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the School is improving or deteriorating.

The *Statement of Activities* presents information on how the School's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event resulting in the change occurs, without regard to the timing of related cash flows. Accordingly, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 10 – 11 of this report.

Fund Financial Statements

A "fund" is a collection of related accounts grouped to maintain control over resources that have been segregated for specific activities, projects, or objectives. The School, like other state and local governments, uses fund accounting to ensure and report compliance with finance-related legal requirements. All of the funds of the School are governmental funds. *Governmental Funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements.

Governmental Fund financial statements, however, focus on *near-term* inflows and outflows of spendable resources, as well as on the balances of spendable resources which are available at the end of the fiscal year. Such information may be used to evaluate a government's requirements for near-term financing.

Prior to the start of the School's fiscal year, the Board of the School adopts an annual budget for all of its governmental funds, if applicable. A budgetary comparison statement has been provided for the School's general fund to demonstrate compliance with the School's budget.

Notes to Financial Statements

The notes to the financial statements 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 financial statements can be found on pages 16 - 23 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, over time net position may serve as a useful indicator of a school's financial position. A summary of the School's net position as of June 30, 2026 and June 30, 2025 follows:

Assets	2026	2025
Cash and cash equivalents	$ 1,198,248	$ 160,151
Due from governmental agencies and accounts receivable	37,354	1,024,593
Deposits receivable and other assets	14,635	14,635
Capital assets, net	130,406	126,223
Total Assets	$ 1,380,643	$ 1,325,602
Liabilities and Net Position		
Accounts and wages payable and accrued liabilities	$ 427,818	$ 311,865
Judgement payables	-	47,500
Total Liabilities	427,818	359,365
Invested in capital assets, net of related debt	130,406	126,223
Deficit in unrestricted	822,419	840,014
Total Net Position	952,825	966,237
Total Liabilities and Net Position	$ 1,380,643	$ 1,325,602

At June 30, 2026, the School's total assets were $1,380,643 and total liabilities were $427,818 At June 30, 2026, the School reported a positive total net position of $952,825.

A summary and analysis of the School's revenues and expenses for the year ended June 30, 2026 and June 30, 2025 follows:

REVENUES	2026	2025
Program Revenues		
Operating grants & contributions	$ 222,081	$ 246,342
Capital grants & contributions	642,688	571,506
General Revenues		
State and local sources	5,459,440	5,825,266
Other revenue	425,517	1,253,383
Total Revenues	$ 6,749,726	$ 7,896,497
EXPENSES		
Instructional services	$ 3,190,122	$ 3,278,840
Instructional support services	3,549	18,575
Instruction & curriculum services	21,540	9,090
Instruction-related technology	9,750	6,875
Board	51,910	27,220
General administration	131,377	282,053
School administration	836,555	843,137
Central services	92,818	91,924
Operation of plant	1,593,589	1,640,678
Maintenance of plant	73,803	158,772
Fiscal services	643,652	678,145
Administrative technology services	114,473	149,323
Total Expenses	$ 6,763,138	$ 7,184,632
Change in Net Position	(13,412)	711,865
Net Position at Beginning of Year	966,237	254,372
Net Position at End of Year	$ 952,825	$ 966,237

The School's total revenues for the year ended June 30, 2026 decreased by $1,146,771 due to the recording of ERTC revenues in prior year of approximately $1,066,000. The School's total expenses decreased by $421,494. The School's enrollment was approximately 700 students during the school year.

SCHOOL LOCATION

The School operates in the Kissimmee area located at 2880 N Orange Blossom Trail, Kissimmee, FL 34741.

CAPITAL IMPROVEMENT REQUIREMENT

The School maintains a continuous capital improvements program to enhance facilities and update fixtures and equipment as required.

FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

The focus of the School's *governmental funds* 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.

Most of the School's operations are funded in the General Fund. The majority of the General Fund revenues are distributed to the School by the District through the Florida Education Finance Program (FEFP), which uses formulas to distribute state funds and an amount of local property taxes (i.e., required local effort) established each year by the Florida Legislature.

At the end of the fiscal year, the School's governmental General Fund reported ending fund balance of $822,419. The fund balance unassigned and available for spending at the School's discretion is $807,784. These funds will be available for the School's future ongoing operations.

A summary and analysis of the General and Capital Projects Fund's revenues, expenditures and changes in fund balance for the years ended 2026 and 2025 follows:

	General Fund		Capital Projects Fund	
	2026	2025	2026	2025
Total Revenues	$ 5,884,957	$ 7,078,649	$ 642,688	$ 571,506
Total Expenditures	5,902,552	6,255,245	642,688	571,506
Excess (deficit) of revenues over expenditures	(17,595)	823,404	-	-
Other Financing Sources (Uses)				
Proceeds from debt issuance	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net change in fund balance	(17,595)	823,404	-	-
Fund balance at beginning of year	840,014	16,610	-	-
Fund balance at end of year	$ 822,419	$ 840,014	$ -	$ -

CAPITAL ASSETS

The School's investment in capital assets, as of June 30, 2026, amounts to $130,406 (net of accumulated depreciation). This investment in capital assets includes leasehold improvements, furniture, fixtures and equipment.

CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

The School's enrollment for the school year was 700 students. The enrollment for the upcoming school year is expected to remain stable at approximately 700 students, consistent with prior year levels.

Management considered currently known facts, decisions, and conditions that are expected to have a significant effect on the School's financial position or to produce significant differences from current year results of operations. Based on that evaluation, management is not aware of any such matters that require disclosure.

REQUESTS FOR INFORMATION

This financial report is intended to provide a general overview of the finances of the School. Requests for additional information may be addressed to Jeffrey Hernandez at the School's address.

AVANT GARDE ACADEMY, INC. D/B/A VICTORY CHARTER SCHOOL
STATEMENT OF NET POSITION
JUNE 30, 2026

	Governmental Activities
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	$ 1,198,248
Due from other agencies	37,354
TOTAL CURRENT ASSETS	1,235,602
CAPITAL ASSETS, NET	130,406
Deposit receivable and other assets	14,635
TOTAL ASSETS	$ 1,380,643
LIABILITIES AND NET POSITION	
LIABILITIES	
Accounts payable and accrued liabilities	$ 304,780
Accrued wages payable	123,038
TOTAL CURRENT LIABILITIES	427,818
NET POSITION	
Net investment in capital assets	130,406
Unrestricted	822,419
TOTAL NET POSITION	952,825
TOTAL LIABILITIES AND NET POSITION	$ 1,380,643

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

AVANT GARDE ACADEMY, INC. D/B/A VICTORY CHARTER SCHOOL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2026

Functions	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	$3,190,122	$ -	$ 222,081	$ -	$ (2,968,041)
Instructional support services	3,549	-	-	-	(3,549)
Instruction and curriculum development services	21,540	-	-	-	(21,540)
Instruction-related technology	9,750	-	-	-	(9,750)
Board	51,910	-	-	-	(51,910)
General administrative	131,377	-	-	-	(131,377)
School administration	836,555	-	-	-	(836,555)
Fiscal services	643,652	-	-	-	(643,652)
Central services	92,818	-	-	-	(92,818)
Operation of plant	1,593,589	-	-	642,688	(950,901)
Maintenance of plant	73,803	-	-	-	(73,803)
Administrative technology services	114,473	-	-	-	(114,473)
Total Governmental Activities	$6,763,138	$ -	$ 222,081	$ 642,688	$ (5,898,369)

GENERAL REVENUES:	
State and local sources	5,459,440
Miscellaneous revenue	425,517
Total general revenues	5,884,957
Change in Net Position	(13,412)
NET POSITION - BEGINNING	966,237
NET POSITION - ENDING	$ 952,825

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

AVANT GARDE ACADEMY, INC. D/B/A VICTORY CHARTER SCHOOL
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2026

	General Fund	Capital Projects Fund	Non-Major Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 1,198,248	$ -	$ -	$ 1,198,248
Due from other agencies	37,354	-	-	37,354
Accounts receivable	-	-	-	-
Deposit receivable and other assets	14,635	-	-	14,635
TOTAL ASSETS	$ 1,250,237	$ -	$ -	$ 1,250,237
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued liabilities	$ 304,780	$ -	$ -	$ 304,780
Accrued wages payable	123,038	-	-	123,038
TOTAL LIABILITIES	427,818	-	-	427,818
FUND BALANCE				
Nonspendable				
Deposit receivable and other assets	14,635	-	-	14,635
Unassigned	807,784	-	-	807,784
TOTAL FUND BALANCE	822,419	-	-	822,419
TOTAL LIABILITIES AND FUND BALANCE	$ 1,250,237	$ -	$ -	$ 1,250,237

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

AVANT GARDE ACADEMY, INC. D/B/A VICTORY CHARTER SCHOOL
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT OF NET POSTION
JUNE 30, 2026

Total Fund Balance - Governmental Funds		$ 822,419
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets, net of accumulated depreciation used in governmental activities are not financial resources and, therefore, are not reported in the fund.		
	Capital assets	1,269,345
	Accumulated depreciation	(1,138,939)
Total Net Position - Governmental Activities		$ 952,825

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

AVANT GARDE ACADEMY, INC. D/B/A VICTORY CHARTER SCHOOL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2026

	General Fund	Capital Projects Fund	Non-Major Funds	Total Governmental Funds
REVENUES				
State passed through local	$ 5,459,440	$ -	$ -	$ 5,459,440
Federal passed through local	-	-	222,081	222,081
State capital outlay funding	-	642,688	-	642,688
Other income	425,517	-	-	425,517
TOTAL REVENUES	$ 5,884,957	$ 642,688	$ 222,081	$ 6,749,726
EXPENDITURES				
Current:				
Instruction	$ 2,968,041	$ -	$ 222,081	$ 3,190,122
Instructional support services	3,549	-	-	3,549
Instruction and curriculum development services	21,540	-	-	21,540
Instruction-related technology	9,750	-	-	9,750
Board	51,910			51,910
General administrative	55,559	-	-	55,559
School administration	836,555	-	-	836,555
Fiscal services	643,652	-	-	643,652
Central services	92,818	-	-	92,818
Operation of plant	950,901	642,688	-	1,593,589
Maintenance of plant	73,803	-	-	73,803
Administrative technology services	114,473	-	-	114,473
Capital Outlay:				
Other capital outlay	80,001	-	-	80,001
TOTAL EXPENDITURES	$ 5,902,552	$ 642,688	$ 222,081	$ 6,767,321
Excess of revenues over expenditures	(17,595)	-	-	(17,595)
Fund balance at beginning of year	840,014	-	-	840,014
Fund balance at end of year	$ 822,419	$ -	$ -	$ 822,419

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

AVANT GARDE ACADEMY, INC. D/B/A VICTORY CHARTER SCHOOL
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

Change in Fund Balance - Governmental Funds		$ (17,595)
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 outlays	80,001
	Depreciation expense	(75,818)
Change in Net Position of Governmental Activities		$ (13,412)

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

NOTE 1 – ORGANIZATION AND OPERATIONS

Reporting Entity

The Victory Charter School (the "School") is a charter school under Avant Garde Academy, Inc., and is a component unit of the District School Board of Osceola County, Florida (the "District"). The School's charter is held by Avante Garde Academy, Inc., a not-for-profit corporation, organized pursuant to Chapter 617, Florida Statutes, the Florida Not For Profit Corporation Act, and Section 1002.33, Florida Statutes. The governing body of the School is the Board of Directors which is comprised of not less than three members.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, the District School Board of Osceola County, Florida. The current charter is effective until June 30, 2028. At the end of the term of the charter, the District Board may choose not to renew the charter under grounds specified in the charter, in which case the District Board is required to notify the School in writing at least 90 days prior to the School's expiration. During the term of the charter, the School Board may also terminate the charter if good cause is shown. The charter may be renewed annually by mutual agreement.

These financial statements are for the year ended June 30, 2026, when approximately 700 students were enrolled in grades 6th through 12th grade.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Based on the guidance provided in the American Institute of Certified Public Accountants Audit and Accounting Guide – Audits per State and Local Governments and provisions of Florida Statutes, the School is presented as a governmental organization for financial statement reporting purposes under standards set by the Governmental Accounting Standards Board ("GASB").

Government-wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information for the School as a whole. Both statements report only governmental activities as the School does not engage in any business type activities. These statements 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. Program revenues include: (1) charges for services which report fees, (2) operating grants and contributions which finance annual operating activities, and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. Other revenue sources not properly included with program revenues are reported as general revenues.

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, liabilities, equity, revenues and expenditures. Major and non-major individual governmental funds, namely, the general, special revenue and capital project funds are reported as separate columns in the fund financial statements:

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

General Fund – is the School's primary operating fund. The General Fund accounts for all financial resources not accounted for and reported in another fund.

Special Revenue Fund – used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service and capital projects.

Capital Projects Fund – used to account for financial resources used for the acquisition or construction of major capital facilities and for the proceeds and related expenditures of charter school capital outlay funding.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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 Guidelines.*

The government-wide statements report 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. Revenues from non-exchange transactions are reported according to Governmental Accounting Standards Board (GASB) Codification Section 1600.111 and Section N50 *"Accounting and Financial Reporting for Non-Exchange Transactions."* On the accrual basis, revenues from grants and donations are recognized 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 current liabilities. 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. 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 long-term debt principal and interest which are reported as expenditures in the year due.

Budgetary Basis Accounting

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., salaries, purchased services, and capital outlay). Any revisions to the annual budget are approved by the Board.

Cash and Cash Equivalents

The School's cash is considered to be cash on hand and demand deposits, with original maturities of three months or less.

Due from Other Agencies

Due from other agency consists of amounts due from other governmental units for revenues from federal, federal through state, state, or other sources.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets, Depreciation and Amortization

Capital assets purchased or acquired are carried at historical cost or estimated historical cost. The School capitalization levels are $1,000 on tangible personal property. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the costs and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives, in years, for depreciable assets are as follows:

Furniture and equipment	3-5 Years
Computer equipment and software	3-5 Years

Compensated Absences

In accordance with GASB Statement No. 101, Compensated Absences, the School recognizes a liability for leave when:

1. The leave is attributable to services already rendered by employees;
2. The leave accumulates and can be carried forward to future reporting periods;
3. It is more likely than not that the leave will be used for time off, paid in cash, or settled through other non-cash means.

The School grants a specific number of days of sick/personal leave. Full-time employees are eligible to earn 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 cannot "rollover" unused days for use in future benefit years. There was no accrual required for the year ended June 30, 2026.

The School also provides certain days to be used for specific personal matters such as family death and jury duty. Because the use of such days is contingent upon those events taking place and such events are out of the control of both the employer and the employee, there is no accrual for such days.

Government-wide Net Position

Government-wide net position are divided into three components:

- Net investment in capital assets – consists of the historical cost capital assets less accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition or improvement of those assets plus deferred outflows of resources less deferred inflows of resources.
- Restricted net assets – consists of net assets with constraints placed on their use either by external groups such as creditors, grantors, contributors or laws or regulations of other governments less related liabilities and deferred inflows of resources.
- Unrestricted – all other net position is reported in this category.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

- Non-spendable – fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
- Restricted – fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- 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.
- Assigned – fund balance classification are intended to be used by the School's management for specific purposes but do not meet the criteria to be classified as restricted or committed.
- Unassigned – fund balance is the residual classification for the School's general fund and includes all spendable amounts not contained in the other classifications.

Order of Fund Balance Spending Policy

The School's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance at the end of the fiscal year by adjusting journal entries. First non-spendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then any remaining fund balance amounts for the non-general funds are classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purposes amounts exceed the positive fund balance for the non-general fund. As of June 30, 2026, there are no minimum fund balance requirements for any of the School's funds.

Revenue Sources

Revenues for operations will be received primarily from the District School Board of Osceola County (the "School Board") pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the School will report the number of full-time equivalent (FTE) students and related data to the School Board. Under the provisions of Section 1011.62, Florida Statutes, the School Board reports the number of the full-time equivalent (FTE) students and related data to the Florida Department of Education (FDOE) for 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 weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey periods. In addition, the School receives an annual allocation of charter school capital outlay funds for leasing of School facilities.

The School may also receive 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 expensed. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

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

Use of Estimates

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

Subsequent Events

The School has evaluated subsequent events and transactions for potential recognition or disclosure through September 20, 2026, which is the date the financial statements were available to be issued.

Adopted Accounting Pronouncements

During the current fiscal year, the School implemented Governmental Accounting Standards Board (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 the effectiveness of financial reporting in providing information that is essential for decision-making and assessing accountability.

The implementation of GASB Statement No. 103, *Financial Reporting Model Improvements* resulted in changes to the presentation and related disclosures of the School's financial statements, as applicable, including requirements related to management's discussion and analysis, budgetary comparison information, and the presentation and classification of certain financial statement items.

Implementation of GASB Statement No. 104

The School evaluated and implemented the requirements of GASB Statement No. 104, *Disclosure of Certain Capital Assets* for the year ended June 30, 2026. The implementation of both statements did not have a material effect on the School's beginning net position or fund balance.

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:

Capital Assets	Balance July 1, 2025	Additions	Deletions	Balance June 30, 2026
Buildings and fixed equipment	$ 13,000	$ 80,001	$ -	$ 93,001
Furniture and equipment	1,176,344	-	-	1,176,344
Total Capital Assets	$ 1,189,344	$ 80,001	$ -	$ 1,269,345
Less Accumulated Depreciation				
Buildings and fixed equipment	$ (6,500)	$ (1,300)	$ -	$ (7,800)
Furniture and equipment	(1,056,621)	(74,518)	-	(1,131,139)
Total Accumulated Depreciation	$ (1,063,121)	$ (75,818)	$ -	$ (1,138,939)
Capital Assets, net	$ 126,223	$ 4,183	$ -	$ 130,406

Depreciation expense for the year ended June 30, 2026 was $75,818, which was allocated to general and administrative.

NOTE 5 – COMMITMENTS AND CONTINGENCIES

The School entered into a management agreement with National Academic Educational Partners, Inc. ("NAEP") to provide professional management and consulting services to the School. In its capacity, as the School's management company, NAEP manages the day to day educational, financial and operational affairs and aspects of the School. NAEP makes recommendations to the School's independent board of directors which make the final determinations regarding polices and contracts.

In providing these management services to the School, officers of NAEP may not serve as members of the Board of Directors of the School. The agreement began on July 1, 2019, and is in effect through June 30, 2029 with an option to renew. The contract can be terminated by either party with 60 days' notice. The contract calls for a management fees of 12% of full time equivalent (FTE) revenues based on the School's enrollment. During the year-ended June 30, 2026, the School incurred management fees of $64. During the year ended June 30, 2024, NAEP entered into a recoverable grant agreement in the amount of $230,643 for management fees. These amounts will be repaid only if the School meets certain financial criteria in future years.

NOTE 5 – COMMITMENTS AND CONTINGENCIES (Continued)

Facilities:

Victory Charter School K5, Inc., a separate but related party, entered into a lease agreement for the current facilities on July 1, 2020. The lease expires on July 31, 2040. The School entered into annual sublease agreement with Victory Charter School K5, Inc. (current leaseholder) for the shared use of its current educational facilities. The School pays Victory Charter School K5, Inc. monthly based on the ratio of student enrollment in each school over the total enrollment multiplied by the total rent due for the year. The annual rent calls for a base amount each year plus an additional amount for each student in excess of a certain amount, which changes per year. For the year ended June 30, 2026, the combined rent due from both schools was $1,300,000. The portion paid by Victory Charter School was approximately $910,000 for the year ended June 30, 2026. Based on the projection of enrollment for the 2026-2027 school year and its commitment to pay Victory Charter School K-5, Inc. for its shared use of the facilities, the School has estimated approximately $980,000 of rent payments in the 2026-2027 school year.

NOTE 6 – DUE TO RELATED PARTY

During the year ended June 30, 2026, the School pays Victory Charter School K5, Inc. for its share of the facility usage. In addition, certain payments for expenses are shared amongst the two schools and reimbursements are received for the shared costs. At June 30, 2026, total amounts due to Victory K5, Inc. was $6,100.

NOTE 7 – DEPOSITS POLICY AND CREDIT RISK

It is the School's policy to maintain its cash and cash equivalents in one financial institution. Deposits at FDIC-insured financial institutions are insured up to $250,000 per depositor, per financial institution. The School is a charter school under Avant Garde Academy, Inc. All bank accounts are opened under the account ownership of Avant Garde 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 $948,248.

NOTE 8 – JUDGEMENT PAYABLES

In March 2021, the School entered into mediated settlement agreement with a previous property owner for $237,500 commencing with payments on July 1, 2021 and ending on December 31, 2025. The balance at June 30, 2026 was $0.

The following schedule provides a summary of changes in the above judgement payable for the year ended June 30, 2026:

	Balance July 1, 2025	Additions	Payments	Balance June 30, 2026
Judgement payable	$ 47,500	$ -	$ 47,500	$ -
	$ 47,500	$ -	$ 47,500	$ -

NOTE 9 – CERTAIN RISK DISCLOSURES

The School receives the majority of its operating revenue from per-pupil funding provided by the District, based on the number of full-time equivalent (FTE) students enrolled. Changes in enrollment levels or modifications to the State of Florida's funding formula or allocation procedures could affect the School's ability to provide educational services or meet financial obligations. The School also receives grant funds from various federal, state, and local agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not reflected in these financial statements.

In addition, the School is exposed to various risks of loss related to torts, thefts of, damage to and destruction of assets, errors, omissions, and natural disasters for which the School carries commercial insurance. Settlement amounts have not exceeded insurance coverage in the past. In addition, there were no reductions in insurance coverage from those in the prior year. The School does not sponsor a public entity risk pool and has had no settlements that have exceeded their insurance coverage.

The School leases its educational facility from a landlord as noted in Note 5 under a long term lease agreement. Relocation to another suitable facility within the School's geographic service area could be difficult in the event of nonrenewal or termination of the lease.

REQUIRED SUPPLEMENTAL INFORMATION

AVANT GARDE ACADEMY, INC. D/B/A VICTORY CHARTER SCHOOL
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2026

	General Fund				
	Budgeted Amounts		Variance with Original Budget - over (under)	Actual Amounts Budgetary (and	Variance with Final Budget - over (under)
	Original	Final Budget	Final Budget	GAAP) Basis	Actual Amounts
REVENUES					
State and local sources	$ 5,570,849	$ 5,570,849	$ -	$ 5,459,440	$ (111,409)
Charges for services and other income	55,400	55,400	-	425,517	370,117
TOTAL REVENUES	5,626,249	5,626,249	-	5,884,957	258,708
EXPENDITURES					
Instruction	2,679,309	2,679,309	-	2,968,041	288,732
Instructional support services	-	-	-	3,549	3,549
Instructional curriculum development	15,000	15,000	-	21,540	6,540
Instructional related technology services	10,000	10,000	-	9,750	(250)
Board	50,000	50,000	-	51,910	1,910
General administrative	40,000	40,000	-	55,559	15,559
School administration	807,109	807,109	-	836,555	29,446
Fiscal services	668,502	668,502	-	643,652	(24,850)
Central services	92,803	92,803	-	92,818	15
Operation of plant	1,031,113	1,031,113	-	1,030,902	(211)
Maintenance of plant	75,000	75,000	-	73,803	(1,197)
Administrative technology services	117,462	117,462	-	114,473	(2,989)
TOTAL EXPENDITURES	5,586,298	5,586,298	-	5,902,552	316,254
Change in fund balance before other financing sources	39,951	39,951	-	(17,595)	(57,546)
Other financing sources, net	-	-	-	-	-
Net change in fund balance	$ 39,951	$ 39,951	$ -	$ (17,595)	$ (57,546)

AVANT GARDE ACADEMY, INC. D/B/A VICTORY CHARTER SCHOOL
NOTES TO BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2026

NOTE A – BUDGETARY INFORMATION

Budgetary basis of accounting

The School's annual budget is adopted for the entire operations at the combined governmental level and may be amended by the Board. The budget presented for the year ended June 30, 2026, has been amended according to Board procedures. During the fiscal year, expenditures were controlled at the fund level.

Although budgets are adopted for the entire operation, budgetary comparisons have been presented for the general, special revenue and capital outlay funds for which a legally adopted budget exists.

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., salaries, purchased services, and capital outlay).

NOTE B – ACTUAL BUDGET RESULTS – GENERAL FUND

	General Fund over (under)
BUDGETARY REVENUES - GENERAL FUND	
Differences - original budget to final budget	
There were no significant differences between the original and final budget.	N/A
Differences - final budget to actual	
Charges for services and other income - The School received approximately $256,000 of ERTC funds during the year that was not included in the budget.	$ 370,117
BUDGETARY EXPENDITURES - GENERAL FUND	
Differences - original budget to final budget	
There were no significant differences between the original and final budget.	N/A
Differences - final budget to actual	
Instruction - The School had additional instructional salaries and instructional materials.	$ 288,732

GUTIERREZ MADARIAGA
CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

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

Board of Directors of
Avant Garde Academy, Inc. d/b/a Victory Charter School
Kissimmee, 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, each major fund, and the aggregate remaining fund information of Avant Garde Academy, Inc. d/b/a Victory Charter 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 20, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Gutierrez Madariaga, CPA P.A.

GUTIERREZ MADARIAGA, CPA P.A.
Coral Gables, Florida
September 20, 2026

GUTIERREZ MADARIAGA
CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

MANAGEMENT LETTER

Board of Directors of
Avant Garde Academy, Inc. d/b/a Victory Charter School
Kissimmee, Florida

Report on the Financial Statements
We have audited the financial statements of Avant Garde Academy, Inc. d/b/a Victory Charter School (the "School"), as of and for the fiscal year ended June 30, 2026, and have issued our report thereon dated September 20, 2026.

Auditor's Responsibility
We conducted our audit in accordance with auditing standards generally accepted in the United States of America; and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; 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 Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in that report, which is dated September 20, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings
Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding 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 of the entity and the school code assigned by the Florida Department of Education of the school is Avant Garde Academy, Inc. d/b/a Victory Charter School #490155.

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 financials 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 the review of financial information provided by same. The financial condition assessment procedures applied in connection with our audit, has lead us to believe that the School's overall financial condition as of June 30, 2025 is not deteriorating. It should be noted that although there was a deficit for the year ended June 30, 2025, the School has a combined total positive fund balance and expects a surplus in the next fiscal year to strengthen the financial position of the School.

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

Transparency

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the 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 the 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, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

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

Gutierrez Madariaga, CPA P.A.

GUTIERREZ MADARIAGA, CPA P.A.
Coral Gables, Florida
September 20, 2026