

AMIkids, Inc. and Affiliates

COMBINED FINANCIAL STATEMENTS AND SCHEDULES

Year ended June 30, 2024

(With comparative information for 2023)

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REPORT





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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
AMikids, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying combined financial statements of AMikids, Inc. and Affiliates (the "Organization"), which comprise the combined statement of financial position as of June 30, 2024, and the related combined statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of AMikids, Inc. and Affiliates as of June 30, 2024, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the combined 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 the combined financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplemental schedules, as described in the table of contents, are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2024, on our consideration of AMIkids, Inc. and Affiliates' 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering AMIkids, Inc. and Affiliates' internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited the AMIkids, Inc. and Affiliates' 2023 combined financial statements, and we expressed an unmodified audit opinion on those audited combined financial statements in our report dated November 13, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended is consistent, in all material respects, with the audited combined financial statements from which it has been derived.

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

CARR, RIGGS & INGRAM, LLC

Tampa, Florida

December 4, 2024



FINANCIAL STATEMENTS



AMIkids, Inc. and Affiliates
Combined Statements of Financial Position

<i>June 30,</i>	2024	2023
Assets		
Cash and cash equivalents	\$ 30,181,865	\$ 27,119,608
Investments	4,914,467	3,844,688
Accounts receivable:		
Funding agencies	6,317,461	5,054,217
Other	224,290	1,052,099
Contributions receivable	63,822	109,292
Prepaid expenses and other assets	2,834,174	2,751,065
Assets held for sale	183,626	183,626
Boat inventory	9,108,445	6,304,865
Boats under lease	19,391,499	22,614,207
Beneficial interest in assets held by others	656,178	593,572
Operating lease right-of-use assets, net	931,783	814,677
Finance lease right-of-use assets, net	668,809	682,918
Property and equipment, net	12,442,895	12,396,936
Total assets	\$ 87,919,314	\$ 83,521,770
Liabilities and Net Assets		
Liabilities:		
Lines of credit	\$ 6,250,000	\$ 6,250,000
Accounts payable	1,425,145	846,748
Accrued expenses	11,561,823	10,259,314
Accrued pension	2,800,189	2,547,878
Deferred revenues	4,346,623	4,754,318
Refundable advances	295,960	62,991
Security deposits	4,565,663	6,081,728
Operating lease liabilities	833,618	815,018
Finance lease liabilities	556,158	681,296
Notes payable	2,624,945	2,498,656
Total liabilities	35,260,124	34,797,947
Net assets:		
Without donor restrictions	44,549,379	41,220,000
With donor restrictions	8,109,811	7,503,823
Total net assets	52,659,190	48,723,823
Total liabilities and net assets	\$ 87,919,314	\$ 83,521,770

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

AMIkids, Inc. and Affiliates Combined Statements of Activities

<i>For the years ended June 30,</i>	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Summarized Total
Public support and revenue				
Federal support	\$ 6,778,901	\$ -	\$ 6,778,901	\$ 4,922,263
State support	48,698,531	-	48,698,531	43,203,947
Regional revenue	7,098,381	-	7,098,381	6,191,639
Nongovernmental	251,825	28,500	280,325	234,187
Service revenue	717,468	-	717,468	910,330
Contributions	2,641,345	3,186,570	5,827,915	5,571,581
Total public support	66,186,451	3,215,070	69,401,521	61,033,947
Revenue:				
Boat program	29,034,786	-	29,034,786	19,773,774
Investment income	1,313,687	35,765	1,349,452	691,919
Other	466,090	-	466,090	1,111,150
Total revenue	30,814,563	35,765	30,850,328	21,576,843
Net assets released from restrictions	2,644,847	(2,644,847)	-	-
Total public support and revenue	99,645,861	605,988	100,251,849	82,610,790
Expenses				
Program services	64,188,304	-	64,188,304	57,770,590
Boat program	23,421,817	-	23,421,817	15,456,508
Management and general	7,871,903	-	7,871,903	7,691,887
Fundraising	834,458	-	834,458	741,380
Total expenses	96,316,482	-	96,316,482	81,660,365
Change in net assets	3,329,379	605,988	3,935,367	950,425
Net assets, beginning of year	41,220,000	7,503,823	48,723,823	47,773,398
Net assets, end of year	\$ 44,549,379	\$ 8,109,811	\$ 52,659,190	\$ 48,723,823

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

AMIkids, Inc. and Affiliates

Combined Statements of Functional Expenses

	Program Services						Supporting Services				2024 Total	2023 Summarized Total	
	Residential Treatment	Day Treatment	Family Services	Service Coordination	Other	Programs subtotal	Boat Program	Management and General	Fundraising	Support Services subtotal			
<i>For the years ended June 30,</i>													
Direct	\$ 2,311,118	\$ 2,178,386	\$ 42,455	\$ 10	\$ -	\$ 4,531,969	\$ 3,798	\$ 216	\$ -	\$ 4,014	\$ 4,535,983	\$ 3,615,592	
Salary and Wages	14,044,417	12,762,413	3,465,496	487,377	-	30,759,703	747,284	3,081,738	491,595	4,320,617	35,080,320	31,994,529	
Payroll Benefits	2,042,996	1,564,396	517,812	56,095	-	4,181,299	133,614	779,324	79,076	992,014	5,173,313	5,451,282	
Payroll Taxes	1,046,048	954,890	252,582	38,468	-	2,291,988	36,987	218,762	39,803	295,552	2,587,540	2,386,004	
Professional Fees	152,246	449,763	116,621	42,967	-	761,597	793,825	1,193,767	97,900	2,085,492	2,847,089	2,953,595	
Grants Awarded Expense	37,140	110,853	-	9,001,659	-	9,149,652	-	-	-	-	9,149,652	5,948,232	
Advertising and Promotion	2,651	62,211	614	-	-	65,476	29,438	4,974	1,495	35,907	101,383	199,461	
Amortization	21,878	240,008	992	-	-	262,878	24,288	865	-	25,153	288,031	245,298	
Provision for Credit Losses and Other Losses	-	-	-	-	-	-	-	294,656	-	294,656	294,656	112,088	
Fundraising Fees	56,421	57,056	19	-	-	113,496	98	-	1,308	1,406	114,902	104,500	
Conferences, Conventions, and Meetings	265,400	257,552	306,942	5,195	-	835,089	2,197	552,184	24,505	578,886	1,413,975	1,231,179	
Depreciation	441,576	762,140	17,993	52,624	256,882	1,531,215	81,957	91,667	-	173,624	1,704,839	1,407,168	
Facilities	463,372	408,784	96,630	7,824	-	976,610	-	40,720	-	40,720	1,017,330	1,146,825	
Insurance	1,162,388	1,389,100	343,151	36,765	4,013	2,935,417	595,663	334,759	-	930,422	3,865,839	3,858,103	
Interest Expense and Bank Charges	-	-	-	-	276	276	497,929	284,417	2,108	784,454	784,730	621,179	
Office Supplies	23,297	57,127	1,492	-	6,083	87,999	106,746	298,414	13,398	418,558	506,557	347,201	
Other Expenses	735,683	719,302	111,146	10,373	-	1,576,504	1,252,692	484,315	53,541	1,790,548	3,367,052	2,650,462	
Repairs and Maintenance	1,001,287	868,455	12,231	-	558	1,882,531	1,269,010	116,931	2,484	1,388,425	3,270,956	3,077,694	
Taxes	87,547	7,202	904	-	3,872	99,525	12,338	2,362	-	14,700	114,225	97,113	
Telecommunication	127,665	145,855	61,505	5,555	-	340,580	4,925	11,724	1,407	18,056	358,636	385,581	
Travel Expenses	392,570	187,265	310,558	7,527	-	897,920	249,128	44,487	25,838	319,453	1,217,373	1,132,853	
Utilities	588,487	307,224	8,983	1,886	-	906,580	16,687	35,621	-	52,308	958,888	1,121,270	
Commissions	-	-	-	-	-	-	4,264,837	-	-	4,264,837	4,264,837	2,386,487	
Dockage	-	-	-	-	-	-	501,844	-	-	501,844	501,844	260,942	
Amortization or boats on charter	-	-	-	-	-	-	4,791,839	-	-	4,791,839	4,791,839	6,112,383	
Cost of sales	-	-	-	-	-	-	8,004,693	-	-	8,004,693	8,004,693	2,813,344	
Total Expenses	\$ 25,004,187	\$ 23,489,982	\$ 5,668,126	\$ 9,754,325	\$ 271,684	\$ 64,188,304	\$ 23,421,817	\$ 7,871,903	\$ 834,458	\$ 32,128,178	\$ 96,316,482	\$ 81,660,365	

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

AMIkids, Inc. and Affiliates Combined Statements of Cash Flows

<i>For the years ended June 30,</i>	2024	2023
Cash flows from operating activities:		
Change in net assets	\$ 3,935,367	\$ 950,425
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities:		
Depreciation and amortization	6,784,709	7,764,849
Net loss/(gain) on disposal/impairment of property and equipment and assets held for sale	(59,418)	18,188
Donated boat inventory	(11,848,785)	(7,909,943)
Donated property and equipment	(149,683)	-
Unrealized gains on investments	(682,484)	(274,863)
Provision for credit losses	294,656	112,088
(Increase) decrease in:		
Accounts receivable	(730,091)	(1,563,083)
Contributions receivable	45,470	295,021
Prepaid expenses and other assets	(83,109)	571,591
Boats under lease	7,476,074	3,485,540
Increase (decrease) in:		
Accounts payable	578,397	(413,771)
Accrued expenses	1,302,509	1,591,557
Operating lease liabilities	68,268	340
Accrued pension	252,311	181,087
Deferred revenues	(407,695)	(1,672,462)
Refundable advances	232,969	20,000
Security deposits	(1,516,065)	(630,960)
Net cash and cash equivalents provided by operating activities	5,493,400	2,525,604
Cash flows from investing activities:		
Purchases of property and equipment	(1,903,027)	(1,665,340)
Proceeds from sale of property and equipment and assets held for sale	264,353	142,339
Proceeds from sale of investments	179,509	259
Purchases of investments	(629,410)	(238,574)
Net cash and cash equivalents used in investing activities	(2,088,575)	(1,761,316)
Cash flows from financing activities:		
Net borrowings (repayments) on lines of credit	-	1,219,990
Proceeds from new borrowings from third parties	2,496,505	2,102,345
Payments on notes payable	(2,370,216)	(2,932,464)
Payments on finance lease liabilities	(468,857)	(403,462)
Net cash and cash equivalents used in financing activities	(342,568)	(13,591)
Net increase in cash and cash equivalents	3,062,257	750,697
Cash and cash equivalents at beginning of year	27,119,608	26,368,911
Cash and cash equivalents at end of year	\$ 30,181,865	\$ 27,119,608
Cash paid for interest	\$ 784,730	\$ 621,179
Supplemental disclosure of noncash investing and financing activities:		
Lease liabilities arising from obtaining right-of-use assets		
Operating lease	\$ 224,554	\$ 946,970
Finance lease	\$ 343,719	\$ 629,274

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

AMIkids, Inc. and Affiliates

Notes to Combined Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

AMIkids, Inc., AMIkids Foundation, Inc., and affiliated member institutes and schools, non-profit corporations (collectively referred to as “AMIkids” or the “Organization”), are engaged in the rehabilitation of troubled youth by providing education, treatment and behavior modification as components of the AMIkids Personal Growth Model[®]. These services are performed by AMIkids through over forty affiliated, but independently governed member institutes and schools located in Alabama, Florida, Georgia, Louisiana, New Mexico, North Carolina, South Carolina, Texas and Virginia. The educational component of AMIkids, Inc. and the affiliated institutes and schools are accredited by Cognia, a global accrediting agency dedicated to advancing excellence in schools, universities, and educational agencies. AMIkids’ operating funds are primarily generated from state and federal contracts. AMIkids, Inc. executes the majority of contracts, collects funds, coordinates the operations, and maintains the records of these member institutes and schools.

As part of the combined group, AMIkids Foundation, Inc. supports the group in raising funds and investment management.

Continued operation of AMIkids’ programs is dependent on funding from state, federal and local agencies.

Basis of Presentation

The accompanying combined financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

The combined financial statements include the accounts of AMIkids, Inc., AMIkids Foundation, Inc., and affiliated member institutes and schools. All significant intercompany balances and transactions have been eliminated.

Net Assets

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

AMIkids, Inc. and Affiliates Notes to Combined Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets (Continued)

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and capital assets reserve.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to allowance for credit losses, fair value of investments and net realizable value of boat inventory.

Program Services

The Organization's program services consist of the following:

Residential treatment - As an alternative to prison or an institutional setting for youth that have committed crimes, AMIkids' juvenile justice residential programs combine education, behavior modification, and mental health treatment to address the needs of troubled youth. AMIkids' programs help youth redirect their lives. This produces safer communities and youth who become successful tax paying members of society. AMIkids' juvenile justice residential programs provide intensive guidance and round-the-clock staff-secure supervision, attention and care. The average length of stay is six months, but some youth stay up to twelve months.

AMIkids, Inc. and Affiliates Notes to Combined Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

AMIkids' child welfare residential programs provide services to youth who struggle with acclimating to the foster care system and society in general. Youth are given the opportunity to transform their lives through positive and motivating programming that inspires learning, leadership and personal growth. Caring, positive staff role models provide youth with the tools they need to transition into successful home placement or an independent living program

Day treatment - Youth are referred to the AMIkids' day programs by juvenile justice agencies, school districts, the courts, foster care agencies, parents, or they self-enroll. Youth live at home while in AMIkids day programs and this gives our staff the opportunity to address current issues in both the home and neighborhood. Youth attend three to five days per week for a period ranging from approximately four months to a year. Gender specific and/or evidenced-based intervention models are combined with education to address the educational, behavioral, and mental health needs that have kept youth from becoming productive members of their local communities. Youth participate in community service projects and are taught the value of being productive members of their communities.

Family services - the functional family therapy programs help over 600 youth and their families each year to improve family dynamics, communication and support, while decreasing negativity and dysfunctional patterns of behavior. This involves working with parents on developing parenting skills, improving family communications, controlling critical risk factors, and developing positive social behaviors. The FFT programs are highly successful in helping youth develop into responsible and productive citizens with improved family dynamics.

Service coordination – AMIkids' service coordination programs partners with local or state agencies to develop and manage a continuum of community based and residential services from subcontracted direct service providers. Currently, AMIkids provides regional service coordination for the Virginia Department of Juvenile Justice as part of their transformation initiative.

Cash and Cash Equivalents

Cash and cash equivalents represent cash and highly liquid investments with original maturities of three months or less.

AMIkids, Inc. and Affiliates

Notes to Combined Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and Investment Income

Investments are recorded at cost at the time of purchase. Donated securities are recorded at fair value at the time of donation. Subsequent changes in fair value, regardless of how an investment is obtained, are determined based on quoted market prices and values provided by the investment sponsors, and are recorded as unrealized gains and losses. Net appreciation (depreciation) of investments reflects the net realized and unrealized gains and losses of investments during the reporting period. Interest and dividends are recorded as earned. Dispositions of securities are reflected in the combined financial statements as of the trade date.

Beneficial Interest in Assets Held by Others

Beneficial interest in assets held by others consist of funds held by the Community Foundation of Tampa Bay and the Manatee Community Foundation (“Community Foundations”), unrelated organizations. The Community Foundations are an external investment pool, where the Organization has a beneficial interest in the investment pool and no individual securities. The Organization has no control over investment pricing or investment selection within the investment pool.

Accounts Receivable

Accounts receivable consists primarily of receivables from federal and state agencies and county school boards. AMIkids reviews outstanding receivables for collectability based on historical payment history from the payer and any known circumstances casting doubt over the collectability of accounts and reserves for amounts considered to be uncollectible. AMIkids considers accounts receivable to be fully collectible and therefore no material allowance has been recorded. Amounts becoming uncollectible will be charged against the allowance for credit losses when that determination is made.

Contributions Receivable

Unconditional promises to give the Organization in cash or other assets in the future are recorded as contribution revenue (with donor restriction) and contributions receivable. If management expects the cash from the contribution receivable to be received more than one year in the future, the contribution revenue and receivable are discounted for the time value of money (i.e., net present value) at a discount rate of 3.3% for June 30, 2024 and 2023. Management estimates the allowance for uncollectible promises based on historical write-offs. Management writes off contributions receivable as identified.

AMIkids, Inc. and Affiliates Notes to Combined Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions Receivable (Continued)

In accordance with general accepted accounting principles, pledges are reported at net realizable value in the initial year and a discount is recorded. These pledges are not revalued in subsequent years and the Organization has not elected the fair value option. The discount amortization is recognized as contribution revenue in subsequent years.

Boat Inventory

Boat inventory is recorded at net realizable value, as of June 30, 2024 and 2023, and was \$9,108,445 and \$6,304,865, respectively. Net realizable value is estimated based on third party appraisals, broker valuations, management's experience with the boat charter industry and estimated selling expenses are based on management's historical relationship with brokers. Net realizable values are reviewed quarterly by management and are reduced for impairment when necessary. Adjustments to net realizable values are recorded as a reduction in boat program revenue if the adjustment is made during the year of the donation and as an increase in boat program expense if made in subsequent years. Normal expenditures for repairs and maintenance of boats are expensed as incurred.

Boats under Lease

AMIkids leases its boats to third parties under operating leases for periods of up to three years. The operating leases contain options to purchase the boat at the end of the charter period for the fair value estimated by management at lease inception, with all of the lease payments applied to the purchase price. Revenues are recognized as received except for security deposits, the option fee, and short-term lease payments, an additional payment made for the one year period commencing on the lease commencement date. Security deposits are recorded as a liability and are recognized as revenue if and when the purchase option is exercised. The option fee and short-term lease payments are amortized over the life of the lease. If the purchase option is not exercised, the boat is returned to AMIkids, Inc. and the security deposit is returned to the lessee after deducting all necessary expenses for the boat to be in the same condition as at time of initiation of the lease. Lease commission and inventory value are deferred and amortized over the life of the lease and other direct costs are expensed as incurred.

AMikids, Inc. and Affiliates
Notes to Combined Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Boats under Lease (Continued)

Future minimum lease payments due under operating leases during fiscal years 2025, 2026 and 2027 are approximately \$2,826,000, \$1,936,000 and \$1,047,000, respectively. At June 30, 2024 and 2023, the unexercised purchase options were approximately \$7,684,000 and \$11,758,000, respectively. The gross value and accumulated amortization on leased property as of June 30, 2024 was \$23,257,478 and \$4,990,651, respectively. The net leased property of \$19,433,319 includes \$1,166,492 of unamortized commission. The gross value and accumulated amortization on leased property as of June 30, 2023 was \$32,553,113 and \$11,001,727, respectively. The net leased property of \$22,614,207 includes \$1,062,821 of unamortized commission. Amortization of boats under lease amounted to approximately \$4,796,000 and \$6,112,000 for the years ended June 30, 2024 and 2023, respectively. Amortization does not include the book value of boats optioned or sold to buyers, which was approximately \$7,744,693 and \$2,439,368 for the years ended June 30, 2024 and 2023, respectively.

Property and Equipment

Property and equipment are stated at cost if purchased or at estimated fair value at date of receipt if donated. Property and equipment transferred to an institute or school by a funding agency are stated at estimated fair value at date of transfer. Property and equipment transferred or acquired with grant funds may revert to the funding agency should the institute or school no longer provide the services required by the contract. At the time property is retired, or otherwise disposed of, the asset and related accumulated depreciation are removed from the accounts and any resulting gain or loss is included in earnings. Repairs and maintenance are expensed when incurred.

Depreciation and amortization is calculated using the straight-line method over the following estimated useful lives of the assets (shorter of estimated useful life or term of the lease as to leasehold improvements) as follows:

Permanent site improvements	3-30 years
Buildings and leasehold improvements	5-30 years
Furniture, fixtures and equipment	3-5 years
Motor vehicles	3-5 years
Boats, motors and trailers	3 years
Swimming pools	10 years

AMIkids, Inc. and Affiliates
Notes to Combined Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets Held for Sale

As of June 30, 2024 and 2023, the Organization intends to sell the following properties and has classified the net book value of the land, building and improvements as held for sale on the combined statements of financial position:

Institute	Property held for sale as of June 30,	2024	2023
Gainesville	Land, buildings and improvements	\$ 63,626	\$ 63,626
Virginia Wilderness	Land, buildings and improvements	120,000	120,000
		\$ 183,626	\$ 183,626

Impairment of Long-Lived Assets and Assets Held for Sale

AMIkids reviews all long-lived assets, which consist primarily of property and equipment, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net undiscounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the discounted cash flows. Recoverability of assets held for sale is measured by a comparison of the assets' carrying value to its fair value and any excess of its carrying value over fair value is recorded as impairment.

Deferred Revenue

Deferred revenue is related to short-term boat lease payments and boat option fees collected in advance of revenue recognition.

Refundable Advances

Refundable advances are related to grant funding received in advance of incurring the related expenses.

Leases

The Organization leases office space, equipment, and vehicles. The Organization determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets and operating lease liabilities on the combined statements of financial position. Finance leases are included in finance lease right-of-use (ROU) assets and finance lease liabilities on the combined statements of financial position.

AMIkids, Inc. and Affiliates

Notes to Combined Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, the Organization uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

In determining the discount rate used to measure the right-of-use asset and lease liability, the Organization uses rates implicit in the lease, or if not readily available, the Organization uses the incremental borrowing rate. The incremental borrowing rate is based on an estimated secured rate comprised of a risk-free rate plus a credit spread as secured by the Organization's assets. Determining a credit spread as secured by the Organization's assets may require significant judgment.

In evaluating contracts to determine if they qualify as a lease, Management considers factors such as if the Organization has obtained substantially all of the rights to the underlying asset through exclusivity, if the Organization can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

Use of Facilities

Facilities provided by a funding agency and other donors to an institute or school for use during the term of its contract are recorded as an in-kind contribution and rental expense in the financial statements in the period in which the facilities are utilized by the institute or school. The amounts recorded in each period of use by the institute or school represent the difference between the fair rental value of the facilities and the stated amount of the rent payments. The stated amount of the rent payments is generally zero. In-kind rental contributions and the related rental expense were approximately \$443,000 and \$430,000 for the years ended June 30, 2024 and 2023, respectively, and are reflected as contribution revenue and rent and utilities expense, respectively, in the accompanying combined financial statements.

Public Support and Revenue

Public support is primarily from AMIkids' contracts with various state agencies. Contracts with state agencies generally provide funding based on client service days. Other public support represents amounts received from federal and local sources.

AMIkids, Inc. and Affiliates

Notes to Combined Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Public Support and Revenue (Continued)

A significant portion of AMIkids' and the Institute's grants and contracts are from government agencies. These benefits received by the public as a result of the assets transferred is not equivalent to commensurate value received by the government agencies and are therefore not considered exchange transactions. Public support contracts are analyzed for measurable performance-related barriers or other measurable barriers, primarily client service days or expenditure of resources on allowable costs. Revenue is recognized as barriers are met. Funds received from non-exchange transactions in advance of barriers being met are recorded as deferred revenues.

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Contributions received with donor-imposed restrictions are initially recorded as increases in net assets with donor restrictions.

Donated Services

Amounts are reported in the financial statements for voluntary donations of services when those services create or enhance non-financial assets or require specialized skills provided by the individuals possessing those skills and would be typically purchased if not provided by donation. For the years ended June 30, 2024 and 2023, donated services were approximately \$153,000 and \$131,000, respectively.

Functional Allocation of Expenses

Directly identifiable expenses are charged to programs and supporting services. Certain costs have been allocated among program services and supporting services. Salaries are allocated based on the time and effort expended between program and supporting services. Rent and Utilities and Equipment and Maintenance costs are allocated based on the ratio allocation of salaries between program and management and general.

Income Taxes

AMIkids, Inc., AMIkids Foundation, Inc., and affiliated member institutes and schools are exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. There is minimal income tax associated with unrelated business income mainly from the lease of donated boats.

AMIkids, Inc. and Affiliates Notes to Combined Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes (Continued)

The Organization identifies and evaluates uncertain tax positions, if any, and recognizes the impact of uncertain tax positions for which there is a less than more-likely-than-not probability of the position being upheld when reviewed by the relevant taxing authority. Such positions are deemed to be unrecognized tax benefits and a corresponding liability is established on the combined statements of financial position. The Organization has not recognized a liability for uncertain tax positions. If there were an unrecognized tax benefit, the Organization would recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. The Organization's tax years subject to examination by the Internal Revenue Service generally remain open for three years from the date of filing.

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which is often referred to as the CECL model, or current expected credit losses. Among other things, the amendments in this ASU require the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Financial institutions and other organizations will now use forward-looking information to better inform their credit loss estimates. Many of the loss estimation techniques applied today will still be permitted, although the inputs to those techniques will change to reflect the full amount of expected credit losses. In addition, the ASU amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration.

The Organization adopted ASU 2016-13 on July 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in enhanced disclosures only.

Subsequent Events

Management has evaluated subsequent events through the date that the combined financial statements were available to be issued, December 4, 2024. See Note 20 for relevant disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these combined financial statements.

AMIkids, Inc. and Affiliates
Notes to Combined Financial Statements

NOTE 2: COMPARATIVE FINANCIAL INFORMATION

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization’s combined financial statements for the year ended June 30, 2023, from which the summarized information was derived.

NOTE 3: CONTRIBUTIONS RECEIVABLE

Contributions receivable at June 30, 2024 are summarized as follows:

Expected receipt of contribution in:	2024	2023
2024		77,994
2025	45,079	48,000
2026	20,000	
Gross contributions receivable	65,079	125,994
Less allowance for credit losses	(1,257)	(16,702)
Net contributions receivable	\$ 63,822	\$ 109,292

NOTE 4: BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

Board Designated Funds

During 2019, the Organization created a Non-Profit Organization Agency Fund. The fund was created with a contribution of \$75,000. The fund investments are under the direction of the Manatee Community Foundation and will be for the benefit of AMIkids Manatee, Inc. The agency funds are considered net assets without donor restrictions. The Organization has the ability to direct the Community Foundation as to distributions. The intent of the Organization is to distribute funds to AMIkids Manatee for its unrestricted use.

During 2020, the Organization created an AMIkids Endowment Fund. The fund was created with a contribution of \$400,000. The fund investments are under the direction of the Community Foundation of Tampa Bay and will be for the benefit of AMIkids Foundation, Inc. The fund investments are under the direction of the Community Foundation. The intent of this fund is to maintain the corpus and to make distributions from investment appreciation. The funds are considered net assets with donor restrictions. The Organization has the ability to distribute all dividends and interest less investment fees for educational services and to support the AMIkids organization.

AMIkids, Inc. and Affiliates
Notes to Combined Financial Statements

NOTE 4: BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS (Continued)

Donor Restricted Funds

The activity for the beneficial interest in assets held by others for the years ended June 30, 2024 and 2023 is the following:

	Without Donor Restrictions	With Donor Restrictions	Total
June 30, 2023			
Board designated funds	\$ 99,235	\$ -	\$ 99,235
Donor restricted funds	-	494,337	494,337
Total	\$ 99,235	\$ 494,337	\$ 593,572
June 30, 2024			
Board designated funds	\$ 112,008	\$ -	\$ 112,008
Donor restricted funds	-	544,170	544,170
Total	\$ 112,008	\$ 544,170	\$ 656,178
June 30, 2022			
	\$ 90,284	\$ 451,153	\$ 541,437
Net depreciation (realized and unrealized)	8,951	43,184	52,135
June 30, 2023	99,235	494,337	593,572
Net appreciation (realized and unrealized)	12,773	49,833	62,606
June 30, 2024	\$ 112,008	\$ 544,170	\$ 656,178

AMIkids, Inc. and Affiliates Notes to Combined Financial Statements

NOTE 5: FAIR VALUE MEASUREMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the organization has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
 - observable; or
 - can be corroborated by observable market data.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2024 and 2023.

Level 1 Fair Value Measurements:

Level 1 investments include certificates of deposits, pooled equity funds, pooled fixed income funds, equity securities and government securities valued based on quoted market prices.

Level 3 Fair Value Measurements:

Level 3 assets consist of beneficial interest in assets held by others managed by a third-party unrelated organization. The beneficial interest in assets held by others are valued based on third-party pricing information without adjustment. The Organization does not develop nor are they provided with the quantitative inputs used to develop the fair market values. See activity of beneficial interest in assets held by others in Note 4.

AMIkids, Inc. and Affiliates Notes to Combined Financial Statements

NOTE 5: FAIR VALUE MEASUREMENTS (Continued)

The following tables present assets measured at fair value on a recurring basis for the years ended June 30, 2024 and 2023, respectively:

	Fair Value	Fair Value Measurements at Reporting Date Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
June 30, 2024				
Assets				
Investments				
Certificates of deposits	\$ 515,262	\$ 515,262	\$ -	\$ -
Pooled equity funds	772,752	772,752	-	-
Pooled fixed income funds	660,508	660,508	-	-
Equity securities	2,965,945	2,965,945	-	-
Total investments	4,914,467	4,914,467	-	-
Beneficial interest in assets held by others	656,178	-	-	656,178
Total	\$ 5,570,645	\$ 4,914,467	\$ -	\$ 656,178

	Fair Value	Fair Value Measurements at Reporting Date Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
June 30, 2023				
Assets				
Investments				
Certificates of deposits	\$ 57,325	\$ 57,325	\$ -	\$ -
Pooled equity funds	3,207,140	3,207,140	-	-
Pooled fixed income funds	132,904	132,904	-	-
Equity securities	447,319	447,319	-	-
Total investments	3,844,688	3,844,688	-	-
Beneficial interest in assets held by others	593,572	-	-	593,572
Total	\$ 4,438,260	\$ 3,844,688	\$ -	\$ 593,572

AMIkids, Inc. and Affiliates
Notes to Combined Financial Statements

NOTE 6: PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2024 and 2023 consist of:

	2024	2023
Land and permanent site improvements	\$ 3,270,937	\$ 3,344,067
Buildings and leasehold improvements	20,962,342	22,035,619
Furniture, fixtures and equipment	5,077,472	7,434,149
Motor vehicles	1,708,242	1,693,600
Boats, motors and trailers	1,341,897	1,395,042
Swimming pools	370,942	370,942
Software	2,983,054	2,983,054
Construction in progress	994,191	693,432
	36,709,077	39,949,905
Less accumulated depreciation and amortization	(24,266,182)	(27,552,969)
Total property and equipment, net	\$ 12,442,895	\$ 12,396,936

Certain of AMIkids' affiliated institutes and schools have purchased various assets with contract or grant funds. Under the terms of these contracts, the funding agency may require such assets to be returned upon termination of the contract or program.

NOTE 7: LINES OF CREDIT

Lines of credit at June 30, 2024 and 2023 consist of:

Entity	2024	2023
AMIkids, Inc. Line of credit, maximum available \$3,000,000, interest at the Adjusted Term Secured Overnight Financing Rate (SOFR) rate but no less than 2.14% (interest rate at June 30, 2024 and 2023 was 7.47% and 7.24%, respectively); matures September 8, 2024; collateralized by accounts receivable from government receivables with carrying value of approximately \$3,500,000.	\$ -	\$ -
AMIkids, Inc. Line of credit, maximum available \$8,000,000, interest at the Adjusted Term SOFR rate but no less than 2.14% (interest rate at June 30, 2024 and 2023 was 7.47% and 7.27%, respectively); matures September 8, 2024; collateralized by charter receivables and vessels with carrying value of approximately \$14,800,000.	6,250,000	6,250,000
Total Borrowings on Lines of Credit	\$ 6,250,000	\$ 6,250,000

AMIkids, Inc. and Affiliates Notes to Combined Financial Statements

NOTE 7: LINES OF CREDIT (Continued)

The AMIkids, Inc. lines of credit are cross-collateralized and are secured by the borrowing-base assets disclosed above as well as other assets of AMIkids, Inc.

At June 30, 2024 and 2023, the Organization had a borrowing capacity of \$11,000,000 under lines of credit subject to availability based on asset levels. The actual amount available based on assets levels as of June 30, 2024 and 2023 in excess of the amount utilized was approximately \$4,750,000 and \$4,750,000, respectively. The AMIkids, Inc. lines of credit contain restrictive financial covenants related to liquidity to modified debt ratio and the maintenance of minimum cash and marketable securities levels. The Organization was in compliance with these restrictive covenants as of and for the years ended June 30, 2024 and 2023.

NOTE 8: NOTES PAYABLE

Notes payable at June 30, 2024 and 2023 consists of:

Entity	2024	2023
AMIkids, Inc. Mortgage payable bearing interest equal to the Adjusted Term SOFR rate but no less than 2.05%, (interest rate at June 30, 2024 and 2023 was 7.37% and 7.20%, respectively) with monthly installments of \$13,889 plus interest, Due in February 2033, collateralized by real properties in Pinellas and Hillsborough Counties, with carrying value of approximately \$321,000	\$ 1,458,333	\$ 1,625,000
AMIkids, Inc. Insurance premium financing bearing interest of 7.60%; monthly installments of \$60,567.05 plus interest; due April, 2024	-	528,235
AMIkids, Inc. Insurance premium financing bearing interest of 7.70%; monthly installments of \$61,113 plus interest; due April, 2025	590,109	-
AMIkids, Inc. Insurance premium financing bearing interest of 8.86%; monthly installments of \$27,621 plus interest; due May, 2025	265,324	-
Jacksonville Mortgage payable in monthly principal installments of \$3,927 plus interest of 4.15%, due March 2032, secured with real property, with carrying value of \$475,000, and guaranteed by AMIkids, Inc.	311,179	345,421
Total Notes Payable	\$ 2,624,945	\$ 2,498,656

AMIkids, Inc. and Affiliates
Notes to Combined Financial Statements

NOTE 8: NOTES PAYABLE (Continued)

Principal payments on notes payable for years subsequent to June 30, 2024 are as follows:

Year ending June 30,		
2025	\$	1,057,068
2026		203,114
2027		204,656
2028		206,263
2029		201,635
Thereafter		752,209
	\$	2,624,945

NOTE 9: LEASES

The Organization has operating and finance leases for office space, vehicles and equipment. The leases have remaining lease terms of 1 to 11 years, some of which may include options to extend the leases for up to 5 years, and some of which may include options to terminate the leases within 1 year. As of June 30, 2024 and 2023, assets recorded under finance leases were \$1,374,093 and 1,388,760, respectively, and accumulated depreciation associated with finance leases was \$705,284 and \$705,845, respectively. As of June 30, 2024 and 2023, assets recorded under operating leases were \$1,265,630 and \$946,970, respectively, and accumulated depreciation associated with operating leases was \$333,847 and \$132,293, respectively.

The components of lease expense consist of the following:

<i>For the years ended June 30,</i>	2024	2023
Operating lease cost	\$ 287,490	\$ 159,057
Short-term lease cost	\$ 286,660	\$ 481,827
Finance lease cost		
Amortization of right-of-use assets	\$ 288,031	\$ 242,802
Interest on lease liabilities	49,779	18,784
Total finance lease cost	\$ 337,810	\$ 261,586

AMIkids, Inc. and Affiliates
Notes to Combined Financial Statements

NOTE 9: LEASES (Continued)

Other information released to leases was as follows:

<i>For the years ended June 30,</i>	2024	2023
Supplemental Cash Flow Information		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 237,285	\$ 162,435
Financing cash flows from finance leases	\$ 468,854	\$ 403,458

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

<i>For the years ended December 31,</i>	2024	2023
Weighted average remaining lease term		
Operating leases	3 years	3 years
Finance leases	3 years	2 years
Weighted average discount rate		
Operating leases	6.3%	5.8%
Finance leases	6.8%	5.9%

The maturities of lease liabilities subsequent to June 30, 2024 consist of the following:

<i>For the years ended June 30,</i>	Operating Lease Liabilities	Finance Lease Liabilities	Total
2025	\$ 227,471	\$ 201,482	\$ 428,953
2026	193,595	197,158	390,753
2027	144,541	181,261	325,802
2028	135,212	13,897	149,109
2029	41,495	114	41,609
Thereafter	108,388	-	108,388
Total future minimum lease payments	850,702	593,912	1,444,614
Less imputed interest	(17,084)	(37,754)	(54,838)
Present value of lease liabilities	\$ 833,618	\$ 556,158	\$ 1,389,776

Reported as of June 30, 2024

Other liabilities	\$ 34,426,506	\$ 33,982,929
Operating lease liabilities	833,618	815,018
Total liabilities	\$ 35,260,124	\$ 34,797,947

AMIkids, Inc. and Affiliates
Notes to Combined Financial Statements

NOTE 10: ACCRUED EXPENSES

Accrued expenses at June 30, 2024 and 2023 consist of:

	2024	2023
Workers compensation self-funded reserve	\$ 2,147,204	\$ 2,189,402
Vehicle and other self-funded reserves	579,859	782,373
Medical self-funded reserve	862,808	664,174
Other self-insurance reserves	2,224,550	1,591,022
Accrued payroll	2,478,166	1,930,324
Accrued vacation	487,250	401,319
Accrued severance and unemployment	4,721	3,198
Accrued provider payments	889,816	1,196,020
Boat finder's fees	596,942	238,867
Other accruals	1,290,507	1,262,615
Total accrued expenses	\$ 11,561,823	\$ 10,259,314

NOTE 11: RESTRICTIONS AND LIMITATIONS ON NET ASSETS

Net assets with donor restrictions consist of the following at June 30, 2024 and 2023:

	2024	2023
Education / Scholarship	\$ 1,295,327	\$ 1,087,233
Experiential Activities	512,637	426,542
Building / Equipment	975,648	1,326,698
Girls Initiative Program	371,535	371,535
Mental health	941,543	480,276
Workforce development	2,678,571	1,842,685
Other	630,207	1,300,183
Endowment	704,343	668,671
Total net assets with donor restrictions	\$ 8,109,811	\$ 7,503,823

The income from the endowment funds is restricted to assist former students of AMIkids' programs with educational or employment-related expenses and support of the AMIkids organization.

AMikids, Inc. and Affiliates
Notes to Combined Financial Statements

NOTE 11: RESTRICTIONS AND LIMITATIONS ON NET ASSETS (Continued)

Net assets were released from donor restrictions by occurrence of events specified by donors as follows for the years ended June 30, 2024 and 2023.

	2024	2023
Education / Scholarship	\$ 407,520	\$ 415,737
Experiential Activities	255,564	117,293
Building / Equipment	359,177	267,350
Mental health	135,593	119,582
Workforce development	815,466	466,899
Other	671,527	699,158
	\$ 2,644,847	\$ 2,086,019

NOTE 12: ENDOWMENTS

The Organization's endowment consists of three individual funds established for a variety of purposes. Its endowment includes both donor-restricted funds and funds designated by the Board of Directors to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Absent explicit donor stipulations to the contrary, the Board of Directors of the Organization has interpreted the State of Florida's Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds. As a result of this interpretation, the Organization retains in perpetuity and classifies as net assets with donor restrictions (1) the original value of gifts donated to the perpetual endowment, (2) the original value of subsequent gifts to the perpetual endowment, and (3) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not retained in perpetuity are subject to appropriation for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the Organization's investment policies.

AMIkids, Inc. and Affiliates
Notes to Combined Financial Statements

NOTE 12: ENDOWMENTS (Continued)

Investment Return Objectives, Risk Parameters and Strategies. The Organization has adopted investment and spending policies, for endowment assets. Those policies attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk.

Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to prevent exposing the fund to unacceptable levels of risk.

Spending Policy. The Organization has a policy of appropriating for distribution each year 4% of its endowment fund's average fair value of the prior 12 quarters through the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Organization considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation. The Organization expects the current spending policy to allow its endowment funds to grow at an average rate of 3% annually. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through new gifts and investment return.

Endowment net asset composition by type of fund follows:

<i>June 30,</i>	2024		2023	
Endowment funds with donor restrictions	\$	695,885	\$	668,671
Board-designated endowment funds without donor restrictions		300,000		300,000
Total endowment funds	\$	995,885	\$	968,671

Changes in endowment net assets follow:

<i>June 30,</i>	Without Donor Restrictions		With Donor Restrictions		2024		2023	
Endowment net assets - July 1,	\$	300,000	\$	668,671	\$	968,671	\$	734,278
Contributions		-		-		-		250,000
Investment (loss) income		-		27,214		27,214		(15,607)
Endowment net assets - June 30,	\$	300,000	\$	695,885	\$	995,885	\$	968,671

AMIkids, Inc. and Affiliates
Notes to Combined Financial Statements

NOTE 13: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

AMIkids, Inc. financial assets available within one year of the statement of financial position date for general expenditures are as follows:

As of June 30,	2024
Cash and cash equivalents	\$ 30,181,865
Investments	4,914,467
Accounts receivable	6,541,751
Contributions receivable	63,822
Boat lease payments	13,534,926
Beneficial Interest in Assets Held By Others	656,178
Total	55,893,009
Less: Amounts unavailable for general expenditures within one year, due to:	
Restricted by donors	(8,109,811)
Boat lease payments	(10,666,718)
Boat security deposits	(4,561,163)
Collateral for insurance reserves	(1,586,505)
Financial assets available within one year to meet cash needs for general expenditures within one year	\$ 30,968,812

AMIkids, Inc. prepares an annual budget that is approved by the Board of Trustees for the upcoming year. The annual budget includes projected revenue based on current grants, contracts and contributions. Internally prepared financial statements comparing budget to actual results are reviewed by management on a monthly basis and cash flow is monitored daily.

Generally AMIkids, Inc. will have advance notice of grants and contracts terminating and will manage the reductions in cash flow by reducing expenditures and where necessary, by reducing staffing levels.

As part of AMIkids, Inc.'s liquidity management, financial assets are structured to be available as general expenditures, liabilities and other obligations come due. In addition, AMIkids, Inc. invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, AMIkids, Inc. has committed lines of credit in the amount of \$11,000,000, which it could draw upon.

AMIkids, Inc. and Affiliates

Notes to Combined Financial Statements

NOTE 14: CASUALTY GAIN

The Organization recorded a casualty gain resulting from Hurricane Michael. The Organization filed an insurance claim and recorded approximately \$-0- and \$667,700 in insurance proceeds for the years ended June 30, 2024 and 2023, respectively, which is recorded in Revenue, Other in the combined statement of activities; no remediation costs for the years ended June 30, 2024 and 2023 were incurred.

NOTE 15: CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash with a financial institution in excess of the FDIC limit of \$250,000 by approximately \$13,841,000 and \$4,164,000 at June 30, 2024 and 2023, respectively.

NOTE 16: COMMITMENTS AND CONTINGENCIES

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

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

AMIkids leases facilities under operating leases expiring in various years. Rent expense on these operating leases charged to operations for the years ended June 30, 2024 and 2023 was approximately \$472,000 and \$633,000, respectively. Based on the current operating leases, the annual lease expense is expected to decrease in 2025 due to the closure of the AMIkids Volusia and is expected to remain consistent over the following four years. Typically, there are no operating leases with terms greater than five years.

AMIkids receives donations of boats that are recorded at fair value less estimated selling expenses at the time of the donation. Management has estimated the net realizable value of the boat inventory at \$9,108,445 and \$6,304,865 at June 30, 2024 and 2023, respectively. Net realizable value is estimated based on third party appraisals, broker valuations, management's experience with the boat charter industry and estimated selling expenses are based on management's historical experiences with brokers. The actual net realizable value of the boats is not known until the boat is sold or leased.

AMIkids, Inc. and Affiliates Notes to Combined Financial Statements

NOTE 16: COMMITMENTS AND CONTINGENCIES (Continued)

AMIkids has purchased high-deductible policies for workers compensation and other property and casualty insurance and is responsible for all claims below the deductible level. Management has accrued approximately \$4,951,000 and \$4,560,000 at June 30, 2024 and 2023 respectively, as an estimate of losses on unpaid claims under these insurance policies. These accruals are estimates based on current and historical claims experience. It is reasonably possible that these estimates will change and, if changed, could have a material impact on the Organization's financial position and results of operations. Under AMIkids' workers compensation policies, the Organization has \$783,409 held in a secured collateralized account to support these policies. An additional \$803,096 is held as a deposit with the insurance carrier.

AMIkids is self-funded for group health insurance up to a maximum of \$175,000 per employee. Management has accrued \$731,000 and \$500,000 at June 30, 2024 and 2023, respectively, for estimated claims, including known claims and claims which are estimated to have occurred but which have not yet been reported. This estimate is based on current and historical claims experience and other information obtained from AMIkids' insurance provider. It is reasonably possible that these estimates will change and, if changed, could have a material impact on the Organization's financial position and results of operations. Adjustments to the estimated claims accrual are made when the need for such adjustments becomes apparent.

NOTE 17: RETIREMENT PLANS

AMIkids maintains a noncontributory defined contribution pension plan covering all full-time employees who have completed two years of service and have attained the age of 20 ½ years. Contributions to the Plan are based on a percentage of each employee's total compensation for the year. The pension expense for the years ended June 30, 2024 and 2023 was approximately \$1,593,000 and \$1,546,000, respectively, and is included in employee benefits and payroll taxes on the combined statement of functional expenses.

AMIkids has a deferred compensation plan in place for certain key members of management, which is accrued for and included in accrued pension in the combined statement of financial position. The deferred compensation plan is generally funded on an annual basis and the related assets are included as a component of investments. The cost related to the deferred compensation plan for the years ended June 30, 2024 and 2023 was approximately \$252,788 and \$210,403, respectively.

NOTE 18: RELATED PARTY TRANSACTIONS

There were no related party transactions significant to the combined financial statements. AMIkids has rigorous controls concerning related party transactions to ensure that all transactions are in the best interest of the mission. Details of related party transactions can be found in Form 990s which AMIkids files annually with the Internal Revenue Service.

AMIkids, Inc. and Affiliates Notes to Combined Financial Statements

NOTE 19: INSTITUTE OPENINGS, CLOSINGS AND PROGRAMMATIC MODEL CHANGES

Openings

During the year, AMIkids started a new program to provide a safe, temporary trauma-responsive living environment for children and adolescents within a Multi-Service Home setting who need immediate, intensive supportive services in preparation for a long-term placement setting care in Albuquerque, New Mexico with the New Mexico Children, Youth and Families Department. This program operates as a separate location within the AMIkids Sandoval entity.

Closings and Programmatic Model Changes

AMIkids ceased operations at AMIkids YES due to the conclusion of the contract.

As a result of a persistent difficulty in hiring qualified team members at AMIkids Rio Grande, AMIkids ceased operations on December 31, 2024.

The facility-based day treatment contracts with the Florida Department of Juvenile Justice (FLDJJ) ended on June 30, 2024. FLDJJ is moving in a new direction and exercised their option to not renew these contracts. AMIkids Volusia and AMIkids Miami-Dade South ceased operations on June 30, 2024 as a result of the non-renewal of the contract, the remaining programs will continue to operate utilizing a different programmatic model. These programs are AMIkids Jacksonville, AMIkids Orlando, AMIkids Miami-Dade North, and AMIkids Gainesville.

The school district contract with AMIkids Duval was not renewed due to significant budget cuts by the school district. AMIkids Duval is now operating as a smaller workforce development program with State and private funding.

AMIkids suspended operations at AMIkids Emerald Coast and AMIkids Southwest Florida while the Organization seeks new funding to provide services in the communities served by these entities.

The Organization paid approximately \$5,604 of severance costs during 2024 related to the closure and programmatic model changes. In addition, approximately \$137,446 has been recorded in accrued expenses as of June 30, 2024 for future payments of unemployment, severance and other payroll costs related to staff terminated pursuant to the closure and programmatic model changes. The total amount expensed during the year ended June 30, 2024 related to one-time termination benefits was approximately \$153,993 and is included in program expenses on the accompanying combined statement of activities. Of this amount, \$143,050 is included in salaries and \$10,943 is included in employee benefits and payroll taxes on the accompanying combined statement of functional expenses

AMIkids, Inc. and Affiliates
Notes to Combined Financial Statements

NOTE 20: SUBSEQUENT EVENTS

Subsequent to the year ended June 30, 2024, AMIkids ceased operations at AMIkids Virginia, Inc. on September 30, 2024, due to the conclusion of the contract. Additionally, AMIkids entered into a new residential contract with Florida Department of Juvenile Justice for a non-secure residential program for males who are in need of Mental Health Overlay Services (MHOS) in Polk County. AMIkids Polk, Inc. commenced on September 1, 2024.



SUPPLEMENTARY INFORMATION



AMikids, Inc. and Affiliates
Schedule I
Combining Schedule - Statement of Financial Position
June 30, 2024

	AMikids	AMikids Foundation	AMikids Acadiana	AMikids Alabama	AMikids Baton Rouge	AMikids Beaufort	AMikids Behavior Health	AMikids Bennettsville	AMikids Caddo	AMikids Clay County
Assets										
Cash and cash equivalents	\$ 7,164,329	\$ 13,212,901	\$ 82,788	\$ 76,621	\$ 62,056	\$ 1,270,274	\$ 51,864	\$ 65,638	\$ 6,123	\$ 479,541
Investments	924,552	2,041,393	-	-	54,652	-	-	-	-	-
Accounts receivable:										
Funding agencies	4,425,859	-	30,794	-	34,154	49,420	-	6,936	-	93,335
Other	-	-	-	-	-	-	-	-	-	-
Contributions receivable	-	79	-	-	-	25,000	-	-	-	-
Prepaid expenses and other assets	2,318,526	-	22,413	15,181	12,346	24,954	3,504	12,592	8,451	9,030
Due from affiliates	22,944,567	31,221	199,926	56,760	51,600	190,326	125,835	131,017	14,585	83,089
Assets held for sale	-	-	-	-	-	-	-	-	-	-
Boat inventory	9,098,365	-	-	-	-	9,134	-	-	-	-
Boats under lease	19,391,499	-	-	-	-	-	-	-	-	-
Beneficial interest in assets held by others	-	544,170	-	-	-	-	-	-	-	-
Operating lease right-of-use assets, net	2,561	-	-	7,760	-	-	-	-	-	305,880
Finance lease right-of-use assets, net	75,896	-	-	-	5,268	2,620	-	-	3,624	56,498
Property and equipment, net	2,041,469	-	39,595	11,623	360,750	834,529	6,725	101,121	35,000	43,544
Total assets	\$ 68,387,623	\$ 15,829,764	\$ 375,516	\$ 167,945	\$ 580,826	\$ 2,406,257	\$ 187,928	\$ 317,304	\$ 67,783	\$ 1,070,917
Liabilities and Net Assets										
Liabilities:										
Lines of credit	\$ 6,250,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	452,189	-	14,215	6,933	5,836	8,360	6,346	4,535	121	28,997
Accrued expenses	14,122,728	4,686	99,479	26,150	44,655	152,001	56,408	79,475	101,495	68,853
Accrued pension	2,735,898	-	1,876	614	397	4,375	1,385	1,117	4,437	2,340
Due to Affiliates	4,339,879	7,095,146	56,802	16,869	20,689	36,315	13,357	57,720	39,928	23,454
Deferred revenues	3,187,084	-	4,449	-	-	5,005	-	-	-	99,422
Refundable advances	295,960	-	-	-	-	-	-	-	-	-
Security deposits	4,561,163	-	-	-	-	-	-	-	-	-
Operating lease liabilities	2,552	-	-	7,963	-	-	-	-	-	305,880
Finance lease liabilities	78,547	-	-	-	5,046	3,380	-	-	4,538	54,136
Notes payable	2,313,766	-	2,978,525	270,932	301,958	-	6,382	1,298,233	382,476	-
Total liabilities	38,339,766	7,099,832	3,155,346	329,461	378,581	209,436	83,878	1,441,080	532,995	583,082
Net assets:										
Without donor restrictions	29,715,490	1,759,335	(2,810,148)	(161,516)	57,633	2,003,394	95,939	(1,126,170)	(476,126)	480,715
Undesignated	-	-	-	-	-	-	-	-	-	-
Board designated endowment fund	-	-	-	-	-	-	-	-	-	-
With donor restrictions	332,367	6,970,597	30,318	-	144,612	193,427	8,111	2,394	10,914	7,120
Total net assets (deficit)	30,047,857	8,729,932	(2,779,830)	(161,516)	202,245	2,196,821	104,050	(1,123,776)	(465,212)	487,835
Total liabilities and net assets	\$ 68,387,623	\$ 15,829,764	\$ 375,516	\$ 167,945	\$ 580,826	\$ 2,406,257	\$ 187,928	\$ 317,304	\$ 67,783	\$ 1,070,917

See Independent Auditor's Report.

AMIkids, Inc. and Affiliates
Schedule I
Combining Schedule - Statement of Financial Position (Continued)
June 30, 2024

	AMIkids Duval	AMIkids Emerald Coast	AMIkids Family Services	AMIkids Gadsden Center for Academic Discipline	AMIkids Gainesville	AMIkids Gateways	AMIkids Georgetown	AMIkids Georgia	AMIkids Georgia Properties	AMIkids Greater Ft. Lauderdale
Assets										
Cash and cash equivalents	\$ 76,263	\$ 78,491	\$ 287,405	\$ 143,430	\$ 90,234	\$ 138,863	\$ 26,286	\$ -	\$ -	\$ 84,283
Investments	-	-	-	-	-	-	4,119	-	-	-
Accounts receivable:										
Funding agencies	55,492	1,346	-	-	40,184	5,993	5,893	-	-	24,648
Other	-	-	-	-	-	-	-	-	-	-
Contributions receivable	-	-	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	1,817	5,819	13,779	6,049	13,433	8,420	6,977	-	-	3,924
Due from affiliates	15,213	9,744	174,258	161,486	80,342	103,457	134,088	17,886	-	22,554
Assets held for sale	-	-	-	-	63,626	-	-	-	-	-
Boat inventory	-	-	-	-	-	-	-	-	-	-
Boats under lease	-	-	-	-	-	-	-	-	-	-
Beneficial interest in assets held by others	-	-	-	-	-	-	-	-	-	-
Operating lease right-of-use assets, net	-	-	-	-	-	-	-	-	-	102,217
Finance lease right-of-use assets, net	-	-	-	940	131,527	4,895	5,730	-	-	166
Property and equipment, net	-	6,025	1,379	1,672	22,791	29,622	228,326	-	1,733,061	77,303
Total assets	\$ 148,785	\$ 101,425	\$ 476,821	\$ 313,577	\$ 442,137	\$ 291,250	\$ 411,419	\$ 17,886	\$ 1,733,061	\$ 315,095
Liabilities and Net Assets										
Liabilities:										
Lines of credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	1,268	-	9,045	3,467	4,671	5,767	8,958	-	-	4,798
Accrued expenses	32,489	12,160	81,525	35,426	40,229	58,931	76,328	-	1,208	10,747
Accrued pension	624	160	2,488	1,052	1,060	541	1,527	-	-	288
Due to Affiliates	22,493	8,658	33,026	6,455	58,272	36,683	24,329	-	25,884	10,014
Deferred revenues	-	-	342,591	-	5,560	-	5,652	-	-	-
Refundable advances	-	-	-	-	-	-	-	-	-	-
Security deposits	-	-	-	-	-	-	-	-	-	-
Operating lease liabilities	-	-	-	-	-	-	-	-	-	1,788
Finance lease liabilities	-	-	-	1,022	109,594	5,056	5,877	-	-	186
Notes payable	418,232	682,331	-	-	1,572,814	-	-	-	-	693,333
Total liabilities	475,106	703,309	468,675	47,422	1,792,200	106,978	122,671	-	27,092	721,154
Net assets:										
Without donor restrictions	(326,821)	(759,633)	8,146	260,018	(1,364,089)	184,272	257,285	17,886	1,705,969	(622,906)
Undesignated	-	-	-	-	-	-	-	-	-	-
Board designated endowment fund	-	-	-	-	-	-	-	-	-	-
With donor restrictions	500	157,749	-	6,137	14,026	-	31,463	-	-	216,847
Total net assets (deficit)	(326,321)	(601,884)	8,146	266,155	(1,350,063)	184,272	288,748	17,886	1,705,969	(406,059)
Total liabilities and net assets	\$ 148,785	\$ 101,425	\$ 476,821	\$ 313,577	\$ 442,137	\$ 291,250	\$ 411,419	\$ 17,886	\$ 1,733,061	\$ 315,095

See Independent Auditor's Report.

AMIkids, Inc. and Affiliates
Schedule I
Combining Schedule - Statement of Financial Position (Continued)
June 30, 2024

	AMIkids Infinity Marlboro	AMIkids Infinity Wake County	AMIkids Jacksonville	AMIkids Louisiana Properties	AMIkids Manatee	AMIkids Miami-Dade	AMIkids New Mexico	AMIkids New Mexico Properties	AMIkids North Carolina Family Services	AMIkids North Carolina Properties
Assets										
Cash and cash equivalents	\$ 98,609	\$ 132,425	\$ 127,743	\$ -	\$ 1,004,333	\$ 103,627	\$ 2,552	\$ -	\$ 285,824	\$ -
Investments	-	-	-	-	-	-	-	-	-	-
Accounts receivable:										
Funding agencies	2,394	152,381	17,206	-	15,883	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Contributions receivable	-	-	38,743	-	-	-	-	-	-	-
Prepaid expenses and other assets	1,705	4,525	11,558	-	5,891	17,874	1,029	-	42,062	-
Due from affiliates	34,900	33,489	164,525	693,838	80,001	397,719	2,263	96,576	2,445,120	1,870
Assets held for sale	-	-	-	-	-	-	-	-	-	-
Boat inventory	-	-	-	-	-	-	-	-	-	-
Boats under lease	-	-	-	-	-	-	-	-	-	-
Beneficial interest in assets held by others	-	-	-	-	112,008	-	-	-	-	-
Operating lease right-of-use assets, net	-	-	-	-	-	-	-	-	166,546	-
Finance lease right-of-use assets, net	-	-	130,360	-	-	83,682	-	-	-	-
Property and equipment, net	46,265	8,891	472,200	581,097	55,213	29,908	-	402,800	16,027	264,000
Total assets	\$ 183,873	\$ 331,711	\$ 962,335	\$ 1,274,935	\$ 1,273,329	\$ 632,810	\$ 5,844	\$ 499,376	\$ 2,955,579	\$ 265,870
Liabilities and Net Assets										
Liabilities:										
Lines of credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	635	-	7,006	-	2,863	24,850	-	-	22,829	-
Accrued expenses	39,941	55,861	51,602	1,208	63,519	127,097	-	5,064	107,514	1,208
Accrued pension	1,151	1,761	1,627	-	2,716	4,674	-	-	4,138	-
Due to Affiliates	12,610	13,584	42,479	-	21,740	149,186	-	-	35,644	-
Deferred revenues	-	-	4,220	-	52,787	6,686	-	-	-	2,998
Refundable advances	-	-	-	-	-	-	-	-	-	-
Security deposits	-	-	-	-	-	-	-	4,500	-	-
Operating lease liabilities	-	-	-	-	-	-	-	-	169,254	-
Finance lease liabilities	-	-	94,919	-	-	41,496	-	-	-	-
Notes payable	-	-	674,078	-	-	-	20,000	-	-	-
Total liabilities	54,337	71,206	875,931	1,208	143,625	353,989	20,000	9,564	339,379	4,206
Net assets:										
Without donor restrictions	117,716	253,765	(200,811)	1,273,727	1,076,446	147,315	(14,156)	456,502	2,616,200	261,664
Undesignated	-	-	-	-	-	-	-	-	-	-
Board designated endowment fund	-	-	-	-	-	-	-	-	-	-
With donor restrictions	11,820	6,740	287,215	-	53,258	131,506	-	33,310	-	-
Total net assets (deficit)	129,536	260,505	86,404	1,273,727	1,129,704	278,821	(14,156)	489,812	2,616,200	261,664
Total liabilities and net assets	\$ 183,873	\$ 331,711	\$ 962,335	\$ 1,274,935	\$ 1,273,329	\$ 632,810	\$ 5,844	\$ 499,376	\$ 2,955,579	\$ 265,870

See Independent Auditor's Report.

AMIkids, Inc. and Affiliates
Schedule I
Combining Schedule - Statement of Financial Position (Continued)
June 30, 2024

	AMIkids Orlando	AMIkids Panama City Marine Institute	AMIkids Pasco	AMIkids Pensacola	AMIkids Piedmont	AMIkids Pinellas	AMIkids Rio Grande Valley	AMIkids Sand Hills	AMIkids Sandoval	AMIkids Sarasota County
Assets										
Cash and cash equivalents	\$ 340,692	\$ 477,717	\$ -	\$ 191,166	\$ 999,618	\$ 536,336	\$ 16,767	\$ 12,266	\$ 120,376	\$ -
Investments	-	-	-	-	256,505	923,522	-	-	-	-
Accounts receivable:										
Funding agencies	20,514	41,370	-	73,454	8,464	-	-	5,632	21,380	-
Other	-	70,799	-	-	-	-	-	-	148,491	-
Contributions receivable	-	-	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	8,417	39,109	-	37,166	9,808	24,862	213	7,170	30,242	-
Due from affiliates	103,599	12,440	29,145	214,844	139,684	79,396	38,103	123,226	216,029	79,345
Assets held for sale	-	-	-	-	-	-	-	-	-	-
Boat inventory	-	946	-	-	-	-	-	-	-	-
Boats under lease	-	-	-	-	-	-	-	-	-	-
Beneficial interest in assets held by others	-	-	-	-	-	-	-	-	-	-
Operating lease right-of-use assets, net	-	-	-	-	-	361,615	-	-	-	-
Finance lease right-of-use assets, net	85,029	1,400	-	7,989	-	-	-	3,838	7,831	-
Property and equipment, net	55,851	3,598,160	-	300,688	45,179	6,540	3,002	26,368	81,045	-
Total assets	\$ 614,102	\$ 4,241,941	\$ 29,145	\$ 825,307	\$ 1,459,258	\$ 1,932,271	\$ 58,085	\$ 178,500	\$ 625,394	\$ 79,345
Liabilities and Net Assets										
Liabilities:										
Lines of credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	2,717	4,445	-	24,115	9,818	3,219	-	13,652	32,998	-
Accrued expenses	70,852	33,437	-	148,019	89,477	41,143	4,896	67,390	152,769	-
Accrued pension	1,794	1,095	-	2,646	2,431	1,260	-	1,385	962	-
Due to Affiliates	112,628	141,964	140	47,010	32,808	12,838	10	25,193	150,646	-
Deferred revenues	-	-	-	-	-	402,719	-	6,474	-	-
Refundable advances	-	-	-	-	-	-	-	-	-	-
Security deposits	-	-	-	-	-	-	-	-	-	-
Operating lease liabilities	-	-	-	-	-	361,615	-	-	-	-
Finance lease liabilities	67,627	1,727	-	8,456	-	-	-	3,766	8,174	-
Notes payable	209,617	-	-	566,255	-	-	-	790,204	1,444,387	-
Total liabilities	465,235	182,668	140	796,501	134,534	822,794	4,906	908,064	1,789,936	-
Net assets:										
Without donor restrictions	(6,345)	3,927,358	(140)	(6,223)	1,320,517	1,087,131	4,131	(739,386)	(1,173,597)	79,345
Undesignated	-	-	-	-	-	-	-	-	-	-
Board designated endowment fund	-	-	-	-	-	-	-	-	-	-
With donor restrictions	155,212	131,915	29,145	35,029	4,207	22,346	49,048	9,822	9,055	-
Total net assets (deficit)	148,867	4,059,273	29,005	28,806	1,324,724	1,109,477	53,179	(729,564)	(1,164,542)	79,345
Total liabilities and net assets	\$ 614,102	\$ 4,241,941	\$ 29,145	\$ 825,307	\$ 1,459,258	\$ 1,932,271	\$ 58,085	\$ 178,500	\$ 625,394	\$ 79,345

See Independent Auditor's Report.

AMIkids, Inc. and Affiliates
Schedule I
Combining Schedule - Statement of Financial Position (Continued)
June 30, 2024

	AMIkids Savannah River	AMIkids South Carolina Statewide	AMIkids Southwest Florida	AMIkids Space Coast	AMIkids St. Louis	AMIkids Tallahassee	AMIkids Tampa	AMIkids Virginia	AMIkids Virginia Wilderness	AMIkids Volusia
Assets										
Cash and cash equivalents	\$ 16,340	\$ -	\$ 181,101	\$ 170,060	\$ -	\$ 172,228	\$ 769,269	\$ 191,296	\$ -	\$ 49,803
Investments	-	-	199,987	-	-	-	-	-	-	-
Accounts receivable:										
Funding agencies	102,299	-	2,406	89,132	-	-	92,382	886,174	-	1,077
Other	-	-	-	5,000	-	-	-	-	-	-
Contributions receivable	-	-	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	18,407	-	931	24,063	-	6,204	12,225	3,660	580	11,702
Due from affiliates	15,257	1,064	158,146	110,331	-	31,856	111,332	1,082,652	-	92,478
Assets held for sale	-	-	-	-	-	-	-	-	120,000	-
Boat inventory	-	-	-	-	-	-	-	-	-	-
Boats under lease	-	-	-	-	-	-	-	-	-	-
Beneficial interest in assets held by others	-	-	-	-	-	-	-	-	-	-
Operating lease right-of-use assets, net	-	-	-	-	-	-	-	6,110	-	-
Finance lease right-of-use assets, net	-	-	-	-	-	979	-	-	-	41,755
Property and equipment, net	113,010	-	-	290,866	-	122,877	86,118	86,100	-	21,956
Total assets	\$ 265,313	\$ 1,064	\$ 542,571	\$ 689,452	\$ -	\$ 334,144	\$ 1,071,326	\$ 2,255,992	\$ 120,580	\$ 218,771
Liabilities and Net Assets										
Liabilities:										
Lines of credit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	18,933	-	933	5,999	-	3,948	17,618	640,137	800	10,525
Accrued expenses	79,121	-	45,307	61,300	-	13,046	77,566	912,408	100	89,277
Accrued pension	1,703	-	-	2,393	-	299	2,691	1,550	-	-
Due to Affiliates	77,740	373	28,806	34,960	-	128,919	17,316	18,962	105,490	84,876
Deferred revenues	-	-	-	-	-	166,687	-	-	-	45,417
Refundable advances	-	-	-	-	-	-	-	-	-	-
Security deposits	-	-	-	-	-	-	-	-	-	-
Operating lease liabilities	-	-	-	-	-	-	-	6,371	-	-
Finance lease liabilities	-	-	-	-	-	1,065	-	-	-	43,135
Notes payable	3,998,528	-	-	1,227,487	-	162,478	-	-	272,165	-
Total liabilities	4,176,025	373	75,046	1,332,139	-	476,442	115,191	1,579,428	378,555	273,230
Net assets:										
Without donor restrictions	(3,921,573)	(374)	20,164	(814,344)	(21,829)	(153,263)	834,498	676,564	(257,975)	(58,063)
Undesignated	-	-	-	-	-	-	-	-	-	-
Board designated endowment fund	-	-	-	-	-	-	-	-	-	-
With donor restrictions	10,861	1,065	447,361	171,657	21,829	10,965	121,637	-	-	3,604
Total net assets (deficit)	(3,910,712)	691	467,525	(642,687)	-	(142,298)	956,135	676,564	(257,975)	(54,459)
Total liabilities and net assets	\$ 265,313	\$ 1,064	\$ 542,571	\$ 689,452	\$ -	\$ 334,144	\$ 1,071,326	\$ 2,255,992	\$ 120,580	\$ 218,771

See Independent Auditor's Report.

AMIkids, Inc. and Affiliates
Schedule I
Combining Schedule - Statement of Financial Position (Continued)
June 30, 2024

	AMIkids White Pines	AMIkids YES	South Carolina Wilderness Institute	Total Before Eliminations	Eliminations	Total
Assets						
Cash and cash equivalents	\$ 667,090	\$ 117,237	\$ -	\$ 30,181,865	\$ -	\$ 30,181,865
Investments	-	509,737	-	4,914,467	-	4,914,467
Accounts receivable:						
Funding agencies	10,807	452	-	6,317,461	-	6,317,461
Other	-	-	-	224,290	-	224,290
Contributions receivable	-	-	-	63,822	-	63,822
Prepaid expenses and other assets	26,768	788	-	2,834,174	-	2,834,174
Due from affiliates	391,206	9,247	-	31,537,635	(31,537,635)	-
Assets held for sale	-	-	-	183,626	-	183,626
Boat inventory	-	-	-	9,108,445	-	9,108,445
Boats under lease	-	-	-	19,391,499	-	19,391,499
Beneficial interest in assets held by others	-	-	-	656,178	-	656,178
Operating lease right-of-use assets, net	-	-	-	952,689	(20,906)	931,783
Finance lease right-of-use assets, net	-	18,782	-	668,809	-	668,809
Property and equipment, net	51,056	143	103,000	12,442,895	-	12,442,895
Total assets	\$ 1,146,927	\$ 656,386	\$ 103,000	\$ 119,477,855	\$ (31,558,541)	\$ 87,919,314
Liabilities and Net Assets						
Liabilities:						
Lines of credit	\$ -	\$ -	\$ -	\$ 6,250,000	\$ -	\$ 6,250,000
Accounts payable	13,488	528	-	1,427,562	(2,417)	1,425,145
Accrued expenses	130,401	2,090	1,208	17,577,794	(6,015,971)	11,561,823
Accrued pension	3,734	-	-	2,800,189	-	2,800,189
Due to Affiliates	33,182	29,633	11,827	13,296,537	(13,296,537)	-
Deferred revenues	8,872	-	-	4,346,623	-	4,346,623
Refundable advances	-	-	-	295,960	-	295,960
Security deposits	-	-	-	4,565,663	-	4,565,663
Operating lease liabilities	-	-	-	855,423	(21,805)	833,618
Finance lease liabilities	-	18,411	-	556,158	-	556,158
Notes payable	-	581,269	-	20,865,450	(18,240,505)	2,624,945
Total liabilities	189,677	631,931	13,035	72,837,359	(37,577,235)	35,260,124
Net assets:						
Without donor restrictions	887,157	(18,196)	89,965	36,642,563	7,906,816	44,549,379
Undesignated						
Board designated endowment fund	-	-	-	-	-	-
With donor restrictions	70,093	42,651	-	9,997,933	(1,888,122)	8,109,811
Total net assets (deficit)	957,250	24,455	89,965	46,640,496	6,018,694	52,659,190
Total liabilities and net assets	\$ 1,146,927	\$ 656,386	\$ 103,000	\$ 119,477,855	\$ (31,558,541)	\$ 87,919,314

See Independent Auditor's Report.

AMIkids, Inc. and Affiliates
Schedule II
Combining Schedule - Statement of Activities
Year ended June 30, 2024

	AMIkids	AMIkids Foundation	AMIkids Acadiana	AMIkids Alabama	AMIkids Baton Rouge	AMIkids Beaufort	AMIkids Behavior Health	AMIkids Bennettsville	AMIkids Caddo	AMIkids Clay County
Public Support and revenue:										
Federal support	\$ 1,858,915	\$ -	\$ 111,518	\$ 134	\$ 282,679	\$ 554,025	\$ 116,580	\$ 62,851	\$ 92,182	\$ 82,899
State support	6,402,510	-	2,185,214	488,328	419,756	1,398,547	-	1,450,313	-	708,405
Regional revenue	24,063	-	180,641	-	-	-	-	-	1,843,169	550,636
Nongovernmental	-	-	-	-	40,000	25,787	-	-	-	-
Service revenue	1,845,257	-	-	-	-	3,100	1,125,487	-	-	-
Contributions	1,124,237	2,827,562	54,244	247	58,472	584,603	34,450	100,595	35,374	65,042
Total Public Support	11,254,982	2,827,562	2,531,617	488,709	800,907	2,566,062	1,276,517	1,613,759	1,970,725	1,406,982
Revenue										
Boat Program	29,034,786	-	-	-	-	-	-	-	-	-
Investment income (loss)	1,903,729	730,455	-	-	1,445	29,903	-	-	-	1,500
Other	144,554	-	-	-	-	2,629	-	220	434	-
Total revenue	31,083,069	730,455	-	-	1,445	32,532	-	220	434	1,500
Total public support and revenue	42,338,051	3,558,017	2,531,617	488,709	802,352	2,598,594	1,276,517	1,613,979	1,971,159	1,408,482
Expenses:										
Program Services	12,578,638	1,478,499	2,743,075	499,481	765,966	2,288,622	1,269,467	1,614,281	1,643,502	1,088,374
Boat Program	23,419,148	-	14	-	-	-	-	-	-	-
Management and general	6,625,736	451,189	242,078	29,768	56,740	35,780	14,608	113,545	192,664	38,539
Fundraising	833,963	-	-	-	-	-	-	-	-	-
Total expense	43,457,485	1,929,688	2,985,167	529,249	822,706	2,324,402	1,284,075	1,727,826	1,836,166	1,126,913
Change in Net assets	(1,119,434)	1,628,329	(453,550)	(40,540)	(20,354)	274,192	(7,558)	(113,847)	134,993	281,569
Net assets (deficit), beginning of the year	31,167,291	7,101,603	(2,326,280)	(120,976)	222,599	1,922,629	111,608	(1,009,929)	(600,205)	206,266
Net assets (deficit), end of the year	\$ 30,047,857	\$ 8,729,932	\$ (2,779,830)	\$ (161,516)	\$ 202,245	\$ 2,196,821	\$ 104,050	\$ (1,123,776)	\$ (465,212)	\$ 487,835

See Independent Auditor's Report.

AMIkids, Inc. and Affiliates
Schedule II
Combining Schedule - Statement of Activities (Continued)
Year ended June 30, 2024

	AMIkids Duval	AMIkids Emerald Coast	AMIkids Family Services	AMIkids Gadsden Center for Academic Discipline	AMIkids Gainesville	AMIkids Gateways	AMIkids Georgetown	AMIkids Georgia	AMIkids Georgia Properties	AMIkids Greater Ft. Lauderdale
Public Support and revenue:										
Federal support	\$ -	\$ 90,175	\$ 199,481	\$ 114,322	\$ 65,300	\$ -	\$ 84,693	\$ -	\$ -	\$ 270,113
State support	94,901	-	858,631	426,918	809,855	1,116,900	1,351,298	-	-	24,853
Regional revenue	548,260	-	240,634	-	227,572	-	-	-	-	-
Nongovernmental	-	10,000	-	14,500	-	-	50	-	-	-
Service revenue	-	-	-	-	-	-	-	-	-	-
Contributions	56,179	149,159	69,556	15,842	31,059	26,025	81,266	-	-	211,096
Total Public Support	699,340	249,334	1,368,302	571,582	1,133,786	1,142,925	1,517,307	-	-	506,062
Revenue										
Boat Program	-	-	-	-	-	-	-	-	-	-
Investment income (loss)	-	-	91	34	5	-	2,816	410	-	24
Other	-	-	-	-	25,310	-	7,195	-	-	400
Total revenue	-	-	91	34	25,315	-	10,011	410	-	424
Total public support and revenue	699,340	249,334	1,368,393	571,616	1,159,101	1,142,925	1,527,318	410	-	506,486
Expenses:										
Program Services	711,261	203,370	1,338,319	505,614	1,002,625	1,260,945	1,747,971	-	86,210	379,176
Boat Program	-	-	-	-	-	-	-	-	-	-
Management and general	73,282	59,834	17,083	15,653	156,452	33,663	35,651	-	1,862	77,629
Fundraising	-	-	-	-	-	-	-	-	-	-
Total expense	784,543	263,204	1,355,402	521,267	1,159,077	1,294,608	1,783,622	-	88,072	456,805
Change in Net assets	(85,203)	(13,870)	12,991	50,349	24	(151,683)	(256,304)	410	(88,072)	49,681
Net assets (deficit), beginning of the year	(241,118)	(588,014)	(4,845)	215,806	(1,350,087)	335,955	545,052	17,476	1,794,041	(455,740)
Net assets (deficit), end of the year	\$ (326,321)	\$ (601,884)	\$ 8,146	\$ 266,155	\$ (1,350,063)	\$ 184,272	\$ 288,748	\$ 17,886	\$ 1,705,969	\$ (406,059)

See Independent Auditor's Report.

AMIkids, Inc. and Affiliates
Schedule II
Combining Schedule - Statement of Activities (Continued)
Year ended June 30, 2024

	AMIkids Orlando	AMIkids Panama City Marine Institute	AMIkids Pasco	AMIkids Pensacola	AMIkids Piedmont	AMIkids Pinellas	AMIkids Rio Grande Valley	AMIkids Sand Hills	AMIkids Sandoval	AMIkids Sarasota County
Public Support and revenue:										
Federal support	\$ 61,516	\$ 390,447	\$ -	\$ 341,269	\$ 40,421	\$ 165,174	\$ -	\$ 79,090	\$ -	\$ -
State support	858,168	192,235	-	2,225,804	1,450,313	552,840	93,486	1,398,547	1,084,248	-
Regional revenue	232,172	625,245	-	-	-	-	-	-	-	-
Nongovernmental	-	-	-	-	-	-	-	-	-	-
Service revenue	-	-	-	-	1,800	-	-	-	713,673	-
Contributions	150,921	505,365	-	213,678	15,125	80,009	14,316	143,498	15,474	-
Total Public Support	1,302,777	1,713,292	-	2,780,751	1,507,659	798,023	107,802	1,621,135	1,813,395	-
Revenue										
Boat Program	-	-	-	-	-	-	-	-	-	-
Investment income (loss)	31	244	-	18	7,237	75,360	-	1	16	3,549
Other	24,099	123,183	-	14,396	34	-	4,989,885	1,952	4,711	-
Total revenue	24,130	123,427	-	14,414	7,271	75,360	4,989,885	1,953	4,727	3,549
Total public support and revenue	1,326,907	1,836,719	-	2,795,165	1,514,930	873,383	5,097,687	1,623,088	1,818,122	3,549
Expenses:										
Program Services	1,179,712	2,091,903	-	3,018,973	1,321,412	738,653	459,086	1,569,543	2,212,685	-
Boat Program	-	2,565	-	-	-	-	-	-	-	-
Management and general	69,490	66,296	70	60,814	33,456	23,600	204,742	86,306	179,790	70
Fundraising	-	-	-	-	-	-	-	-	-	-
Total expense	1,249,202	2,160,764	70	3,079,787	1,354,868	762,253	663,828	1,655,849	2,392,475	70
Change in Net assets	77,705	(324,045)	(70)	(284,622)	160,062	111,130	4,433,859	(32,761)	(574,353)	3,479
Net assets (deficit), beginning of the year	71,162	4,383,318	29,075	313,428	1,164,662	998,347	(4,380,680)	(696,803)	(590,189)	75,866
Net assets (deficit), end of the year	\$ 148,867	\$ 4,059,273	\$ 29,005	\$ 28,806	\$ 1,324,724	\$ 1,109,477	\$ 53,179	\$ (729,564)	\$ (1,164,542)	\$ 79,345

See Independent Auditor's Report.

AMIkids, Inc. and Affiliates
Schedule II
Combining Schedule - Statement of Activities (Continued)
Year ended June 30, 2024

	AMIkids Savannah River	AMIkids South Carolina Statewide	AMIkids Southwest Florida	AMIkids Space Coast	AMIkids St. Louis	AMIkids Tallahassee	AMIkids Tampa	AMIkids Virginia	AMIkids Virginia Wilderness	AMIkids Volusia
Public Support and revenue:										
Federal support	\$ 56,116	\$ -	\$ 163,492	\$ 269,469	\$ -	\$ 11,366	\$ 341,937	\$ 260	\$ -	\$ 47,496
State support	1,578,210	-	-	718,800	-	316,245	759,402	9,750,535	-	981,658
Regional revenue	-	-	-	58,310	-	12,687	321,759	-	-	191,433
Nongovernmental	-	-	-	60,000	-	-	-	-	-	-
Service revenue	-	-	-	-	-	-	-	-	-	-
Contributions	98,161	-	118,729	418,149	-	36,921	224,809	925	-	13,094
Total Public Support	1,732,487	-	282,221	1,524,728	-	377,219	1,647,907	9,751,720	-	1,233,681
Revenue										
Boat Program	-	-	-	-	-	-	-	-	-	-
Investment income (loss)	-	-	20,457	1,453	-	-	11,429	18,394	-	-
Other	24,867	-	20,000	-	-	125	38,810	-	-	575,492
Total revenue	24,867	-	40,457	1,453	-	125	50,239	18,394	-	575,492
Total public support and revenue	1,757,354	-	322,678	1,526,181	-	377,344	1,698,146	9,770,114	-	1,809,173
Expenses:										
Program Services	2,117,613	-	320,450	2,079,791	-	348,945	1,460,412	9,729,200	31,107	1,116,922
Boat Program	80	-	5	-	-	-	-	-	-	-
Management and general	418,923	269	41,785	40,543	-	26,981	55,575	14,846	20,361	141,849
Fundraising	-	-	-	495	-	-	-	-	-	-
Total expense	2,536,616	269	362,240	2,120,829	-	375,926	1,515,987	9,744,046	51,468	1,258,771
Change in Net assets	(779,262)	(269)	(39,562)	(594,648)	-	1,418	182,159	26,068	(51,468)	550,402
Net assets (deficit), beginning of the year	(3,131,450)	960	507,087	(48,039)	-	(143,716)	773,976	650,496	(206,507)	(604,861)
Net assets (deficit), end of the year	\$ (3,910,712)	\$ 691	\$ 467,525	\$ (642,687)	\$ -	\$ (142,298)	\$ 956,135	\$ 676,564	\$ (257,975)	\$ (54,459)

See Independent Auditor's Report.

AMIkids, Inc. and Affiliates
Schedule II
Combining Schedule - Statement of Activities (Continued)
Year ended June 30, 2024

	AMIkids White Pines	AMIkids YES	South Carolina Wilderness Institute	Total Before Eliminations	Eliminations	Total
Public Support and revenue:						
Federal support	\$ 331,736	\$ 5,456	\$ -	\$ 6,778,901	\$ -	\$ 6,778,901
State support	2,856,000	184,985	-	48,698,531	-	48,698,531
Regional revenue	-	13,222	-	7,098,381	-	7,098,381
Nongovernmental	-	-	-	280,325	-	280,325
Service revenue	7,500	-	-	3,696,817	(2,979,349)	717,468
Contributions	223,163	9,513	-	8,199,132	(2,371,217)	5,827,915
Total Public Support	3,418,399	213,176	-	74,752,087	(5,350,566)	69,401,521
Revenue						
Boat Program	-	-	-	29,034,786	-	29,034,786
Investment income (loss)	5,834	71,996	-	3,101,290	(1,751,838)	1,349,452
Other	8,329	5,999	-	6,333,953	(5,867,863)	466,090
Total revenue	14,163	77,995	-	38,470,029	(7,619,701)	30,850,328
Total public support and revenue	3,432,562	291,171	-	113,222,116	(12,970,267)	100,251,849
Expenses:						
Program Services	3,602,005	399,198	-	75,656,010	(11,467,706)	64,188,304
Boat Program	-	-	-	23,421,817	-	23,421,817
Management and general	64,571	68,108	1,402	10,292,079	(2,420,176)	7,871,903
Fundraising	-	-	-	834,458	-	834,458
Total expense	3,666,576	467,306	1,402	110,204,364	(13,887,882)	96,316,482
Change in Net assets	(234,014)	(176,135)	(1,402)	3,017,752	917,615	3,935,367
Net assets (deficit), beginning of the year	1,191,264	200,590	91,367	43,622,744	5,101,079	48,723,823
Net assets (deficit), end of the year	\$ 957,250	\$ 24,455	\$ 89,965	\$ 46,640,496	\$ 6,018,694	\$ 52,659,190

See Independent Auditor's Report.



INTERNAL CONTROL RECOMMENDATIONS





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

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

To the Board of Trustees
AMIkids, Inc.
Tampa, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the combined financial statements of the AMIkids, Inc. and Affiliates (a nonprofit organization) ("the Organization"), which comprise the combined statement of financial position as of , and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 4, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain

deficiencies in internal control, described in the accompanying schedule of findings as item 2024-001 that we consider to be a significant deficiency.

Report Compliance and Other Matters

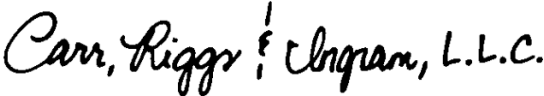
As part of obtaining reasonable assurance about whether the Organization's combined financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct 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*.

AMIkids, Inc. and Affiliates Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Organization's response to the findings identified in our audit and described in the accompanying schedule of findings. The Organization's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CARR, RIGGS, & INGRAM, LLC

Tampa, Florida
December 4, 2024

Schedule of Findings

Financial Reporting - Significant Deficiency

Finding Number: 2024-001

Criteria: Pledge receivables from donors should be reported in accordance with generally accepted accounting principles.

Condition: Pledge receivables and contribution revenue were overstated by \$410,378.

Cause: The AMIkids Foundation changes their fundraising year to match the fiscal year of the rest of AMIkids. This change in reporting periods caused a pledge receivable to be recorded in the current fiscal year of \$410,378, which should be reported in the subsequent fiscal year.

Effect: Pledge receivables and contribution revenue were overstated by \$410,378.

Recommendation: Fund raising team and accounting team should revise their year-end process of reviewing pledges and ensure that pledge revenue is reported in the correct fiscal year.

Response: See attached Corrective Action Plan.



**WE EMPOWER YOUNG PEOPLE
TO BECOME CONFIDENT,
SUCCESSFUL ADULTS.**

October 31, 2024

Carr Riggs and Ingram, LLC
Attention: David Alvarez, Partner
4010 W. Boy Scout Blvd | Ste 475
Tampa, FL 33607

Dear Sir,

Schedule of Findings for fiscal year ended June 30, 2024

We are pleased to present our corrective action plan to address finding number 2024-001.

Schedule of Findings

Financial Reporting - Significant Deficiency

Finding Number: 2024-001

Criteria:

Pledges receivable from donors should be reported in accordance with generally accepted principles.

Condition: Pledges receivable and contribution revenue were overstated by \$410,378.

Cause: The AMIkids Foundation changed their fundraising year to match the fiscal year of the rest of AMIkids. This change in reporting periods caused a pledge receivable to be recorded in the current fiscal year of \$410,378, which should be reported in the subsequent fiscal year.

Effect: Pledges receivable and contribution revenue were overstated by \$410,378.

Recommendation: Fund raising team and accounting team should revise their year-end process of reviewing pledges and ensure that pledge revenue is reported in the correct fiscal year.

Response: See Corrective Action Plan


Corrective Action Plan:

- We will continue to require verifiable documentation from donors to support pledges before they are recorded in the accounting records.
- Where there is no documentation from a donor to support the pledge, we will have the President and CEO together with the VP of Resource Development confirm the pledge amount and pledge terms in writing based on their conversations with the donor, particularly where the donor wishes to remain anonymous.
- On a quarterly basis, we will review outstanding pledges with Resource Development to assess accuracy and recoverability.

Sincerely,



Maria Porto-Duarte, CPA
Chief Financial Officer



AMIkids, Inc. and Affiliates

Schedules of Expenditures of Federal Awards and State Financial Assistance and Reports as Required by the Uniform Guidance and Chapter 10.650, *Rules of the Auditor General*

June 30, 2024

(With Independent Auditor's Report Thereon)



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Independent Auditor’s Report on Compliance for Each Major Federal Program and Major State Project; Report on Internal Control over Compliance; and Report on Schedules of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.650, <i>Rules of the Auditor General</i>	3
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CARR, RIGGS & INGRAM, L.L.C.

Carr, Riggs & Ingram, L.L.C.
4010 West Boy Scout Boulevard
Suite 475
Tampa, FL 33607

813.855.3036
CRIadv.com

**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**

To the Board of Trustees
AMIKids, Inc.
Tampa, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the combined financial statements of the AMIKids, Inc. and Affiliates ("the Organization"), which comprise the combined statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 4, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However,

identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001, that we consider to be a significant deficiency.

Report on Compliance and Other Matters

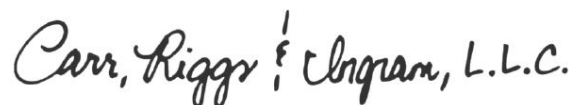
As part of obtaining reasonable assurance about whether the Organization's combined financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct 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*.

AMikids, Inc. and Affiliates Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Organization's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Organization's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Carr, Riggs & Ingram, L.L.C." with a stylized flourish above the ampersand.

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

Tampa, Florida
December 4, 2024



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

Carr, Riggs & Ingram, L.L.C.
4010 West Boy Scout Boulevard
Suite 475
Tampa, FL 33607

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INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.650, RULES OF THE AUDITOR GENERAL

To the Board of Trustees
AMlkids, Inc.
Tampa, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited AMlkids, Inc. and Affiliates (“the Organization”)’s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the *State of Florida Department of Financial Services’ State Projects Compliance Supplement* that could have a direct and material effect on each of the Organization’s major federal programs and state projects for the year ended June 30, 2024. The Organization’s major federal programs and state projects are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.650, Rules of the Auditor General, *Florida Single Audit Act Audits – Nonprofit and For-Profit Organizations*. Our responsibilities under those standards and the Uniform Guidance and Chapter 10.650, Rules of the Auditor General, are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the Organization’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs and state projects.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. 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, *Government Auditing Standards*, the Uniform Guidance and Chapter 10.650, Rules of the Auditor General, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, Rules of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.650, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Report on Schedules of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.650

We have audited the combined financial statements of the AMIkids, Inc. and Affiliates ("the Organization"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Organization's combined financial statements. We issued our report thereon dated December 4, 2024, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the combined financial statements that collectively comprise the combined financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.650, Rule of the Auditor General, are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements.

The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

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

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

Tampa, Florida

March 17, 2025

AMikids, Inc. and Affiliates

Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended June 30, 2024

Grantor/Pass-Through Grantor/Program Title	ALN CSFA Number	Pass-Through Grant Number	Amount of Expenditures	Amount Provided To Subrecipients
FEDERAL AWARDS				
U.S. DEPARTMENT OF AGRICULTURE				
Indirect Programs:				
Child Nutrition Cluster				
Passed thru Florida Department of Agriculture School Breakfast Program	10.553	01-0233	\$ 36,787	\$ -
Passed thru Louisiana Department of Education School Breakfast Program	10.553	09-SFS-007	28,670	-
Passed thru Georgia Department of Education School Breakfast Program	10.553	N/A	15,226	-
Passed thru South Carolina Department of Education School Breakfast Program	10.553	5697, 5699, 5713, 5714, 5715, 5716	112,705	-
Total ALN 10.553 - School Breakfast Program			193,388	-
Passed thru Florida Department of Agriculture National School Lunch Program	10.555	01-0233	80,027	-
Passed thru Louisiana Department of Education National School Lunch Program	10.555	09-SFS-007	62,844	-
Passed thru Georgia Department of Education National School Lunch Program	10.555	N/A	41,619	-
Passed thru South Carolina Department of Education National School Lunch Program	10.555	5697, 5699, 5713, 5714, 5715, 5716	259,028	-
Total ALN 10.555 - National School Lunch Program			443,518	-
Total Child Nutrition Cluster			636,906	-
Farm to School Grant Program	10.575	USDA-FNS-F2S-TKP-23-FL1	35,860	-
Total ALN 10.575 - Farm to School Grant Program			35,860	-
Child Nutrition Discretionary Grants Limited Availability	10.579	H63010013521	15,230	-
Total ALN 10.579 - Child Nutrition Discretionary Grants Limited Availability			15,230	-
TOTAL U.S. DEPARTMENT OF AGRICULTURE			687,996	-
U.S. DEPARTMENT OF EDUCATION				
Indirect Programs:				
Passed thru Louisiana Dept. of Education				
Passed thru Caddo Parish Title I Grants to Local Educational Agencies	84.010	-	44,217	-
Passed thru Florida Department of Education				
Title I Grants to Local Educational Agencies	84.010	-	41,899	-
Total ALN 84.010A - Title I Grants to Local Educational Agencies			86,116	-
Passed thru Florida Dept. of Education				
COVID-19 Education Stabilization Fund - American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund	84.425U	93Q-1211U-3PR01	2,112,508	-
Total ALN 84.425U - COVID-19 American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) Fund			2,112,508	-
TOTAL U.S. DEPARTMENT OF EDUCATION			2,198,624	-

Continued

See accompanying notes to the schedule of expenditures of federal awards and state financial assistance.

AMIkids, Inc. and Affiliates

**Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended June 30, 2024 (Continued)**

Grantor/Pass-Through Grantor/Program Title	ALN CSFA Number	Pass-Through Grant Number	Amount of Expenditures	Amount Provided To Subrecipients
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Direct Programs:				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79SM084453-01	131,499	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79SM084949-01	192,306	-
Total ALN 93.243 - Substance Abuse and Mental Health Services Projects of Regional and National Significance			323,805	-
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			323,805	-
U.S. DEPARTMENT OF LABOR				
Direct Programs:				
Reentry Employment Opportunities	17.270	YF-38588-22-60-A-12	925,492	-
Total ALN 17.270 - Reentry Employment Opportunities			925,492	-
YouthBuild	17.274	YB-36447-21-60-A-22	345,273	-
YouthBuild	17.274	YB-34255-19-60-A-45	100,836	-
YouthBuild	17.274	YB-38197-22-60-A-45	457,817	-
YouthBuild	17.274	YB-38233-22-60-A-12	471,101	-
YouthBuild	17.274	YB-36454-21-60-A-12	364,136	-
YouthBuild	17.274	YB-38211-22-60-A-12	245,462	-
Total ALN 17.274 - YouthBuild			1,984,625	-
Youth Apprentice Readiness Program	17.285	AP-35086-20-60-A-12	538,242	-
Total ALN 17.258 - Youth Apprentice Readiness Program			538,242	-
Workforce Pathways for Youth Grant Program	17.261	MI-36499-21-60-A-12	1,514,311	-
Total ALN 17.261 - Workforce Pathways for Youth Grant Program			1,514,311	-
WIOA Dislocated Worker National Reserve Demonstration Grants	17.280	23A60YP000001-01-00	193,075	-
Total ALN 17.280 - WIOA Dislocated Worker National Reserve Demonstration Grants			193,075	-
TOTAL U.S. DEPARTMENT OF LABOR			5,155,745	-
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Indirect Programs:				
CDBG - Entitlement Grants Cluster				
Passed thru Brevard County				
Community Development Block Grants/Entitlement Grants	14.218	N/A	20,000	-
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	N/A	23,137	-
Total ALN 14.218 - Community Development Block Grants/Entitlement Grants			43,137	-
Total CDBG Entitlement Grants Cluster			43,137	-
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			43,137	-
U.S. DEPARTMENT OF JUSTICE				
Direct Programs:				
Second Chance Act Reentry Initiative	16.812	15PJDP-21-GG-04091-SCAX	205,633	-
Second Chance Act Reentry Initiative	16.812	15PJDP-23-GG-02219-SCAX	62,858	-
Total ALN 16.812 - Second Chance Act Reentry Initiative			268,491	-
Juvenile Justice and Delinquency Prevention	16.540	15PJDP-21-GG-03260-TITL	23,171	-
Total ALN 16.540 - Juvenile Justice and Delinquency Prevention			23,171	-
TOTAL U.S. DEPARTMENT OF JUSTICE			291,662	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 8,700,969	\$ -

See accompanying notes to the schedule of expenditures of federal awards and state financial assistance.

AMIkids, Inc. and Affiliates

**Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended June 30, 2024 (Continued)**

Grantor/Pass-Through Grantor/Program Title	ALN CSFA Number	Pass-Through Grant Number	Amount of Expenditures	Amount Provided To Subrecipients
STATE FINANCIAL ASSISTANCE - FLORIDA				
FLORIDA DEPARTMENT OF EDUCATION				
Direct Projects:				
School and Instructional Enhancement Programs	48.040	93Q-97495-3Q001	\$ 950,423	\$ -
Total CSFA 48.040 - School and Instructional Enhancement Programs			950,423	-
TOTAL FLORIDA DEPARTMENT OF EDUCATION			950,423	-
FLORIDA DEPARTMENT OF JUVENILE JUSTICE				
Direct Projects:				
Delinquency Prevention	80.029	10521	365,183	-
Delinquency Prevention	80.029	10831	361,057	-
Delinquency Prevention	80.029	10716	814,004	-
Delinquency Prevention	80.029	10520	373,187	-
Delinquency Prevention	80.029	10830	371,589	-
Delinquency Prevention	80.029	10715	743,197	-
Delinquency Prevention	80.029	10610	962,473	-
Total CSFA 80.029 - Delinquency Prevention			3,990,690	-
Day Treatment Programs - Facility Based	80.021	10573	5,217,672	-
Total CSFA 80.021 - Day Treatment Programs - Facility Based			5,217,672	-
TOTAL FLORIDA DEPARTMENT OF JUVENILE JUSTICE			9,208,362	-
FLORIDA DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES				
Direct Projects:				
Horse Country Specialty License Plate	76.104	N/A	310,081	-
TOTAL FLORIDA DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES			310,081	-
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE - FLORIDA			\$ 10,468,866	\$ -

See accompanying notes to the schedule of expenditures of federal awards and state financial assistance.

AMIkids, Inc. and Affiliates
Notes to Schedule of Expenditures of Federal Awards and
State Financial Assistance

NOTE 1: BASIS OF PRESENTATION

The schedule of expenditures of federal awards and state financial assistance represents amounts expended from federal award programs and state projects during the fiscal year as determined on the modified accrual basis of accounting. The information in the schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *Florida Department of Financial Services' State Projects Compliance Supplement*. The amounts reported on the Schedule have been reconciled to and are in material agreement with amounts recorded in the Organization's accounting records from which the basic financial statements have been reported. Federal and state funds that are not subject to Uniform Guidance or Florida Single Audit are not included on this schedule.

The Organization has elected to use the 10 percent de minimis cost rate allowed under the Uniform Guidance for the year ended June 30, 2024.

The Organization's federal awards do not have any loans or loan guarantees.

AMikids, Inc. and Affiliates
Schedule of Findings and Questioned Costs

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements:

- | | |
|--|------------|
| 1. Type of auditor’s report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | None |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Noncompliance material to the financial statements noted? | No |

Federal Awards:

- | | | | | | | | | | |
|--|---|--|---------------|----------------|--------|----------------------------------|---------|---|--|
| 1. Type of auditor’s report issued on compliance for major programs | Unmodified | | | | | | | | |
| 2. Internal control over major programs: | | | | | | | | | |
| a. Material weaknesses identified? | None | | | | | | | | |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted | | | | | | | | |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a)? | None | | | | | | | | |
| 4. Identification of major programs: | | | | | | | | | |
| <table style="margin-left: 20px; border-collapse: collapse;"> <tr> <td style="text-align: center;">ALN</td> <td></td> </tr> <tr> <td style="text-align: center;"><u>Number</u></td> <td style="text-align: center;"><u>Program</u></td> </tr> <tr> <td style="text-align: center;">17.270</td> <td style="text-align: center;">Reentry Employment Opportunities</td> </tr> <tr> <td style="text-align: center;">84.425U</td> <td style="text-align: center;">COVID-19 Education Stabilization Fund – ARP ESSER</td> </tr> </table> | ALN | | <u>Number</u> | <u>Program</u> | 17.270 | Reentry Employment Opportunities | 84.425U | COVID-19 Education Stabilization Fund – ARP ESSER | |
| ALN | | | | | | | | | |
| <u>Number</u> | <u>Program</u> | | | | | | | | |
| 17.270 | Reentry Employment Opportunities | | | | | | | | |
| 84.425U | COVID-19 Education Stabilization Fund – ARP ESSER | | | | | | | | |
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$750,000 | | | | | | | | |
| 6. Auditee qualified as low-risk auditee under 2 CFR 200.520? | Yes | | | | | | | | |

State Projects:

- | | | | | | | | | | |
|---|---|--|---------------|----------------|--------|---|--------|---|--|
| 1. Type of auditor’s report issued on compliance for major programs | Unmodified | | | | | | | | |
| 2. Internal control over major programs: | | | | | | | | | |
| a. Material weaknesses identified? | None | | | | | | | | |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted | | | | | | | | |
| 3. Any audit findings disclosed that are required to be reported in accordance with Rule 10.554(1)(l)(4)? | None | | | | | | | | |
| 4. Identification of major programs: | | | | | | | | | |
| <table style="margin-left: 20px; border-collapse: collapse;"> <tr> <td style="text-align: center;">CSFA</td> <td></td> </tr> <tr> <td style="text-align: center;"><u>Number</u></td> <td style="text-align: center;"><u>Project</u></td> </tr> <tr> <td style="text-align: center;">80.021</td> <td style="text-align: center;">Day Treatment Programs – Facility Based</td> </tr> <tr> <td style="text-align: center;">48.040</td> <td style="text-align: center;">School and Instructional Enhancement Programs</td> </tr> </table> | CSFA | | <u>Number</u> | <u>Project</u> | 80.021 | Day Treatment Programs – Facility Based | 48.040 | School and Instructional Enhancement Programs | |
| CSFA | | | | | | | | | |
| <u>Number</u> | <u>Project</u> | | | | | | | | |
| 80.021 | Day Treatment Programs – Facility Based | | | | | | | | |
| 48.040 | School and Instructional Enhancement Programs | | | | | | | | |
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$750,000 | | | | | | | | |

AMIkids, Inc. and Affiliates Schedule of Findings and Questioned Costs

SECTION II – FINANCIAL STATEMENT FINDINGS

Financial Reporting - Significant Deficiency

Finding Number: 2024-001

Criteria: Pledge receivables from donors should be reported in accordance with generally accepted accounting principles.

Condition: Pledge receivables and contribution revenue were overstated by \$410,378.

Cause: The AMIkids Foundation changes their fundraising year to match the fiscal year of the rest of AMIkids. This change in reporting periods caused a pledge receivable to be recorded in the current fiscal year of \$410,378, which should be reported in the subsequent fiscal year.

Effect: Pledge receivables and contribution revenue were overstated by \$410,378.

Recommendation: Fund raising team and accounting team should revise their year-end process of reviewing pledges and ensure that pledge revenue is reported in the correct fiscal year.

Response: See attached Corrective Action Plan.

SECTION III – FEDERAL AWARD FINDINGS

None noted.

SECTION IV – STATE PROJECT FINDINGS

None noted.

SECTION V – SUMMARY OF PRIOR YEAR AUDIT FINDINGS

No prior year findings noted.



**WE EMPOWER YOUNG PEOPLE
TO BECOME CONFIDENT,
SUCCESSFUL ADULTS.**

October 31, 2024

Carr Riggs and Ingram, LLC
Attention: David Alvarez, Partner
4010 W. Boy Scout Blvd | Ste 475
Tampa, FL 33607

Dear Sir,

Schedule of Findings for fiscal year ended June 30, 2024

We are pleased to present our corrective action plan to address finding number 2024-001.

Schedule of Findings

Financial Reporting - Significant Deficiency

Finding Number: 2024-001

Criteria:

Pledges receivable from donors should be reported in accordance with generally accepted principles.

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Effect: Pledges receivable and contribution revenue were overstated by \$410,378.

Recommendation: Fund raising team and accounting team should revise their year-end process of reviewing pledges and ensure that pledge revenue is reported in the correct fiscal year.

Response: See Corrective Action Plan

Corrective Action Plan:

- We will continue to require verifiable documentation from donors to support pledges before they are recorded in the accounting records.
- Where there is no documentation from a donor to support the pledge, we will have the President and CEO together with the VP of Resource Development confirm the pledge amount and pledge terms in writing based on their conversations with the donor, particularly where the donor wishes to remain anonymous.
- On a quarterly basis, we will review outstanding pledges with Resource Development to assess accuracy and recoverability.

Sincerely,



Maria Porto-Duarte, CPA
Chief Financial Officer