

**DISTRICT SCHOOL BOARD, CHARTER SCHOOL AND CHARTER
TECHNICAL CAREER CENTER, THE FLORIDA VIRTUAL SCHOOL
(INCLUDING FLORIDA VIRTUAL SCHOOL GLOBAL), AND
VIRTUAL INSTRUCTION PROGRAM PROVIDER
AUDIT REPORT SUBMITTAL CHECKLIST**

Entity Name: Highly Inquisitive & Versatile Education (HIVE) Preparatory School

Entity Address: 5855 NW 171 Street, Miami Gardens, FL 33015

Entity Contact Person:

Name: Carlos Gonzalez

Title: Director of Schools

Phone Number: 305-231-4888

E-mail Address: cvgonzalez@hiveprep.com

CPA Firm Contact Person:

Name: Alexander Sueiro, CPA

Title: Engagement Partner

Phone Number: 305-567-0150

E-mail Address: asueiro@paast.com

Fiscal Year Audited: 2025

Date the auditor delivered the audit report to the entity: 9/9/2025

Does the audit report include the following items required by Sections 10.806(2) or 10.856(2), Rules of the Auditor General, as applicable?

- ☒ Financial statements, as described in Sections 10.805(3) and 10.855(3) - (7), Rules of the Auditor General, as applicable, together with related notes to financial statements?
- ☒ Required supplementary information such as the management's discussion and analysis?
- ☒ The auditor's report on the financial statements?
- ☒ The auditor's report on internal control and compliance?
- ☒ Any other auditor's reports, related financial information, and auditee-prepared documents required pursuant to Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) or other applicable Federal law?

- ☒ The management letter defined in Sections 10.804(1)(f) and 10.854(1)(e), Rules of the Auditor General, as applicable?
- ☐ N/A The written statement of explanation or rebuttal required by Sections 10.807(2) and 10.857(2), Rules of the Auditor General, as applicable?

In addition to the above, have the following requirements been complied with:

- ☒ Are all the above elements of the audit report included in a **single document** as required by Sections 10.806(2) and 10.856(2), Rules of the Auditor General, as applicable?
- ☒ Are **one** paper copy and **one** electronic copy of the audit report being submitted as required by Sections 10.807(4) and 10.857(4), Rules of the Auditor General, as applicable?
- ☒ Is the electronic copy named using all lowercase letters as follows: [fiscal year] [name of entity].pdf? For example, the converted document for the 2024-25 fiscal year for Alachua County District School Board should be named "2025 alachua county dsb.pdf", while the converted document for the 2024-25 fiscal year for Alachua Learning Center, Inc. should be named "2025 alachua learning center.pdf". If the charter school goes by a DBA (doing business as), use the DBA in the file name.
- ☒ Was the audit report submitted within 45 days after receipt of the audit report from the auditor, but no later than 9 months after the end of the fiscal year as required by Section 218.39(7), Florida Statutes, as referenced by Sections 10.807(4) and 10.857(4), Rules of the Auditor General? **NOTE:** There is no provision in law authorizing an extension for filing the audit report.

This checklist should accompany the audit report. It is suggested that you retain a copy of the checklist for your files. Do not hesitate to contact us if assistance or clarification is needed regarding reporting requirements. Our contact information is as follows:

Auditor General
Local Government Audits/251
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, Florida 32399-1450

Telephone: (850) 412-2892

E-mail Address: flaudgen_dsb_charter@aud.state.fl.us
Web Site Address: FLAuditor.gov

**HIGHLY INQUISITIVE & VERSATILE EDUCATION ("HIVE") PREPARATORY SCHOOL
(A CHARTER SCHOOL UNDER ADVANCED LEARNING CHARTER SCHOOL, INC.)**

**INDEPENDENT AUDITOR'S REPORT AND
FEDERAL SINGLE AUDIT**

JUNE 30, 2025

HIVE PREPARATORY SCHOOL
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HIVE PREPARATORY SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025

As management of Highly Inquisitive & Versatile Education ("HIVE") Preparatory School (the "School") and Advanced Learning Charter School, Inc. (the "Charter Holder"), we offer readers of the School's financial statements this narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2025 to: (a) assist the reader in focusing on significant financial issues, (b) provide an overview and analysis of the School's financial activities, (c) identify changes in the School's financial position, (d) identify material deviations from the approved budget, and (e) highlight significant issues in individual funds.

Because the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions, it should be considered in conjunction with the basic financial statements starting on page 11.

Financial Highlights

- Assets exceeded liabilities at the end of the fiscal year by \$4,726,506 (net position).
- Current assets exceeded current liabilities at the end of the fiscal year by \$6,363,996.
- The increase in net position for the year ended June 30, 2025 was \$2,375,358.
- The unassigned fund balance at the end of the fiscal year was \$4,726,506.

Overview of the Financial Statements

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

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

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

The Statement of Activities presents information showing how the School's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenue and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the School that are principally supported by district, state and federal funding (governmental activities). Basic instruction, exceptional instruction, and school administration are examples of the School's governmental activities.

The government-wide financial statements include only the School itself. The School Board of Miami-Dade County, Florida includes the operations of the School in their operational results.

The government-wide financial statements can be found on pages 11 and 12 of this report.

Fund Financial Statements A fund is a collection of related accounts grouped together to maintain control over resources that have been segregated for specific activities and objectives. The School, like state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the operations of the School are presented in governmental funds only.

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

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

The School maintains two individual government funds. Information is presented separately in the governmental fund balance sheet and statement of revenue, expenditures and changes in fund balances. The general fund and special revenue fund are considered to be major funds. The basic governmental fund financial statements can be found on pages 13 through 16 of this report.

The School adopts an annual appropriated budget for its entire operations. Budgetary comparison schedules have been provided to demonstrate compliance with this budget and can be found on pages 30 and 31 of this report.

Notes to the Financial Statements The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 17 of this report.

HIVE PREPARATORY SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025

Government-wide Financial Analysis

As noted previously, net position serves, over time, as a useful indicator of the School's financial position. For the years ended June 30, 2025 and 2024, the School's assets exceeded liabilities by \$4,726,506 and \$2,351,148, respectively.

**HIVE Preparatory School
Statements of Net Position**

	Governmental Activities		
	2025	2024	Variance
ASSETS			
Cash and cash equivalents	\$ 5,502,944	\$ 3,849,841	\$ 1,653,103
Due from other agencies	1,315,703	189,722	1,125,981
Other assets	4,312	4,312	-
Capital assets, net of depreciation	10,117,374	10,698,561	(581,187)
Total assets	<u>\$ 16,940,333</u>	<u>\$14,742,436</u>	<u>\$ 2,197,897</u>
LIABILITIES			
Current and other liabilities	\$ 458,963	\$ 443,110	\$ 15,853
Long-term liabilities	11,754,864	11,948,178	(193,314)
Total liabilities	<u>\$ 12,213,827</u>	<u>\$12,391,288</u>	<u>\$ (177,461)</u>
NET POSITION			
Investment in capital assets	\$ (1,830,804)	\$ (1,411,363)	\$ (419,441)
Unassigned	6,557,310	3,762,511	2,794,799
Total net position	<u>\$ 4,726,506</u>	<u>\$ 2,351,148</u>	<u>\$ 2,375,358</u>

Accomplishments The School earned a letter grade of "A" for each of the last fourteen years in which school grades were available. Due to the COVID-19 pandemic, the Florida Department of Education suspended state-mandated assessments for the 2020 school year. Accordingly, there were no school grades provided during that year. The School is ranked among the top 10% of public schools and top 1% of Title 1 public schools in the State of Florida, based on the points it received under the State's Accountability Program. HIVE Prep is STEM accredited by the Miami-Dade County Public Schools system and is consistently categorized as a high scoring K-8 STEM School in the District. HIVE Prep continues to be recognized as an FLDOE High Performing Charter School (since 2013).

HIVE PREPARATORY SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025

Government-wide Financial Analysis (Continued)

	HIVE Preparatory School Statement of Activities		
	2025	2024	Variance
Revenue:			
Federal through Local	\$1,439,778	\$1,747,160	\$ (307,382)
State and Local	12,084,011	9,153,322	2,930,689
Aftercare and lunch fees	423,775	413,107	10,668
Other Revenue (including Charges for Services)	<u>232,262</u>	<u>175,339</u>	<u>56,923</u>
Total Revenue	<u>14,179,826</u>	<u>11,488,928</u>	<u>2,690,898</u>
Expenses:			
Instruction	5,047,380	4,976,060	71,320
Instruction and Curriculum Development	13,052	5,123	7,929
General Administration	360,142	318,467	41,675
School Administration	2,141,931	1,994,737	147,194
Facilities Acquisition and Construction	91,389	144,138	(52,749)
Fiscal Services	720,651	689,783	30,868
Food Services	578,251	575,510	2,741
Operation of Plant - Interest on Capital Lease	991,397	998,402	(7,005)
Operation of Plant - Depreciation	611,072	613,345	(2,273)
Operation of Plant - Other	789,622	629,521	160,101
Maintenance of Plant	82,603	111,294	(28,691)
Community Services	<u>376,978</u>	<u>383,410</u>	<u>(6,432)</u>
Total Expenses	<u>11,804,468</u>	<u>11,439,790</u>	<u>364,678</u>
Change in net position	2,375,358	49,138	2,326,220
Net position at the beginning of the year	<u>2,351,148</u>	<u>2,302,010</u>	<u>49,138</u>
Net position at the end of the year	<u>\$4,726,506</u>	<u>\$2,351,148</u>	<u>\$2,375,358</u>

Financial Analysis of the Governmental Funds

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

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

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

At the end of the current fiscal year, the School's governmental general fund reported an ending fund balance of \$6,557,310 of which \$6,552,998 is unassigned and available for spending at the School's discretion. These funds will be available for the School's future ongoing operations.

Capital Improvement Requirements The School maintains a continuous capital improvements program to enhance facilities and update fixtures and equipment as needed.

Capital Assets The School's investment in capital assets for its governmental activities as of June 30, 2025 totaled \$10,117,374, net of accumulated depreciation. This investment in capital assets includes property acquired under right-to-use leases, leasehold improvements, furniture, fixtures and equipment, audio visual equipment, computers and peripherals, and textbooks. Additional information on the School's capital assets can be found in Note 3 of the Financial Statements on pages 24 and 25 of this report.

Long-term Debt The School's long-term liabilities at June 30, 2025 totaled \$11,754,864. The balance is comprised of the long-term portion of the lease liabilities resulting from the School's facility and equipment leases. Further discussions of the School's lease liabilities can be found in Note 5 of the Financial Statements on pages 25 through 26 of this report.

School Location For 2024-2025, the School continues to operate from its facility located at 5855 NW 171 Street, Miami Gardens, FL 33015.

HIVE PREPARATORY SCHOOL
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025

Governmental Fund Budgetary Highlights

Prior to the start of the School's fiscal year, the Board of Directors adopted an annual budget. A budgetary comparison statement has been provided for the governmental funds to demonstrate compliance with School's budget.

	Budget		Actual
	Original	Final	
Revenue:			
FTE Funding	\$10,520,500	\$10,389,456	\$11,552,912
Title 1 and other federal funding	1,628,980	1,015,620	958,564
Charter Capital Outlay	551,913	531,099	531,099
NSLP and Lunch Fees	435,322	478,140	481,214
After Care and Summer Program	355,500	418,445	423,775
Other Revenue	132,000	221,553	232,262
Total Revenue	<u>13,624,215</u>	<u>13,054,313</u>	<u>14,179,826</u>
Expenditures:			
Instruction	5,865,663	4,816,221	4,808,383
Instruction and Curriculum Development	28,665	15,444	13,052
General Administration	171,729	348,554	360,142
School Administration	1,541,831	2,031,556	2,065,166
Facility Acquisition and Construction	1,190,806	75,021	67,947
Fiscal Services	1,068,570	730,565	720,651
Food Services	603,503	580,255	577,341
Operation of Plant - Facility Lease Payments	1,090,808	1,090,808	1,090,808
Operation of Plant - Other	404,592	690,554	789,622
Maintenance of Plant	313,000	85,668	82,603
Community Services	345,832	377,554	376,978
Capital Outlay:			
Other Capital Outlay	551,913	531,099	432,334
Total Expenditures	<u>13,176,912</u>	<u>11,373,299</u>	<u>11,385,027</u>
Excess of Revenue over Expenditures	<u>\$ 447,303</u>	<u>\$ 1,681,014</u>	<u>\$ 2,794,799</u>

Most of the variances were due to ongoing uncertainty surrounding the availability of various grants and programs at the time the original budget was developed. This was largely influenced by changes resulting from the tax referendum settlement. Additionally, it was the final year of funding from the Elementary and Secondary School Emergency Relief ("ESSER") program, which also introduced uncertainty during the budget preparation process. The final budget was formulated using actual full-time equivalent ("FTE") counts, confirmed staffing levels, and a clearer understanding of available programs.

Requests For Information This financial report is intended to provide a general overview of the finances of the Charter School. Requests for additional information may be addressed to Mr. Carlos Gonzalez at HIVE Preparatory School, 5855 NW 171 Street, Miami Gardens, FL 33015.



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Highly Inquisitive & Versatile Education Preparatory School
Miami Gardens, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Highly Inquisitive & Versatile Education ("HIVE") Preparatory School, (the "School"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 HIVE Preparatory School, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 2 through 7 and 30 through 32 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 is fairly stated, in all material respects, in relation to the basic 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 September 9, 2025, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

PAAST, P.L.

Certified Public Accountants
Coral Gables, Florida
September 9, 2025

HIVE PREPARATORY SCHOOL
STATEMENT OF NET POSITION
AS OF JUNE 30, 2025

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 5,502,944
Due from other agencies	1,315,703
Other assets	<u>4,312</u>
Total current assets	<u>6,822,959</u>
Noncurrent assets:	
Capital assets, depreciable (Notes 3 and 6):	
Right-to-use lease assets	12,485,039
Property, plant, and equipment	4,546,140
Less: accumulated depreciation	<u>(6,913,805)</u>
Capital assets, net of depreciation	<u>10,117,374</u>
TOTAL ASSETS	<u>\$ 16,940,333</u>
LIABILITIES AND NET POSITION	
Current liabilities:	
Accounts payable and accrued expenses	\$ 265,649
Lease liabilities	<u>193,314</u>
Total current liabilities	<u>458,963</u>
Long-term liabilities:	
Lease liabilities, net of current portion (Note 6)	<u>11,754,864</u>
Total long-term liabilities	<u>11,754,864</u>
TOTAL LIABILITIES	<u>12,213,827</u>
Net Position:	
Net investment in capital assets	(1,830,804)
Unrestricted	<u>6,557,310</u>
Total net position	<u>4,726,506</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 16,940,333</u>

HIVE PREPARATORY SCHOOL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 5,047,380	\$ -	\$ 1,230,733	\$ -	\$ (3,816,647)
Instruction and Curriculum Development	13,052	-	-	-	(13,052)
General Administration	360,142	-	-	-	(360,142)
School Administration	2,141,931	-	-	-	(2,141,931)
Facilities Acquisition and Construction	91,389	-	-	-	(91,389)
Fiscal Services	720,651	-	-	-	(720,651)
Food Services	578,251	-	481,214	-	(97,037)
Operation of Plant - Interest on Lease	991,397	-	-	-	(991,397)
Operation of Plant - Depreciation	611,072	-	-	-	(611,072)
Operation of Plant - Other	789,622	-	-	948,935	159,313
Maintenance of Plant	82,603	-	-	-	(82,603)
Community Services	376,978	423,775	-	-	46,797
Total Governmental activities	<u>\$ 11,804,468</u>	<u>\$ 423,775</u>	<u>\$ 1,711,947</u>	<u>\$ 948,935</u>	<u>(8,719,811)</u>
General revenue:					
State passed through local school district					10,862,907
Other revenue					<u>232,262</u>
					<u>11,095,169</u>
Change in net position					2,375,358
Net position, beginning					<u>2,351,148</u>
Net position, ending					<u>\$ 4,726,506</u>

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

HIVE PREPARATORY SCHOOL
BALANCE SHEET - GOVERNMENTAL FUNDS
AS OF JUNE 30, 2025

	General Fund	Special Revenue Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 5,502,944	\$ -	\$ 5,502,944
Due from other agencies	1,153,953	161,750	1,315,703
Due from other fund	161,750	-	161,750
Other assets	<u>4,312</u>	<u>-</u>	<u>4,312</u>
TOTAL ASSETS	<u>\$ 6,822,959</u>	<u>\$ 161,750</u>	<u>\$ 6,984,709</u>
LIABILITIES			
Accounts payable and accrued expenses	\$ 265,649	\$ -	\$ 265,649
Due to other fund	<u>-</u>	<u>161,750</u>	<u>161,750</u>
TOTAL LIABILITIES	<u>265,649</u>	<u>161,750</u>	<u>427,399</u>
FUND BALANCES			
Non-spendable, not in spendable form	4,312	-	4,312
Unassigned	<u>6,552,998</u>	<u>-</u>	<u>6,552,998</u>
TOTAL FUND BALANCES	<u>6,557,310</u>	<u>-</u>	<u>6,557,310</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 6,822,959</u>	<u>\$ 161,750</u>	<u>\$ 6,984,709</u>

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

HIVE PREPARATORY SCHOOL
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF
NET POSITION
AS OF JUNE 30, 2025

Total Fund Balance - Governmental Funds	\$ 6,557,310
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Amounts reported for governmental activities in the statement of net position
are different because:

Capital assets of \$17,031,179 net of accumulated depreciation of \$6,913,805 used in governmental activities are not financial resources and therefore are not reported in governmental funds (Note 3).	10,117,374
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Lease liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. All liabilities, both current and long-term, are reported in the statement of net position.	<u>(11,948,178)</u>
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Total Net Position - Governmental Activities	<u>\$ 4,726,506</u>
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The accompanying notes are an integral part of these financial statements.

HIVE PREPARATORY SCHOOL
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	Special Revenue Fund	Total Governmental Funds
Revenues:			
Federal passed through local school district	\$ -	\$ 1,439,778	\$ 1,439,778
State passed through local school district	10,862,907	1,221,104	12,084,011
Aftercare and lunch fees	423,775	-	423,775
Other revenue	232,262	-	232,262
Total Revenue	<u>11,518,944</u>	<u>2,660,882</u>	<u>14,179,826</u>
Expenditures:			
Instruction	3,577,650	1,230,733	4,808,383
Instruction and Curriculum Development	13,052	-	13,052
General Administration	360,142	-	360,142
School Administration	2,065,166	-	2,065,166
Facilities Acquisition and Construction	67,947	-	67,947
Fiscal Services	720,651	-	720,651
Food Services	-	577,341	577,341
Operation of Plant - Facility Lease Payments	141,873	948,935	1,090,808
Operation of Plant - Other	789,622	-	789,622
Maintenance of Plant	82,603	-	82,603
Community Services	376,978	-	376,978
Capital Outlay:			
Other Capital Outlay	432,334	-	432,334
Total Expenditures	<u>8,628,018</u>	<u>2,757,009</u>	<u>11,385,027</u>
Excess (Deficiency) of Revenue over Expenditures	2,890,926	(96,127)	2,794,799
<i>Other Financing (Uses) Sources</i>			
Transfers (out) and in	(96,127)	96,127	-
Total Other Financing (Uses) Sources	<u>(96,127)</u>	<u>96,127</u>	<u>-</u>
Change in fund balance	2,794,799	-	2,794,799
Fund balance at the beginning of the year	<u>3,762,511</u>	-	<u>3,762,511</u>
Fund balance at the end of the year	<u>\$ 6,557,310</u>	<u>\$ -</u>	<u>\$ 6,557,310</u>

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

HIVE PREPARATORY SCHOOL
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
- GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Net change in fund balances - total governmental funds \$ 2,794,799

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report fixed capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays of \$432,334 differed from depreciation expense of \$1,013,520 (Note 3). (581,186)

Repayment of debt principal for lease liabilities 161,745

Total change in net position of governmental activities \$ 2,375,358

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Advanced Learning Charter School, Inc. is a Florida Not-For-Profit Corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act and Section 1002.33, Florida Statutes. The School operates a Charter School, Highly Inquisitive & Versatile Education (HIVE) Preparatory School (the "School"), located at 5855 NW 171 Street, Miami Gardens, Florida 33015, under a charter of the sponsoring school district, the School Board of Miami-Dade County, Florida (the "District"). The Governing Board of the School is the School's Board of Directors, which is comprised of four members. The board has determined that no component units exist that would require inclusion in the School's financial statements.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The current Charter Contract (the "Contract") with the District is effective until June 30, 2028 and may be renewed by mutual agreement between the School and the District. At the end of the Contract term, the District may choose not to renew the charter under grounds specified in the Contract, in which case the District is required to give the School written notice ninety (90) days prior to the Contract's expiration. During the term of the Contract, the District may terminate the Contract for non-compliance.

The School is located in Miami Gardens, Florida and provides educational services to students in kindergarten through eighth grade. These financial statements are for the year ended June 30, 2025, when on average, 857 students were enrolled for the year.

Basis of Presentation

The financial statements of the School are prepared in accordance with generally accepted accounting principles ("GAAP"). The School applies all relevant Governmental Accounting Standards Board ("GASB") *Codification of Accounting and Financial Reporting Guidance*. Accordingly, the basic financial statements include both the government-wide and fund financial statements.

Government-wide and Fund Financial Statements

The government-wide financial statements consist of a statement of net position and a statement of activities. These statements report information on all of the nonfiduciary activities of the School. As part of the consolidation process, all interfund activities are eliminated from these statements. Both statements report only governmental activities as the School does not engage in any business type activities.

The statement of activities presents a comparison between the direct expenses and program revenue for each function or program of the School's governmental activities. Direct expenses are those that are clearly identifiable to a specific function. Program revenues consist of charges for services, operating grants and contributions, and capital grants and contributions. Charges for services refer to amounts received from those who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide and Fund Financial Statements (Continued)

Grants and contributions consist of revenues that are restricted to meeting the operational or capital requirements of a particular function. Revenues not classified as program revenues are reported as general revenues.

Separate fund financial statements report detailed information about the School's governmental funds. A fund is an accounting entity having a self-balancing set of accounts for recording assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund equity, revenues, expenditures and other financial sources and uses. The focus of the governmental fund financial statements is on major funds, which are reported in separate columns on the fund financial statements. Two of the School's funds are deemed to be major. A reconciliation is provided that converts the results of governmental fund accounting to the government-wide presentation.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recognized in the period earned and expenses are recognized when a liability is incurred.

The School recognizes assets of non-exchange transactions in the period when the underlying transaction occurs, when an enforceable legal claim has arisen, or when all eligibility requirements are met. Non-exchange transactions occur when the School gives (or receives) value without directly receiving (or giving) equal value in exchange. The School's revenues are generally non-exchange transactions and are recognized on the accrual basis in the fiscal year in which all eligibility requirements and conditions are met.

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues, except for certain grant revenue, are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The School considers revenues to be available if they are collected within 60 days of the end of the fiscal year. A one-year availability period is used for revenue recognition for all other governmental fund revenues. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for federal, state or other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recorded when the related fund liability is incurred. However, principal and interest on general long-term debt is recorded as an expenditure only when payment is due.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled. The School reports the following major governmental funds:

General Fund – this is the operating fund of the School. It is used to account for all financial resources not required to be accounted for in another fund.

Special Revenue Fund – this fund accounts for all resources used by the School to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes.

When both restricted and unrestricted resources are available for use, it is the School's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash and Cash Equivalents

The School considers all highly liquid investments with a maturity of three months or less, at date of purchase, to be cash equivalents.

Due From Other Agencies

Due from other agencies in the accompanying financial statements represent balances due from the National School Lunch Program, the Florida Department of Education for Charter School Capital Outlay, and other amounts due to the School by other governments or agencies relating to grants or programs for which the services have been provided by the School. The School's management considers 100% of accounts receivable to be collectible. Accordingly, no allowance for credit losses has been established.

Budgets and Budgetary Accounting

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets are reported in the applicable governmental columns on the government-wide financial statements at historical cost. Capital assets are defined by the School as assets with an initial combined cost of more than \$500 and an estimated useful life of more than two years. Donated capital assets are recorded at their estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are expensed as incurred.

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Leasehold improvements	10 – 15
Furniture, fixtures and equipment	7 – 10
Audio visual equipment	3 – 5
Computers and peripherals	3 – 5
Textbooks	3 – 5

Right-to-use lease assets are recorded at the lesser of fair value or the present value of the future minimum lease payments at the time of lease inception, and depreciated using the straight-line method over the lease term.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. In the fund financial statements, governmental funds report the face amount of debt issued as other financing sources and payments of debt principal as other financing uses.

Long-term liabilities at June 30, 2025 consist of the long-term portion of the School's lease liabilities of approximately \$11,754,864 (Note 5). Lease liabilities are recorded at the present value of the future minimum lease payments and amortized over the lease term. The liability represents the unamortized portion of the lease obligation.

Deferred Inflows/Outflows of Resources

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, identifies net position, rather than net assets, as the residual of all other elements presented in a statement of financial position. Deferred outflows of resources represent consumption of resources that is applicable to future reporting periods that will be reported in a separate section after assets. Deferred inflows of resources represent acquisition of resources that is applicable to future reporting periods that will be reported in a separate section after liabilities. The School does not have any items that qualify for reporting in these categories.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position and Fund Balance Classifications

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

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

When both restricted and unrestricted resources are available for a specific purpose, it is the School’s policy to use restricted resources first, until exhausted, before using unrestricted resources. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions.

The GASB has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications reflect the nature of the funds and the level of restriction placed upon the fund balance.

GASB 54 requires fund balance amounts to be reported within the following balance categories: Non-spendable, Restricted, Committed, Assigned and Unassigned.

- *Non-spendable* – fund balance amounts associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned). All non-spendable fund balances at year end relate to assets not in spendable form.
- *Restricted* – fund balance amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. There are no restricted fund balances at year end.
- *Committed* – fund balance amounts that can be used only for the specific purposes determined by a formal action of the School’s Board of Directors. There are no committed fund balances at year end.
- *Assigned* – fund balance amounts that are intended to be used by the School for specific purposes, but do not meet the criteria to be classified as restricted or committed. There are no assigned fund balances at year end.
- *Unassigned* – fund balance is the residual classification for the School’s general fund and includes all spendable amounts not contained in other classifications.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Order of Fund Balance Spending Policy

The School's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year by adjusting journal entries. First, non-spendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then any remaining fund balance amounts for the non-general funds are classified as restricted fund balance. It is possible for the non-general funds to have a negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purposes exceed the positive fund balance for the non-general fund.

Revenue Sources

Revenues for current operations are received primarily from the State of Florida through the District pursuant to the funding provisions included in the School's Contract. In accordance with the funding provisions of the School's Contract and Section 1002.33(17), Florida Statutes, the School reports the number of Full Time Equivalent ("FTE") students and related student information to the District. Under the provisions of Section 1011.62, Florida Statutes, the District reports the number of FTE students and related student information to the Florida Department of Education (the "FDOE") for funding through the Florida Education Finance Program ("FEFP"). Funding for the School is adjusted during the year to reflect revised calculations by the FDOE under the FEFP and actual FTE students reported by the School. After review and verification of FTE reports and supporting documentation, the FDOE may adjust subsequent fiscal period allocations of FEFP funding for prior year errors disclosed by its review as well as to prevent statewide allocations from exceeding the amount authorized by the Legislature. Normally, such adjustments are treated as reductions of revenue in the year the adjustment is made.

The School receives state funds through the District under Charter School Capital Outlay funding pursuant to Section 1013.62, Florida Statutes. Funds are based upon a capital outlay plan submitted to the District and are to be used for lease, rent, or construction of School facilities.

The School also receives federal awards for the enhancement of various educational programs. This assistance is generally received based on applications submitted to and approved by various granting agencies. For federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred. Any excess amounts are reported as deferred revenues until expended.

The School may generate other revenue from various fundraising activities and certain other programs.

Income Taxes

Advanced Learning Charter School, Inc. is exempt from income taxes under section 501(c)3 of the Internal Revenue Code of 1954 (as amended) under the classification of a public charity; accordingly, the financial statements reflect no provision for income taxes.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

The School grants a specific number of days of sick/personal leave. Full-time employees are eligible for ten sick/personal days during the ten-month school year period. Employees are not eligible to carry forward unused days.

Leases

The School leases property and equipment under various non-cancellable leases. Leases are recorded in accordance with GASB Statement No. 87, *Leases* (GASB 87). Leases with terms of 12 months or less at commencement, are expensed based on the provisions of the lease contract. For all other leases, the School recognizes a lease liability and an intangible right-to-use ("RTU") lease asset.

At lease commencement, the School initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The RTU asset is initially measured as the initial amount of the lease liability, less lease payments made at or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any lease incentives received at or before the lease commencement date. Subsequently, the RTU asset is depreciated on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

The School generally uses its incremental borrowing rate as the discount rate for leases unless the rate that the lessor charges is known.

The lease term includes the noncancelable period of the lease plus any additional periods covered by any options to extend or terminate which are reasonably certain to be exercised.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Accordingly, actual results could differ from those reported.

Advertising Costs

The School expenses all advertising costs as they are incurred. Total advertising costs for the year ended June 30, 2025 were approximately \$14,000.

HIVE PREPARATORY SCHOOL
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Management Review of Subsequent Events

In accordance with GASB Codification Section 2250.106, Management has evaluated subsequent events through September 9, 2025 the date when the financial statements were available to be issued.

NOTE 2 - CASH

Custodial Credit Risk – Custodial credit risk is the risk that in the event of bank failure, the School's deposits may not be returned to it. It is the School's policy to maintain its cash and cash equivalents in major banks that are FDIC-insured and in high-grade investments.

FDIC deposit insurance covers the depositors of a failed FDIC-insured depository institution dollar-for-dollar, principal plus any interest accrued or due to the depositor, through the date of default, up to at least \$250,000 per depositor, per financial institution. HIVE Preparatory School maintains its cash and cash equivalents in two financial institutions. As of June 30, 2025, bank balances exceeding FDIC coverage were approximately \$5,281,000.

NOTE 3 - CAPITAL ASSETS AND ASSET IMPAIRMENT

Changes in capital assets consist of the following:

	Balance at July 1, 2024	Additions	Disposals	Balance at June 30, 2025
Capital assets:				
Leasehold improvements	\$ 785,854	\$ 175,278	\$ -	\$ 961,132
Furniture, fixtures and equipment	830,459	17,886	-	848,345
Audio visual equipment	34,404	-	-	34,404
Computers and peripherals	1,468,792	45,267	-	1,514,059
Textbooks	994,297	193,903	-	1,188,200
Right-to-use lease assets	<u>12,485,039</u>	<u>-</u>	<u>-</u>	<u>12,485,039</u>
Total capital assets	<u>16,598,845</u>	<u>432,334</u>	<u>-</u>	<u>17,031,179</u>
Less accumulated depreciation:				
Leasehold improvements	(460,423)	(60,137)	-	(520,560)
Furniture, fixtures and equipment	(490,488)	(86,217)	-	(576,705)
Audio visual equipment	(32,300)	(1,061)	-	(33,361)
Computers and peripherals	(970,961)	(165,507)	-	(1,136,468)
Textbooks	(770,676)	(160,308)	-	(930,984)
Right-to-use lease assets	<u>(3,175,437)</u>	<u>(540,290)</u>	<u>-</u>	<u>(3,715,727)</u>
Total accumulated depreciation	<u>(5,900,285)</u>	<u>(1,013,520)</u>	<u>-</u>	<u>(6,913,805)</u>
Total governmental activities capital assets, net	<u>\$ 10,698,560</u>	<u>\$ (581,186)</u>	<u>\$ -</u>	<u>\$ 10,117,374</u>

NOTE 3 - CAPITAL ASSETS AND ASSET IMPAIRMENT (CONTINUED)

Depreciation expense for the year ended June 30, 2025 was \$1,013,520 and is allocated in the statement of activities as follows:

Operation of plant - depreciation	\$ 611,072
Instruction	238,997
School administration	139,100
Facilities and acquisition	23,441
Food services	<u>910</u>
Total depreciation expense	<u>\$ 1,013,520</u>

NOTE 4 - CREDIT FACILITY

The School has a credit facility with BridgeRock Capital Corporation ("BridgeRock"), a related party (Note 6), in the amount of \$500,000. The credit facility bears interest at a rate of 5% and is collateralized by the corporate assets of the School and matures on June 30, 2028. The terms of the credit facility allow for advances in increments of \$25,000 up to the facility amount. The School did not draw any advances nor carry any balance during the year ended June 30, 2025. No interest expense was incurred during the year then ended.

NOTE 5 – COMMITMENTS AND CONTINGENCIES

Leases

On October 29, 2009, the School entered into a Facility Lease with Palmetto KTP, LLC, a related party. On August 17, 2018, the School expanded the facility and amended the lease agreement to increase monthly rent payments and extend the lease expiration to August 17, 2043. Base rent of the lease escalates at a rate of 2.0% or CPI, whichever is greater.

The lease was recorded at the present value of the future minimum lease payments at the time of the lease extension. The leased facility is depreciated straight-line over the twenty-five year lease term. As of June 30, 2025, the property acquired under the right-to-use facility lease totaled \$8,640,000, net of accumulated depreciation of \$3,360,000, and is reported with capital assets in the statement of net position. Depreciation expense of \$480,000 is included in operation of plant - depreciation in the statement of activities.

The School leases office equipment under non-cancelable lease agreements. The leased equipment is depreciated on a straight-line basis over the remaining lease terms. As of June 30, 2025, right-to-use equipment totaled \$121,885, net of accumulated depreciation of \$363,154, and is reported with capital assets in the statement of net position. Depreciation expense of \$60,290 is included in school administration in the accompanying statement of activities.

NOTE 5 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Leases (Continued)

The future minimum lease payments due under the School's leases, together with the present value of the minimum lease payments, are as follows:

School Year	Facility Lease	Equipment Leases	Total Future Commitments
2025-2026	\$ 1,112,624	\$ 68,388	\$ 1,181,012
2026-2027	1,134,876	66,164	1,201,040
2027-2028	1,157,574	14,990	1,172,564
2028-2029	1,180,725	-	1,180,725
2029-2030	1,204,340	-	1,204,340
Thereafter	<u>18,163,749</u>	<u>-</u>	<u>18,163,749</u>
Total	23,953,888	149,542	24,103,430
Less amount representing interest	<u>(12,146,535)</u>	<u>(8,717)</u>	<u>(12,155,252)</u>
Present value of minimum lease payments	<u>\$ 11,807,353</u>	<u>\$ 140,825</u>	<u>\$ 11,948,178</u>

The interest rate related to the facility lease liability is 8.36%, the rate implicit in the lease agreement. Interest expense for the year ended June 30, 2025 was \$991,000 and is allocated to operation of plant – interest on lease in the statement of activities. The term remaining on the facility lease is 18 years.

The interest rate related to the lease liabilities resulting from equipment leases is 5%, the School's incremental borrowing rate. Interest expense for the year ended June 30, 2025 was \$9,000 and is allocated to school administration in the statement of activities. The weighted average term remaining on equipment leases is 3.18 years.

Total rent expense for the year ended June 30, 2025 was approximately \$279,000. This amount includes triple net charges for common area maintenance, property insurance, management fees, and equipment overage charges.

Other Contingencies

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

NOTE 5 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Other Contingencies (Continued)

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

Pursuant to the Charter School contract with the District, the District withholds an administrative fee of up to 2% of the qualifying revenues of the School. For the year ended June 30, 2025, administrative fees withheld by the District totaled approximately \$40,000.

NOTE 6 - RELATED PARTIES

BridgeRock is the provider of the credit facility to the School (Note 4). As of June 30, 2025, the School had no outstanding principal or accrued interest and no interest expense was incurred during the year then ended.

BridgeRock Education LLC, a company related to BridgeRock by common ownership, provides management and administrative services to the School, including, but not limited to, facility design, staffing recommendations, human resource coordination, regulatory compliance, legal and corporate upkeep, maintenance of the books and records, bookkeeping, budgeting and financial reporting. The current term of the agreement expires June 30, 2028 and, unless terminated by the board, shall continue to be renewed along with any renewals to the charter agreement. During the year ended June 30, 2025, the School incurred approximately \$721,000 in management fees.

The School leases its facilities (Note 5) from Palmetto KTP, LLC, a company related to BridgeRock by common ownership. During the year ended June 30, 2025, the School made lease payments totaling approximately \$1,091,000 to Palmetto KTP, LLC.

NOTE 7 – RISK MANAGEMENT

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; general liabilities; and natural disasters for which the School carries commercial liability insurance. There have been no claims against the policy during the fiscal year ended June 30, 2025.

NOTE 8 – DEFINED CONTRIBUTION PLAN

The School maintains a contributory profit sharing plan (the "Plan") as defined under Section 401(k) of the U.S. Internal Revenue Code covering substantially all employees. In 2025, the School contributed 100% of the amount of elective deferral contributions that did not exceed 4% of eligible compensation. Employer contributions during the year ended June 30, 2025 totaled approximately \$132,000. John Hancock Life Insurance Company acts as the Plan's custodian.

NOTE 9 – REFERENDUM SETTLEMENT AGREEMENT

In 2018, Miami-Dade County voters approved a referendum authorizing the School Board to levy an annual ad valorem tax of 0.75 mills (\$0.75 per \$1,000 of assessed property value) from July 1, 2019, through June 30, 2023. The funds were designated to:

1. Enhance compensation for high-quality teachers and instructional personnel, and
2. Increase school safety and security staffing, with oversight provided by a Citizen Advisory Committee (the "2018 Referendum").

Although the School District initially distributed all revenue generated under the 2018 Referendum exclusively to non-charter public schools, a settlement agreement was executed in July 2024 to resolve the School's entitlement to a proportional share of those funds.

Under the terms of the agreement, the School Board was to make two payments to the Charter School. The first payment of approximately \$1,091,000 was received in September 2024 and the second payment of approximately \$1,145,000, was received in July 2025. Pursuant to the settlement agreement, these funds may be used for any lawful charter school expenditures permitted under Florida Statutes or FEFPP guidelines. Accordingly, the School recognized approximately \$2,236,000 in unrestricted revenue as a result of the 2018 referendum during the year ended June 30, 2025.

NOTE 10 – SUBSEQUENT EVENTS

Following the Board's approval, the School is evaluating the potential expansion into high school grade levels. The Board has approved continued exploration of this opportunity, recognizing the school's existing waiting list and anticipated enrollment growth. While no final decisions have been made, this expansion represents a significant strategic development for the school and may have implications for future operations.

Required Supplemental Information

HIVE PREPARATORY SCHOOL
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET VS.
ACTUAL- GENERAL FUND
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025

	Budget			Final
	Original	Final	Actual	Variance
Revenue:				
State passed through local school district	\$ 10,520,500	\$ 10,389,456	\$ 10,862,907	\$ 473,451
Local sources	355,500	418,445	423,775	5,330
Other revenue	132,000	221,553	232,262	10,709
Total Revenue	<u>11,008,000</u>	<u>11,029,454</u>	<u>11,518,944</u>	<u>489,490</u>
Expenditures:				
Instruction	4,413,122	3,803,969	3,577,650	(226,319)
Instruction and Curriculum Development	28,665	15,444	13,052	(2,392)
General Administration	171,729	348,554	360,142	11,588
School Administration	1,541,831	2,031,556	2,065,166	33,610
Facility Acquisition and Construction	1,190,806	75,021	67,947	(7,074)
Fiscal Services	1,068,570	730,565	720,651	(9,914)
Operation of Plant - Facility Lease Payments	538,895	559,709	141,873	(417,836)
Operation of Plant - Other	404,592	690,554	789,622	99,068
Maintenance of Plant	313,000	85,668	82,603	(3,065)
Community Services	345,832	377,554	376,978	(576)
Capital Outlay:				
Other Capital Outlay	-	-	432,334	432,334
Total Expenditures	<u>10,421,634</u>	<u>9,409,148</u>	<u>8,628,018</u>	<u>(781,130)</u>
Excess of Revenue over Expenditures	586,366	1,620,306	2,890,926	1,270,620
Other Financing Sources (Uses)				
Transfers in and (out)	8,258	(98,747)	(96,127)	2,620
Total Other Financing Sources (Uses)	<u>8,258</u>	<u>(98,747)</u>	<u>(96,127)</u>	<u>2,620</u>
Change in Fund Balance	594,624	1,521,559	2,794,799	1,273,240
Fund balance at the beginning of the year	<u>3,762,511</u>	<u>3,762,511</u>	<u>3,762,511</u>	-
Fund balance at the end of the year	<u>\$ 4,357,135</u>	<u>\$ 5,284,070</u>	<u>\$ 6,557,310</u>	<u>\$ 1,273,240</u>

See accompanying notes to required supplemental information.

HIVE PREPARATORY SCHOOL
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET VS.
ACTUAL- SPECIAL REVENUE FUND
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025

	Budget			Final
	Original	Final	Actual	Variance
Revenue:				
Federal passed through local school district	\$ 2,064,302	\$ 1,493,760	\$ 1,439,778	\$ (53,982)
State passed through local school district	551,913	531,099	1,221,104	690,005
Local sources	-	-	-	-
Total Revenue	<u>2,616,215</u>	<u>2,024,859</u>	<u>2,660,882</u>	<u>636,023</u>
Expenditures:				
Instruction	1,452,541	1,012,252	1,230,733	218,481
Instruction and Curriculum Development	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Facility Acquisition and Construction	-	-	-	-
Fiscal Services	-	-	-	-
Food Services	603,503	580,255	577,341	(2,914)
Operation of Plant - Facility Lease Payments	551,913	531,099	948,935	417,836
Operation of Plant - Other	-	-	-	-
Maintenance of Plant	-	-	-	-
Community Services	-	-	-	-
Capital Outlay:				
Other Capital Outlay	-	-	-	-
Total Expenditures	<u>2,607,957</u>	<u>2,123,606</u>	<u>2,757,009</u>	<u>633,403</u>
Excess (Deficiency) of Revenue over Expenditures	8,258	(98,747)	(96,127)	2,620
Other Financing Sources (Uses)				
Proceeds from credit facility	-	-	-	-
Lease liability for acquisition of lease assets	-	-	-	-
Transfers in and (out)	(8,258)	98,747	96,127	(2,620)
Total Other Financing Sources (Uses)	<u>(8,258)</u>	<u>98,747</u>	<u>96,127</u>	<u>(2,620)</u>
Change in Fund Balance	-	-	-	-
Fund balance at the beginning of the year	-	-	-	-
Fund balance at the end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to required supplemental information.

NOTE 1 - BUDGETARY INFORMATION

Basis of Accounting

The School's annual budgets are adopted for the entire operation at the combined governmental level and may be amended by the Board. Although budgets are adopted for the entire operation, budgetary comparisons have been presented for the general fund and each major fund for which a legally adopted budget exists.

Budgets are presented on the modified accrual basis of accounting. The legal level of budgetary control is at the fund level.



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 Directors of
Highly Inquisitive & Versatile Education Preparatory School
Miami Gardens, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Highly Inquisitive & Versatile Education (HIVE) Preparatory School (the "School") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated September 9, 2025.

Report of Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

PAAST, P.L.

Certified Public Accountants
Coral Gables, Florida
September 9, 2025



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors of
Highly Inquisitive & Versatile Education Preparatory School
Miami Gardens, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Highly Inquisitive & Versatile Education (HIVE) Preparatory School's (the "School"), compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the School's major federal programs for the year ended June 30, 2025. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School 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 for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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; 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). Our responsibilities under those standards and the Uniform Guidance 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 School 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. Our audit does not provide a legal determination of the School'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 School's federal programs.

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 School'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*, and the Uniform Guidance 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 School's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, 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 School'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 School'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, but not for the purpose of expressing an opinion on the effectiveness of the School'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 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 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 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. Accordingly, this report is not suitable for any other purpose.

PAAST, P.L.

Certified Public Accountants
Coral Gables, Florida
September 9, 2025

HIVE PREPARATORY SCHOOL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AS OF JUNE 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass- Through Grantor Number	Amount of Expenditures
CLUSTERED			
Child Nutrition Cluster:			
United States Department of Agriculture:			
Florida Department of Agriculture and Consumer Services:			
National School Lunch Program	10.555	20001, 20003	\$ <u>481,214</u>
TOTAL CHILD NUTRITION CLUSTER			<u>481,214</u>
NOT CLUSTERED			
United States Department of Education:			
School Board of Miami-Dade County, FL:			
Education Stabilization Fund	84.425, COVID-19	N/A	
American Rescue Plan- Elementary and Secondary School Emergency Relief Fund ("ARP ESSER")	84.425U	N/A	530,430
Title I Grants to Local Educational Agencies (LEAs)	84.010	N/A	<u>428,134</u>
TOTAL STATE DEPARTMENT OF EDUCATION			<u>958,564</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,439,778</u>

See independent auditor's report.

HIVE PREPARATORY SCHOOL
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards ("the Schedule") includes the Federal award activity of the School under programs of the Federal government for the year ended June 30, 2025. The information on this Schedule is prepared 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).

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The School has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

HIVE PREPARATORY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL PROGRAMS TITLE 2 U.S. *CODE OF
FEDERAL REGULATIONS* PART 200
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025

Section I - SUMMARY OF AUDIT RESULTS

As required by Title 2 U.S. *Code of Federal Regulations Section 200.515*, the following is a summary of the results of the audit of HIVE Preparatory School, for the fiscal year ended June 30, 2025:

FINANCIAL STATEMENTS	RESULTS
Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP?	Unmodified
INTERNAL CONTROL OVER FINANCIAL REPORTING:	
Material weakness identified?	No
Significant deficiency identified?	None reported
Noncompliance material to financial statements noted?	No
FEDERAL AWARDS	
INTERNAL CONTROL OVER THE MAJOR FEDERAL PROGRAM:	
Material weakness identified?	No
Significant deficiency identified?	None reported
Type of auditor's report issued on compliance for the major Federal programs?	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	No
IDENTIFICATION OF MAJOR PROGRAM:	
Assistance Listing Number:	
84.425, COVID-19	Education Stabilization Fund
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

HIVE PREPARATORY SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS – FEDERAL PROGRAMS TITLE 2 U.S. *CODE OF
FEDERAL REGULATIONS* PART 200
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025

Section II – FINANCIAL STATEMENT FINDINGS

No matters were reported.

Section III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

Section IV– STATUS OF PRIOR YEAR FINDINGS

No matters were reported.

Management Letter



MANAGEMENT LETTER

To the Board of Directors of
Highly Inquisitive & Versatile Education Preparatory School
Miami, Florida

Report on the Financial Statements

We have audited the financial statements of Highly Inquisitive & Versatile Education ("HIVE") Preparatory School (the "School"), Florida, as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated September 9, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major Program and Report on Internal Control over Compliance required by the Uniform Guidance. Disclosures in that report, which is dated September 9, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings and recommendations made in the preceding annual financial audit report.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are Highly Inquisitive & Versatile Education (HIVE) Preparatory School, 131014.

Financial Condition and Management

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require us to apply appropriate procedures and communicate whether or not Highly Inquisitive & Versatile Education (HIVE) Preparatory School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify of the specific condition(s) met. In connection with our audit, we determined that Highly Inquisitive & Versatile Education (HIVE) Preparatory School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for Highly Inquisitive & Versatile Education (HIVE) Preparatory School. It is management's responsibility to monitor Highly Inquisitive & Versatile Education (HIVE) Preparatory School's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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

Transparency

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

Additional Matters

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

Purpose of this Letter

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

PAAST, P.L.

Certified Public Accountants
Coral Gables Florida
September 9, 2025