Armour Dance Theatre, Inc.

Audited Financial Statements

For the Year Ended June 30, 2025

TABLE OF CONTENTS

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Independent Auditor's Report

To the Board of Directors of
Armour Dance Theatre, Inc.
5818 SW 73 Street
Miami, Florida 33143

Opinion

We have audited the accompanying financial statements of Armour Dance Theatre, Inc. (a non-profit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Armour Dance Theatre, Inc. as of June 30, 2025, and the changes in its net assets and its 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 applicable standards appliable to financial audits contained in Government Auding 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 Armour Dance Theatre Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Armour Dance Theatre, Inc.'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 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 therefore is not a guarantee that an audit conducted in accordance with generally accepted 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 judgements made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement 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 the 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 Armour Dance Theatre, Inc.’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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Armour Dance Theatre, Inc.’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.

Other Reporting Required by Government Audit Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 8, 2025, on our consideration of Armour Dance Theater, Inc.’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Armour Dance Theatre, Inc.’s internal control over financial reporting and compliance.

Catarineau & Givens, P.A.

Catarineau & Givens, P.A.
Miami, Florida 33183
December 8, 2025

Armour Dance Theatre, Inc.
Statement of Financial Position
June 30, 2025

Assets

Current Assets:		
Cash	$	106,456
Receivables		171,866
Prepaid expenses		2,142
Other receivable		182
Total Current Assets		280,646
Property and Equipment:		
Land		740,000
Building		261,756
Building improvements		698,682
Furniture and equipment		128,629
Total Property and Equipment		1,829,067
Less: accumulated depreciation		356,651
Property and Equipment, net		1,472,416
Other Assets:		
Security deposits		50
Total Assets	$	1,753,112

Liabilities and Net Assets

Current Liabilities:		
Accounts payable	$	79,617
Deferred income		25,560
Current portion of line of credit (see Note 9)		9,000
Current portion of long-term debt (see Note 10)		7,692
Total Current Liabilities		121,869
Long-Term Liabilities:		
Line of credit (see Note 9)		61,352
Loan payable (see Note 10)		142,942
Total Long-Term Liabilities		204,294
Total Liabilities		326,163
Net Assets:		
Without donor restrictions		1,426,949
Total Liabilities and Net Assets	$	1,753,112

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

Armour Dance Theatre, Inc.
Statement of Activities
For the Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenues			
Support:			
Grant revenue - state and local	$ 1,787,793	$ -	$ 1,787,793
Contributions	592,374	-	592,374
Contributions, In-kind	509,190	-	509,190
Tuition and registration fees	480,573	-	480,573
Ticket sales	119,359	-	119,359
Interest income	8,753	-	8,753
Other income	10,391	-	10,391
Total Support and Revenues	3,508,433	-	3,508,433
Expenses:			
Program services	3,507,042	-	3,507,042
General and administrative	245,876	-	245,876
Total Expenses	3,752,918	-	3,752,918
Change in Net Assets	(244,485)	-	(244,485)
Net Assets, Beginning of Year	1,671,434	-	1,671,434
Net Assets, End of Year	$ 1,426,949	$ -	$ 1,426,949

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

Armour Dance Theatre, Inc.
Statement of Cash Flows
For the Year Ended June 30, 2025

Cash Flows from Operating Activities:		
Changes in net assets	$	(244,485)
Adjustment to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation		32,925
(Increase) Decrease in:		
Receivables		(21,460)
Prepaid expenses		3,268
Other receivable		57
Increase (Decrease) in:		
Accounts payable		9,045
Deferred revenue		(92,531)
Cash Flow Provided by Operating Activities		(313,181)
Cash Flows from Financing Activities		
Net Advance (Repayment) of loan payables		(9,488)
Cash Flow Used in Financing Activities		(9,488)
Decrease in Cash		(322,669)
Cash, Beginning of Year		429,125
Cash, End of Year	$	106,456
Additional Cash Flow Information:		
Cash paid during the year for:		
Interest Expense	$	7,412
Income Taxes	$	-

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

Armour Dance Theatre, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2025

	Program Services					
	Children's Trust (2414-7270)	Children's Trust (2514-7270)	Other	Total Services	General and Administrative	Total Expenses
Compensation and related expenses						
Wages and salaries	$ 124,389	$ 1,035,914	$ 825,212	$ 1,985,515	$ 110,813	$ 2,096,328
Payroll taxes	9,917	66,393	73,287	149,597	8,477	158,074
Employee benefits and related expenses	2,644	16,814	30,697	50,155	3,400	53,555
Total compensation and related expenses	136,950	1,119,121	929,196	2,185,267	122,690	2,307,957
Occupancy						
Rent	-	-	283,225	283,225	-	283,225
Utilities	-	-	15,229	15,229	3,807	19,036
Total occupancy	-	-	298,454	298,454	3,807	302,261
Advertising and promotion	-	-	126,133	126,133	-	126,133
Bank charges	-	-	16,750	16,750	270	17,020
Computer maintenance	-	10,781	21,561	32,342	8,086	40,428
Contract labor	37,710	96,257	223,064	357,031	15,912	372,943
Depreciation	-	-	-	-	32,925	32,925
Dues and subscriptions	-	15,100	2,029	17,129	1,989	19,118
Development / Social networking	-	-	25,395	25,395	1,110	26,505
Food for students	-	-	131,152	131,152	-	131,152
Insurance	-	-	17,292	17,292	2,588	19,880
Interest	-	-	-	-	7,412	7,412
Maintenance	-	12,675	7,415	20,090	4,534	24,624
Medical	-	-	16,252	16,252	-	16,252
Office expenses	441	3,879	4,117	8,437	2,304	10,741
Other (field trips)	2,375	5,788	11,728	19,891	-	19,891
Other	-	569	-	569	-	569
Penalties	-	-	-	-	-	1,093
Photography and videography	-	-	11,850	11,850	-	11,850
Postage and shipping	-	-	1,796	1,796	724	2,520
Printing	-	-	13,017	13,017	1,627	14,644
Professional services	-	6,000	-	6,000	38,200	44,200
Program supplies	7,437	69,914	37,737	115,088	-	115,088
Telephone and internet	-	-	1,423	1,423	1,422	2,845
Transportation	-	-	76,020	76,020	-	76,020
Travel	5,175	370	3,026	8,571	276	8,847
Total expenses	$ 190,088	$ 1,340,454	$ 1,975,407	$ 3,505,949	$ 245,876	$ 3,752,918

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

Armour Dance Theatre, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2025

(1) Nature of Activities

The mission of Armour Dance Theatre, Inc. (the "Organization") is to provide the opportunity for professional ballet training to talented youth, including financially disadvantaged or at risk children in the South Florida area. Through ballet, the children will gain access to new options and opportunities for success. The program also strives to diversify the world of classical ballet in terms of race, gender and socio-economic status, thus creating new role models for the children of the community.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting. Under this accounting method, revenues are recognized when earned and expenses are deducted in the period they are incurred.

(b) Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("US GAAP").

The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ACS) 958 dated August 2016 and the provisions of the American Institute of Certified Public Accountants (AICPA) "*Audit and Accounting Guide for Not-for-Profit Organizations*" (the "Guide"). (ASC) 958-205 effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

- Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization.

- Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

The Organization did not have net assets with donor restrictions at June 30, 2025.

(c) Contributions

The Organization follows GAAP, which, among other things, requires the immediate recognition as support of all unconditional contributions received. Unconditional promises to give, expected to be collected within one year, are recorded at the present value of their estimated future cash flows. Conditional promises to give are not included as support until all the conditions have been substantially met. Contributions restricted for the acquisition of land, buildings and equipment are reported as net assets without donor restrictions upon acquisition of the assets and the assets are placed in service.

(d) Property and Equipment

The Organization capitalizes assets purchased or donated if they have a useful life greater than one year and a value greater than or equal to $1,000. Acquisitions of property, equipment and improvements are recorded at cost and donated property and equipment are recorded at fair market value as of the date of the gift. Depreciation is provided by the straight-line method over the estimated useful lives of related assets, ranging from five to seven years for office equipment and fixtures and up to forty years for leasehold improvements.

(e) Cash and Cash Equivalents

Cash and cash equivalents, for the purposes of the statement of cash flows, includes all highly liquid financial instruments that have a maturity when purchased of three months or less. Cash and Cash Equivalents consists of cash held in checking and money market accounts and is considered highly liquid. At various times during the fiscal year, the Organization's cash balances exceeded the federally insured limits. As of June 30, 2025, cash balances did not exceed federally insured limits. Management believes the organization is not exposed to any significant credit risk on cash and cash equivalents.

(f) Use of Estimates

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

(g) Income Tax Status

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Service Code and, therefore, has no provision for federal income taxes.

The Organization's Form 990, Return of Organizations Exempt from Income Tax, for the years ending June 30, 2024, 2023 and 2022 are subject to examination by the IRS, generally for three years after they were filed.

(3) Liquidity and Availability of Financial Assets

The Organization's main source of revenue is governmental and private grants and contributions. Grant revenue and contributions is what will be used to fund the Organization's operations. Additionally, the entity receives contributions without donor restrictions; such support has historically represented approximately 71% of operations. The Organization considers grant income without donor restrictions, contributions and other miscellaneous income for use in programs that are ongoing, major, and central to its annual operations as available to meet cash needs for general expenditures. General expenditures include general and administrative expenses, which are necessary to sustain operations and are expected to be paid in the subsequent year. Annual operations are defined as total expenses related to both program services and supporting services activities.

(3) Liquidity and Availability of Financial Assets (continued)

The Organization manages its cash available to meet general expenditures through the following three guiding principles:

1. Operating within a prudent range of financial soundness and stability
2. Maintaining adequate liquid assets, and
3. Maintaining sufficient reserves to provide reasonable assurance that long-term agreements, other commitments and obligations will continue to be met, thereby ensuring the sustainability of the Organization.

The following reflects the Organization’s financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. There are no donor imposed restrictions as of June 30, 2025.

Cash and cash equivalents	$ 106,456
Grant receivable	165,015
Other receivable	6,851
Total assets available for general expenditures	$ 278,322

(4) Revenue Recognition

As of July 1, 2020, the Organization adopted the provisions of FASB Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606), as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition.

As of July 1, 2020, the Association also adopted the provisions of FASB ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (Topic 958). This accounting standard is meant to help not-for-profit entities evaluate whether transactions should be accounted for as contributions or as exchange transactions and, if the transaction is identified as a contribution, whether it is conditional or unconditional. ASU 2018-08 clarifies how an organization determines whether a resource provider is receiving commensurate value in return for a grant. If the resource provider does receive commensurate value from the grant recipient, the transaction is an exchange transaction and would follow the guidance under ASU 2014-09 (FASB ASC Topic 606). If no commensurate value is received by the grant maker, the transfer is a contribution. ASU 2018-08 stresses that the value received by the general public as a result of the grant is not considered to be commensurate value received by the provider of the grant. There were no change to the change in net assets as a result.

Disaggregation of Revenue

During the year ended June 30, 2025, the Organization’s revenue from contracts with customers disaggregated by primary performance obligation is the tuition totaling $480,573 over time.

Performance Obligations

The Organization receives tuition from students monthly for the classroom instruction. Revenue is recognized over time as students receive and consume the benefits provided by the Organization over the year. The Organization receives donations and recognizes the income when earned.

(4) Revenue Recognition (continued)

Contract Balances

The timing of revenue recognition, billings, cash collections results in billed accounts receivable and deferred revenue on the statement of financial position. Tuition receivable include amounts due from customers that are unconditional. Deferred revenue consists of billings in excess of revenue recognized. As of June 30, 2025, there was no balance for tuition receivables. Deferred revenue from contracts with customers is $25,560.

(5) Receivables

The Organization has receivables from grants in the amount of $165,015 as of June 30, 2025. The Organization receives a grant from the Children's Trust. The grant reimburses the Organization the costs of the program typically within 30 days.

Management evaluated the receivables at June 30, 2025 and determined that all receivables are fully collectible. Therefore, no allowance for doubtful accounts is reported on the financial statements.

(6) Property and Equipment

Property and equipment at June 30, 2025 are summarized as follows by major classification:

Land	$ 740,000
Building	261,756
Building Improvements	698,682
Furniture and equipment	128,629
Total	1,829,067
Less: Accumulated Depreciation	(356,651)
Property & Equipment, net	$1,472,416

Depreciation expense for the year ended June 30, 2025 was $32,925.

(7) Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting functions. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy which is allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, insurance, and others, which are allocated on the basis of estimates of time and effort.

(8) In-kind Contributions

In-kind contributions of facilities and professional services rendered are properly included in the accompanying statement of activities at their estimated fair market values at the date of the receipt. In-kind contributions for the year ended June 30, 2025 was $509,190.

Armour Dance Theatre, Inc.
Notes to Financial Statements
For the Year Ended June 30, 2025

9) Line of Credit

(a) Operating Line of Credit

The Organization has an operating line of credit with a local bank. The line of credit is secured by the assets of the Organization. During the year ended June 30, 2025, the Organization had a line of credit that allowed for borrowings up to $250,000. The line bears interest at 1% plus prime, currently 8%, the next scheduled renewal date is July 14, 2057. There was no balance as of June 30, 2025.

The Organization obtained a line of credit with a local bank to be used for its remodeling project, with a maximum borrowing amount of $200,000. The line of credit is secured by the assets of the Organization. As of December 5, 2021, the unpaid advances are due in monthly installments, sixty monthly payments of principal, based on a twenty-five year amortization and interest at a fixed rate of 4.75% per annum. Then commencing December 5, 2025, fifty nine payments of principal based on a 20 year amortization and at 3.25% above the US Treasury Bill rates. The loan becomes due on November 5, 2030. The loan balance as of June 30, 2025 was $70,352.

(10) Loan Payable

The Organization has obtained a loan with the Small Business Administration in the amount of $150,000. The line bears interest at 2.75% and is secured by the assets of the Organization. Payments begin twelve months from the date of the loan and payments are $641 monthly, including interest. The balance is $150,000 plus accrued interest in the amount of $634 as of June 30, 2025. The loan matures June 30, 2050.

Principal payments on the notes payable for the next 5 years are as follows:

Year Ending June 30,	
2025	$ 7,692
2026	7,692
2027	7,692
2028	7,692
2029 and thereafter	119,866
Total	$150,634

(11) Concentration

The Organization receives a grant from the Children's Trust which represents approximately 40% of its total revenues. The Organization relies on these contributions and grants to be able to provide the services to the community.

(12) Date of Management's Review

The Organization has evaluated subsequent events through December 8, 2025, the date which the financial statements were available to be issued.

Catarineau & Givens, P.A.
Certified Public Accountants

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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 Directors of
Armour Dance Theatre, Inc.
5818 SW 73 Street
Miami, Florida 33143

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 Armour Dance Theatre, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, 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 8, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Armour Dance Theatre, Inc.'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 opinion on the financial statements, but not for the purpose of expressing an opinion of the effectiveness of Armour Dance Theatre, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Armour Dance Theatre, Inc.'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 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 Armour Dance Theatre, Inc.'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 organization'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.

Catarineau & Givens, P.A.

Catarineau & Givens, P.A.
Miami, Florida 33183
December 8, 2025