

# **THE GLADES INITIATIVE, INC.**

FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2025  
TOGETHER WITH REPORT OF INDEPENDENT ACCOUNTANT

## TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report .....	1-3
Financial Statements:	
Statement of Financial Position .....	4
Statement of Activities .....	5
Statement of Cash Flows .....	6
Statement of Functional Expenses .....	7
Notes to Financial Statements .....	8-11
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.....	12-13

**KATHLEEN M. SHAFER**  
CERTIFIED PUBLIC ACCOUNTANT  
1850 FOREST HILL BLVD., SUITE 204  
WEST PALM BEACH, FLORIDA 33406  
TEL. (561) 963-1003 • FAX (877) 811-0643  
Member of Florida Institute of Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Board of Directors n  
The Glades Initiative, Inc.  
Belle Glade, Florida

**Opinion**

I have audited the financial statements of The Glades Initiative, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 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.

In my opinion, the financial statements present fairly, in all material respects, the financial position of The Glades Initiative, Inc. as of September 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**

I conducted my 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. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of The Glades Initiative, Inc. and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

**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 misstatements, 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 Glades Initiative, 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**

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

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

- 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 Glades Initiative, 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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Glades Initiative, Inc.'s ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

## **Report on Summarized Comparative Information**

I have previously audited The Glades Initiative, Inc.'s September 30, 2024 financial statements, and I expressed an unmodified audit opinion on those audited financial statements in my report dated January 28, 2025. In my opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated January 23, 2026, on my consideration of the Organization's internal control over financial reporting and on my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of The Glades Initiative, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Glades Initiative, Inc.'s internal control over financial reporting and compliance.



Kathleen M. Shafer, CPA  
West Palm Beach, Florida  
January 23, 2026

**THE GLADES INITIATIVE, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2025**  
**WITH COMPARATIVE TOTALS FROM 2024**

	<b>FUNDS</b>		<b>2025</b>	<b>2024</b>
	<b>WITHOUT DONOR</b>	<b>WITH DONOR</b>		
	<b><u>RESTRICTIONS</u></b>	<b><u>RESTRICTIONS</u></b>	<b><u>TOTAL</u></b>	<b><u>TOTAL</u></b>
<b><u>ASSETS</u></b>				
Cash & Cash Equivalents	\$ 760,982	\$ 334,375	\$ 1,095,357	\$ 1,360,038
Certificates of Deposits	0	0	0	410,115
Grants & Other Receivable	46,141	63,751	109,892	174,554
Investments	2,236,401	0	2,236,401	1,380,809
Prepaid Expenses	23,982	0	23,982	23,194
Right of Use Assets, Net	6,413	0	6,413	8,895
Property & Equipment - Net	<u>861,880</u>	<u>0</u>	<u>861,880</u>	<u>891,349</u>
<b>Total Assets</b>	<b><u>\$ 3,935,799</u></b>	<b><u>\$ 398,126</u></b>	<b><u>\$ 4,333,925</u></b>	<b><u>\$ 4,248,954</u></b>
 <b><u>LIABILITIES</u></b>				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Expenses	85,757	0	85,757	75,500
Lease Liability	<u>6,567</u>	<u>0</u>	<u>6,567</u>	<u>8,895</u>
Total Liabilities	<u>92,324</u>	<u>0</u>	<u>92,324</u>	<u>84,395</u>
 <b><u>NET ASSETS</u></b>	 <u>3,843,475</u>	 <u>398,126</u>	 <u>4,241,601</u>	 <u>4,164,559</u>
Total Liabilities & Net Assets	<b><u>\$ 3,935,799</u></b>	<b><u>\$ 398,126</u></b>	<b><u>\$ 4,333,925</u></b>	<b><u>\$ 4,248,954</u></b>

Read Accompanying Notes

**THE GLADES INITIATIVE, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**  
**WITH COMPARATIVE TOTALS FOR 2024**

	<b>FUNDS</b>		<b>2025</b>	<b>2024</b>
	<b>WITHOUT DONOR</b>	<b>WITH DONOR</b>		
	<b><u>RESTRICTIONS</u></b>	<b><u>RESTRICTIONS</u></b>	<b><u>TOTAL</u></b>	<b><u>TOTAL</u></b>
<b>SUPPORT &amp; REVENUE</b>				
Grants & Contributions	\$ 952,377	\$ 398,126	\$ 1,350,503	\$ 1,493,231
Donations	43,233	0	43,233	17,484
Donations - In-Kind	1,051,818	0	1,051,818	1,139,500
Program Service Fees	37,160	0	37,160	37,039
Investment Income	167,763	0	167,763	147,725
Other Revenues	0	0	0	0
Net Assets Released From Restriction	421,300	(421,300)	-	0
Total Revenue	<u>2,673,651</u>	<u>(23,174)</u>	<u>2,650,477</u>	<u>2,834,979</u>
<b>EXPENSES</b>				
<b>Program Services</b>	<u>2,445,489</u>	<u>0</u>	<u>2,445,489</u>	<u>2,374,540</u>
<b>Support Services</b>				
General & Administrative	97,499	0	97,499	88,182
Fund Raising	30,447	0	30,447	27,417
Total Support Services	<u>127,946</u>	<u>0</u>	<u>127,946</u>	<u>115,599</u>
Total Expenses	<u>2,573,435</u>	<u>0</u>	<u>2,573,435</u>	<u>2,490,139</u>
<b>CHANGE IN NET ASSETS</b>	100,216	(23,174)	77,042	344,840
<b>TRANSFERS</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>BEGINNING NET ASSETS</b>	<u>3,743,259</u>	<u>421,300</u>	<u>4,164,559</u>	<u>3,819,719</u>
<b>ENDING NET ASSETS</b>	<u>\$ 3,843,475</u>	<u>\$ 398,126</u>	<u>\$ 4,241,601</u>	<u>\$ 4,164,559</u>

Read Accompanying Notes

**THE GLADES INITIATIVE, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**  
**WITH COMPARATIVE TOTALS FROM 2024**

	<u>FUNDS</u>		<u>2025</u> <u>TOTAL</u>	<u>2024</u> <u>TOTAL</u>
	<u>WITHOUT DONOR</u> <u>RESTRICTIONS</u>	<u>WITH DONOR</u> <u>RESTRICTIONS</u>		
<b>Cash Flows From Operating Activities:</b>				
Change in Net Assets	\$ 100,216	\$ (23,174)	77,042	344,840
Adjustment to Reconcile Increase/(Decrease) in Net Assets to Net Cash Provided by ( Used in ) Operating Activities:				
Depreciation	50,451	0	50,451	44,124
Changes in Operating Assets and Liabilities:				
Grant & Other Receivables	53,413	11,249	64,662	(99,767)
Prepaid Expenses	(788)	0	(788)	(3,207)
Security Deposits	0	0	0	0
Accounts Payable	0	0	0	0
Accrued Expenses	10,257	0	10,257	21,077
Lease Liability	(2,328)	0	(2,328)	8,895
Net Cash Provided by ( Used in ) Operating Activities	211,221	(11,925)	199,296	315,962
<b>Cash Flows From Investing Activities:</b>				
Property & Equipment Additions	(18,500)	0	(18,500)	(79,075)
Sale of Investments	1,098,936			
Purchase of Investments	(1,210,038)	0	(1,210,038)	(494,422)
Net Cash Provided by ( Used in ) Investing Activities	(129,602)	0	(129,602)	(573,497)
<b>Cash Flows From Financing Activities:</b>	0	0	0	0
<b>Net Change In Cash, Equivalents, &amp; CDs</b>	81,619	(11,925)	69,694	(257,535)
Cash At Beginning of Year	1,013,738	346,300	1,360,038	1,617,573
<b>Cash, Equivalents, &amp; CDs At End of Year</b>	<u>\$ 1,095,357</u>	<u>\$ 334,375</u>	<u>\$ 1,429,732</u>	<u>\$ 1,360,038</u>

Read Accompanying Notes

**THE GLADES INITIATIVE, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**  
**WITH COMPARATIVE TOTALS FOR 2024**

<b><u>EXPENSES</u></b>	<b><u>Program Services</u></b>	<b><u>General &amp; Admin</u></b>	<b><u>Fund Raising</u></b>	<b><u>Total 2025</u></b>	<b><u>Total 2024</u></b>
Awards & Gifts	\$ 0	\$ 829	\$ 0	\$ 829	\$ 1,164
Back Ground Checks	29,710	0	0	29,710	22,778
Communications	9,063	1,699	566	11,328	9,930
Depreciation	45,406	5,045	0	50,451	44,124
Insurance	28,082	3,120	0	31,202	30,588
Interest Expense	0	353	0	353	177
Maintenance	11,581	1,287	0	12,868	22,360
Office & Printing	11,451	1,272	0	12,723	13,070
Other	9,327	1,945	0	11,272	11,802
Outside Services	2,850	10,433	0	13,283	12,452
Payroll & Payroll Expenses	846,562	68,781	29,881	945,224	871,656
Program Expenses	61,926	0	0	61,926	14,324
Purchased Food Distributed	298,785	0	0	298,785	255,526
Property Tax	1,643	183	0	1,826	1,835
Travel & Conference	12,010	0	0	12,010	12,300
Utilities	17,364	1,929	0	19,293	21,517
Vehicle Gas & Maintenance	8,534	0	0	8,534	5,036
Total Expense before In-Kind	<u>1,394,294</u>	<u>96,876</u>	<u>30,447</u>	<u>1,521,617</u>	<u>1,350,639</u>
Office - In-kind	0	0	0	0	0
Volunteers - Paid for by Donor	14,348	0	0	14,348	15,750
Program - In-kind	33,954	0	0	33,954	35,050
Software - In-kind	5,609	623	0	6,232	6,232
Donated Food Distributed	997,284	0	0	997,284	1,082,468
Total In-Kind Expense	<u>1,051,195</u>	<u>623</u>	<u>0</u>	<u>1,051,818</u>	<u>1,139,500</u>
<b>Total Expenses</b>	<b><u>\$ 2,445,489</u></b>	<b><u>\$ 97,499</u></b>	<b><u>\$ 30,447</u></b>	<b><u>\$ 2,573,435</u></b>	<b><u>\$ 2,490,139</u></b>

Read Accompanying Notes

**THE GLADES INITIATIVE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

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**1. General Description of Activities and Significant Accounting Policies:**

The Glades Initiative, Inc. is a nonprofit corporation organized as of June 7, 2002. The office is currently located at 149 SE Avenue D, Belle Glade, Florida 33430.

The specific and primary purposes for which The Glades Initiative, Inc. is formed are to operate for the furtherance of the common good and general welfare of the Glades communities, and for other charitable purposes, by the distribution of its funds and services. The particular goals and objectives are: 1) to develop/provide a primary central source or system of coordinating the needs of the community with resources of particular government agencies, charitable foundations or groups, community organizations, and religious entities and 2) to develop, maintain, and foster collaborative relationships to collectively address community needs.

The significant accounting policies that follow are presented to enhance the usefulness of the financial statements to the reader.

**Cash and Cash Equivalents**

For purposes of reporting cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three (3) months or less to be cash equivalents. The Organization's cash deposits exceeded Federal Deposit Insurance Corporation ("FDIC") limits at various times during the year ended June 30, 2025. The Organization has not experienced any loss in such accounts and believes it is not exposed to any significant credit risk on its cash balances.

**Promises to Give**

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

The Organization uses the allowance method to determine uncollectible accounts receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

**THE GLADES INITIATIVE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

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**1. General Description of Activities and Significant Accounting Policies, con't:**

**Property and Equipment**

The Organization capitalizes property and equipment over \$2,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as without donor restriction contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as with donor restriction contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies with donor restriction net assets to without donor restriction net assets at that time. Property and equipment are depreciated using the straight-line method over estimated useful lives ranging from five to thirty years.

**Right of Use Leased Assets and Liabilities**

Right to use leased assets and the related liabilities are recognized at the lease commencement date and represent our right to use an underlying asset and lease obligations for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or the useful life of the underlying asset using the straight-line method. The amortization period varies among the leases.

**Contributions**

Contributions received are recorded as with donor restriction or without donor restriction net assets depending on the existence or nature of any donor restrictions.

**Contributed Services**

The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services.

**Income Taxes**

The Organization is a not-for-profit Organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, for the three years ending 2023, 2024, and 2025 are subject to examination by the IRS, generally for three years after they are filed.

**THE GLADES INITIATIVE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

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**1. General Description of Activities and Significant Accounting Policies, con't:**

**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.

**Functional Expenses**

Expenses are allocated on a functional basis among its various programs and supporting services based on their proportionate share of total expenses as determined by management.

**2. Restrictions on Net Assets:**

As of September 30, 2025, the Organization had with donor restriction net assets of \$398,126 for program services. The Organization's board members have also restricted an additional \$763,750 as a reserve fund and \$1,500,000 for a building fund.

**3. Revenue Recognition**

The Organization recognizes revenue from grants and contracts when earned and other revenues and contributions when received.

**4. Accounts Receivable:**

Management periodically reviews the grants and accounts receivable balances and provides an allowance for accounts which may be uncollectible. At September 30, 2025, management has determined that all receivables are collectible; accordingly, there is no allowance for uncollectible accounts.

**5. Property & Equipment:**

Building & Land	\$ 923,097
Vehicles	113,000
Computers & Equipment	48,960
Refrigeration Container	24,707
Furniture & Fixtures	12,840
Right of Use Asset	<u>8,895</u>
	1,131,499
Accumulated Depreciation	<u>(263,205)</u>
	<u>\$ 868,294</u>

**6. Donated Building and Related Contingency**

The Organization received a donated building from the American Red Cross National Headquarters in fiscal year ending September 30, 2018. The estimated fair market value of the building at time of donation was \$433,736 and is included in fixed assets on the statement of financial position. The only contingency to the contribution is that the Organization lease back to the Red Cross a small office space in the building for a period of 10 years.

**THE GLADES INITIATIVE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

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**7. Concentration of Risk**

The Organization is dependent on funding from grants and various other contributors. The amount of contributions is dependent on the funds available and the budgets of the contributors. Lack of funding could have a significant detrimental effect on the continued operations of the Organization.

**8. Compensated Absences:**

As of September 30, 2025, accrued vacation wages totaled \$57,666.

**9. Concentration of Credit Risk**

Financial instruments that subject the Organization to concentration of credit risk include cash. While the Organization attempts to limit its financial exposure by maintaining bank accounts at several banking institutions, its deposit balances may at times exceed federally insured limited.

**10. In-Kind Contributions**

In-kind contributions totaling \$1,051,818 consist of donated food, household items, gifts for children, medical supplies, software, and office supplies, which would otherwise have to be purchased, and are allocated to programs supplies and other expenses.

**11. Retirement Plan:**

The Organization sponsors a 401(k) plan administered by Oasis Outsourcing. The Organization participates in a contributing and matching plan for its employees. Employees are eligible to participate after one year of continuous employment. Eligible employees receive a 4% of salary employer contribution and an additional 2% matching contribution if the employee also contributes 2%. Employer contributions for the year ending September 30, 2025 were \$33,971.

**12. Availability and Liquidity**

Financial assets of cash \$1,095,357 and account receivables \$109,892 for financial assets available of \$1,205,249 to meet expenses over next twelve months. In addition, the Organization could easily liquidate investments. As part of the Organization's liquidity management plan, the Organization structures its assets to be available as general expenditures, liabilities and other obligations become due.

**13. Evaluation of Subsequent Events:**

Subsequent events have been evaluated through January 23, 2026, which is the date the financial statements were issued.

**KATHLEEN M. SHAFER**  
CERTIFIED PUBLIC ACCOUNTANT  
1850 FOREST HILL BLVD., SUITE 204  
WEST PALM BEACH, FLORIDA 33406  
TEL. (561) 963-1003 • FAX (877) 811-0643  
Member of Florida Institute of 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**

Board of Directors  
The Glades Initiative, Inc.  
Belle Glade, Florida

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of The Glades Initiative, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2025, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated January 23, 2026.

**Internal Control Over Financial Reporting**

In planning and performing my audit of the financial statements, I considered The Glades Initiative, Inc.'s internal control over financial reporting (internal control) as a basis to determine my audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Glades Initiative, Inc.'s internal control. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control.

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

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Glades Initiative, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my 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 my 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.



Kathleen M. Shafer, CPA  
West Palm Beach, Florida  
January 23, 2026