

**CHARITY FOR CHANGE, INC.**  
**FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**  
**YEAR ENDED JUNE 30, 2025**



CPAs | CONSULTANTS | WEALTH ADVISORS

[CLAconnect.com](https://CLAconnect.com)

**CHARITY FOR CHANGE, INC.  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2025**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>FINANCIAL STATEMENTS</b>	
<b>STATEMENTS OF FINANCIAL POSITION</b>	<b>4</b>
<b>STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS</b>	<b>5</b>
<b>STATEMENTS OF FUNCTIONAL EXPENSES</b>	<b>6</b>
<b>STATEMENTS OF CASH FLOWS</b>	<b>7</b>
<b>NOTES TO FINANCIAL STATEMENTS</b>	<b>8</b>
<b>INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i></b>	<b>15</b>
<b>INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY CHAPTER 10.650, RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA</b>	<b>17</b>
<b>SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE</b>	<b>20</b>
<b>NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE</b>	<b>21</b>
<b>SCHEDULE OF FINDINGS AND QUESTIONED COSTS</b>	<b>22</b>



## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Charity for Change, Inc.  
Naples, Florida

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of Charity for Change, Inc. (the Organization), which comprise the statements 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Charity for Change, 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 (GAAS) 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the 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 Organization's ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

***Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

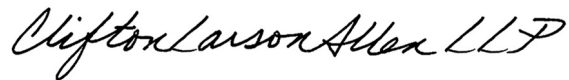
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of state financial assistance, as required by Chapter 10.650 *Rules of the Auditor General of the State of Florida*, is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

**Report on Other Legal and Regulatory Requirements**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2026, on our consideration of Charity for Change, 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 result of that testing, and not to provide an opinion on the effectiveness of Charity for Change, Inc.'s internal controls over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Charity for Change, Inc.'s internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Naples, Florida  
March 23, 2026

**CHARITY FOR CHANGE, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2025**

**ASSETS**

Cash and Cash Equivalents	\$ 1,002,007
Grant Receivable	682,901
Prepaid Expenses and Other Current Assets	28,732
ROU Assets - Operating, net	628,825
Property, Plant and Equipment, net	<u>18,702</u>
 Total Assets	 <u><u>\$ 2,361,167</u></u>

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts Payable	\$ 81,687
Notes Payable	141,599
Lease Liability	638,270
Deferred Grant Revenue	1,291,094
Deferred Revenue	<u>12,000</u>
Total Liabilities	<u>2,164,650</u>

**NET ASSETS**

Without Donor Restrictions:	<u>196,517</u>
Total Net Assets	<u>196,517</u>
 Total Liabilities and Net Assets	 <u><u>\$ 2,361,167</u></u>

See accompanying Notes to Financial Statements.

**CHARITY FOR CHANGE, INC.**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**YEAR ENDED JUNE 30, 2025**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUE, SUPPORT, AND GAINS</b>			
Contributions and Grants	\$ 3,059,466	\$ -	\$ 3,059,466
Program Revenue	15,538	-	15,538
In-Kind Contributions	31,836	-	31,836
Special Event Revenue	312,640	-	312,640
Rental Income	7,500	-	7,500
Subtotal	3,426,980	-	3,426,980
Net Assets Released from Restrictions	-	-	-
Total Revenue, Support, and Gains	3,426,980	-	3,426,980
 <b>FUNCTIONAL EXPENSES</b>			
Programs	2,829,660	-	2,829,660
General and Administrative	94,263	-	94,263
Fundraising	175,357	-	175,357
Total Functional Expenses	3,099,281	-	3,099,281
<b>CHANGE IN NET ASSETS</b>	327,699	-	327,699
Net Assets - Beginning of Year	(131,182)	-	(131,182)
<b>NET ASSETS - END OF YEAR</b>	\$ 196,517	\$ -	\$ 196,517

See accompanying Notes to Financial Statements.

**CHARITY FOR CHANGE, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2025**

	Program	General and Administrative	Fundraising	Total Expenses
Advertising & Promotion	\$ 82,600	\$ 506	\$ 379	\$ 83,485
Community Outreach	22,792	980	735	24,507
Depreciation	1,933	83	62	2,078
Fundraising	-	-	129,539	129,539
Expansion Expenses	547,500	-	2,228	549,728
Information Technology	40,341	1,516	564	42,420
Insurance	-	9,095	-	9,095
Interest Expense	-	9,484	-	9,484
Miscellaneous	25,399	11,748	-	37,147
Occupancy	158,081	-	-	158,081
Office Expenses	147,041	6,324	4,743	158,109
Payroll Taxes	56,239	2,419	1,814	60,472
Professional Services	75,424	11,823	-	87,247
Program Expenses	855,254	670	-	855,924
Salaries & Benefits	752,187	35,565	33,201	820,953
Travel	64,870	2,790	2,093	69,753
Utilities	-	1,260	-	1,260
Total	<u>\$ 2,829,660</u>	<u>\$ 94,263</u>	<u>\$ 175,357</u>	<u>\$ 3,099,281</u>

See accompanying Notes to Financial Statements.

**CHARITY FOR CHANGE, INC.  
STATEMENTS OF CASH FLOWS  
YEARS ENDED JUNE 30, 2025**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Contributions	\$ 3,699,495
Cash Received from Program Revenue	15,538
Cash Received from Special Event Revenue	289,640
Cash Received from Rental Income	7,500
Cash Paid to Suppliers	(2,904,191)
Cash Paid for Operating Lease	(126,989)
Net Cash Provided by Operating Activities	980,993
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchases of property, plant and equipment	(20,780)
Net Cash Used by Investment Activities	(20,780)
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Principal Payments on Long-Term Debt	(7,863)
Net Cash Used by Financing Activities	(7,863)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	952,350
Cash and Cash Equivalents - Beginning of Year	49,657
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 1,002,007
 <b>SUPPLEMENTARY DISCLOSURES</b>	
Right-of-use assets obtained in exchange for new operating lease liabilities:	\$ 744,449
Cash Paid for Interest	\$ 9,480

See accompanying Notes to Financial Statements.

**CHARITY FOR CHANGE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

Charity for Change, Inc. (the Organization) is a tax exempt publicly supported charitable organization that was organized as a 501(c)(3) limited liability company in 2008 and later incorporated on December 29, 2016. The assets of the Organization are devoted to charitable uses of a public nature benefiting residents throughout all fifty states. Charity for Change, Inc. exists to elevate Pre-K to Fifth Grade children to achieve their full potential through education, charitable involvement, and community engagement. The Organization's principal sources of revenue are grants and charitable contributions.

The Organization's programming services provide education programs teaching character development and resilience to students through academically integrated curriculums and service learning. This curriculum is available to elementary schools for afterschool, summer, and in-school learning environments. Charity for Change, Inc. is working to expand the Organization's mission and vision throughout all fifty states. The Organization's fundraising activities consist of annual galas, auction events, and other community fundraising initiatives.

**Basis of Accounting**

The accounts of the Organization are maintained, and the accompanying financial statements have been prepared, on the accrual basis of accounting. Accordingly, assets are recorded when the Organization obtains the rights of ownership or is entitled to claims for receipt and liabilities are recorded when the obligation is incurred.

**Basis of Presentation**

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, gains, and losses are classified based on donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an endowment.

*Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires; that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**CHARITY FOR CHANGE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accounting Estimates**

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the statements of financial position, and revenue and expenses for the period. Actual results could differ from those estimates.

**Liquidity**

Assets are presented in the accompanying statement of financial position according to their nearness of conversion to cash, and liabilities according to the nearness of their maturity and resulting use of cash.

**Cash and Cash Equivalents**

The Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents for purposes of the statements of cash flows. The Organization maintains bank accounts with balances which, at times, may exceed federally insured limits. Per FDIC, all deposit accounts, including checking and savings accounts, money market deposit account and certificates of deposit are standardly insured for up to \$250,000. The standard insurance coverage is per depositor, per insured bank. As of June 30, 2025, uninsured cash deposits amount to approximately \$748,671.

**Accounts and Grants Receivable**

The Organization's management has reviewed accounts and grants receivable outstanding as of June 30, 2025 and considers them to be fully collectible. Management has elected to allow for receivables for accounts and grants receivable in the year in which the account is determined to be uncollectible. The allowance for credit losses is based on historical loss experience, an assessment of current economic conditions, and a review of subsequent collections. Based on this and the Organization's prior history of insignificant bad debt on accounts receivable, no allowance for credit losses is considered necessary for the year ended June 30, 2025. For the year ended June 30, 2025, the Organization's grants receivable totaled \$682,901, and represents the amount due from the Florida Department of Education for the Florida Expansion Grant.

**Donated Services and In-Kind Contributions**

Contributed nonfinancial assets include donated auction items and other in-kind contributions which are recorded at the respective fair values of the goods or services received (Note 7). The organization does not sell donated gifts-in-kind. In addition to contributed nonfinancial assets, volunteers contribute amounts of time to program services and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. The Organization received in-kind contributions of goods totaling \$31,836 during the year ended June 30, 2025.

**CHARITY FOR CHANGE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property and Equipment**

Property and equipment additions over \$2,500 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The Organization reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset.

**Revenue Recognition**

All contributions and grants are considered to be available for use without restriction unless specifically restricted by the donor. Contributions and grants received with donor and grantor stipulations that limit the use of donated assets are treated as net assets with donor restrictions. When the purpose of the restriction is accomplished, the donor-restricted net assets are reclassified to net assets without restrictions and reported in the statement of activities as Net Assets Released from Restrictions. All donor-restricted contributions and grants whose restrictions are met in the same fiscal year as the donation is received are recorded as support without restriction.

Contributions subject to donor-imposed restrictions that must be maintained permanently are treated as net assets with donor restrictions. The donor of those assets permits the use of income earned on related investments for general purposes.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

A portion of the Organization's revenue is the product of cost reimbursement grants. Therefore, the Organization recognizes revenue under these grants in the amounts of costs and expenses at the time they are incurred. As of June 30, 2025, the Organization has \$1,291,094 in conditional grants that have not been recognized as revenue in the statement of activities because conditions have not been met.

Program revenue consists of the monthly programming services offered by the Organization. Therefore, the Organization recognizes revenue monthly as the services are provided.

Special Event revenue consists of revenues earned from events hosted by the Organization. Such events consist of auctions, galas, and other community initiatives. Special event revenue is recognized when earned.

**CHARITY FOR CHANGE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Functional Allocation of Expenses**

Identifiable expenditures made in direct fulfillment of the Organization's expressed goals are classified as program services. The costs of providing programming and other activities have been summarized on a functional basis in the accompanying statements of functional expenses. Certain operational expenses have been allocated among the programs and supporting services based upon management's estimate of the time employees spent working on the program or supporting services.

**Income Taxes**

The Internal Revenue Service (IRS) has determined the Organization is exempt from income taxes under the provisions of IRC Section 501(c)(3). Accordingly, no provision for income taxes has been made in these financial statements.

The Organization is in compliance with the income tax standard regarding the recognition and measurement of uncertain tax positions. This guidance clarifies the accounting for uncertainty in income taxes recognized in a Foundation's financial statements.

The Organization's income tax returns are subject to review and examination by federal and state authorities. The Organization is not aware of any activities that would jeopardize their tax-exempt status. The Organization is not aware of any activities that are subject to tax on unrelated business income or excise or other taxes.

**Leases**

The Organization determines if an arrangement is a lease at inception. As of June 30, 2025, the Organization has entered into two material operating lease agreements. Operating leases are included in right-of-use (ROU) assets – operating and lease liability – operating, and if an arrangement should be identified as a material finance lease, finance leases would be included in right-of-use assets – financing and lease liability – financing in the balance sheet.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Foundation will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases will not be included as lease liabilities or ROU assets on the balance sheet.

Individual lease contracts may not provide information about the discount rate implicit in the lease. In these instances, the Organization has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of the lease liabilities.

**CHARITY FOR CHANGE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Leases (Continued)**

The Organization has elected not to separate nonlease components from lease components and instead will account for each separate lease component and the nonlease component as a single lease component.

**Subsequent Events**

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through March 23, 2026, the date the financial statements were available to be issued.

**NOTE 2 LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following for the year ended June 30, 2025:

	2025
Cash and Cash Equivalents	\$ 1,002,007
Grants Receivable	682,901
Total	\$ 1,684,908

**NOTE 3 PROPERTY AND EQUIPMENT**

Property and equipment consists of the following at June 30, 2025:

	2025
Leasehold Improvements	\$ 20,780
Less: Accumulated Depreciation	2,078
Total Property and Equipment	\$ 18,702

Depreciation expense totaled \$2,078 for the year ended June 30, 2025.

**NOTE 4 NOTES PAYABLE**

Notes payable consisted of the following at June 30, 2025:

<u>Description</u>	2025
Note payable, due in monthly installments of \$1,445 including interest at 6.5% and principal to April 1, 2027, unsecured	\$ 141,599
Total	\$ 141,599

**CHARITY FOR CHANGE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 4 NOTES PAYABLE (CONTINUED)**

Future maturities of note payable are as follows:

<u>Year Ending December 31.</u>	<u>Note Payable</u>
2026	\$ 8,345
2027	133,254
2028	-
2029	-
2030	-
Thereafter	-
Total	<u>\$ 141,599</u>

Subsequent to year end, the Organization was notified that their outstanding loan totaling \$141,599 as of June 30, 2025 was forgiven and recharacterized as a charitable grant, with no further payment required.

**NOTE 5 DEFERRED REVENUE**

The following table provides information about significant changes in deferred revenue for the year ended June 30, 2025.

	<u>2025</u>
Deferred Revenue - Beginning of Year	\$ 35,000
Revenue Recognized	(35,000)
Increases in Deferred Revenue Due to Cash Received During the Year	<u>1,303,094</u>
Deferred Revenue - End of Year	<u>\$ 1,303,094</u>

**NOTE 6 CONTRIBUTED NONFINANCIAL ASSETS**

For the year ended June 30, 2025, contributed nonfinancial assets recognized within the statements of activities included the following:

	<u>2025</u>
Donated Auction Items	<u>\$ 31,836</u>
Total	<u>\$ 31,836</u>

Donated auction items were valued at the sale price received during the auction on the day of event. All gifts-in-kind received during the year ended June 30, 2025 were unrestricted.

**CHARITY FOR CHANGE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

**NOTE 7 LEASES**

The Organization leases office space and a copier machine under long-term, non-cancelable lease agreements. The leases expire in 2029 and 2027, respectively.

The following tables provide quantitative information concerning the Organization's leases for the year ended June 30, 2025:

Lease Cost:	2025
Operating Lease Costs	<u>\$ 136,433</u>
Total Lease Cost	<u><u>\$ 136,433</u></u>
Other Information:	
Operating Cash Flows from Operating Leases	\$ 126,989
Right-of-Use Asset Obtained in Exchange for New Operating Lease Liability	\$ 744,449
Weighted-Average Remaining Lease Term	
- Operating Leases	4.1 years
Weighted-Average Discount Rate - Operating Leases	3.66%

A maturity analysis of annual undiscounted cash flows for lease liabilities as of June 30, 2025, is as follows:

<u>Year Ending June 30,</u>	<u>Operating</u>
2026	<u>\$ 159,249</u>
2027	163,930
2028	166,258
2029	169,433
2030	28,871
Thereafter	-
Undiscounted Cash Flows	<u>687,741</u>
Less: Interest	<u>(49,471)</u>
Total Present Value of Lease Liabilities	<u><u>\$ 638,270</u></u>

**NOTE 8 SUBSEQUENT EVENT**

Subsequent to the year ended June 30, 2025, The Organization was notified that the outstanding note payable balance of \$141,599 as of June 30, 2025, from the Southwest Florida Community Foundation, Inc. d.b.a. Collaboratory, was forgiven and recharacterized as a charitable grant, with no repayment required. Grant income was recognized subsequent to year end.



**INDEPENDENT AUDITORS' 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  
Charity for Change, Inc.  
Naples, 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 Charity for Change, 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 March 23, 2026.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Charity for Change, 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 on the effectiveness of Charity for Change, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Charity for Change, 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 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.

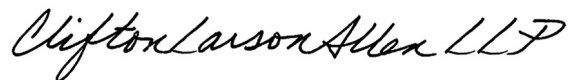
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 Charity for Change, 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Naples, Florida  
March 23, 2026



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY CHAPTER 10.650,  
RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

Board of Directors  
Charity for Change, Inc.  
Naples, Florida

**Report on Compliance for Each Major State Project**

***Opinion on Each Major State Project***

We have audited Charity for Change, Inc.'s compliance with the types of compliance requirements described in the Florida Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on each of Charity for Change, Inc.'s major state projects for the year ended June 30, 2025. Charity for Change, Inc.'s major state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Charity for Change, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended June 30, 2025.

***Basis for Opinion on Each Major State Project***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of those standards and Chapter 10.650 *Rules of the Auditor General of The State of Florida*. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Charity for Change, Inc. 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 state project. Our audit does not provide a legal determination of Charity for Change, Inc.'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 Charity for Change, Inc.'s state projects.

***Auditors' 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 Charity for Change, Inc.'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 GAAS, *Government Auditing Standards*, and the audit requirements of those standards, and Chapter 10.650 *Rules of the Auditor General of the State of Florida*, 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 Charity for Change, Inc.'s compliance with the requirements of each major state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and the audit requirements of those standards, and Chapter 10.650 *Rules of the Auditor General of the State of Florida*, 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 Charity for Change, Inc.'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 Charity for Change, Inc.'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 Chapter 10.650 *Rules of the Auditor General of the State of Florida*, but not for the purpose of expressing an opinion on the effectiveness of Charity for Change, Inc.'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 state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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 Chapter 10.650 *Rules of the Auditor General of the State of Florida*. Accordingly, this report is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Naples, Florida  
March 23, 2026

**CHARITY FOR CHANGE, INC.**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**YEAR ENDED JUNE 30, 2025**

Name of State Project	State Assistance Listing Number	Contract Grant Number	State Expenditures
<b>Florida Department of Education and Commissioner of Education</b>			
Grants and Aids - Strategic Statewide Initiatives	48.205	84M-90255-5Q001	\$ 2,918,682
Total Assistance Listing Number			<u>2,918,682</u>
Total State Financial Assistance			<u>\$ 2,918,682</u>

*See accompanying Notes to Schedule of Expenditures of State Financial Assistance.*

**CHARITY FOR CHANGE, INC.**  
**NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**  
**JUNE 30, 2025**

**NOTE 1 PURPOSE OF SCHEDULE**

The accompanying schedule of expenditures of state financial assistance (the Schedule) includes the state award activity of Charity for Change, Inc. (the Organization) under programs of the State of Florida government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Chapter 10.650 *Rules of the Auditor General of the State of Florida*. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of the Organization.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles established by the State of Florida Single Audit Act and individual grant agreements, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Charity for Change, Inc. did not use the 10% de minimis indirect cost rate.

**CHARITY FOR CHANGE, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2025**

---

**Section I – Summary of Auditors’ Results**

---

**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes        x   no

**State Financial Assistance**

1. Internal control over major state projects:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
2. Type of auditors’ report issued on compliance for major state projects: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with Chapter 10.650 *Rules of the Auditor General of the State of Florida*? \_\_\_\_\_ yes        x   no

**Identification of Major Programs and Projects**

**ALN Number**

48.205

**Name of State Project**

Grants and Aids – Strategic Statewide Initiatives

Dollar threshold used to distinguish between Type A and Type B state projects:

\$ 750,000

**CHARITY FOR CHANGE, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2025**

---

***Section II – Financial Statement Findings***

---

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

---

***Section III – Findings and Questioned Costs – State Financial Assistance Findings***

---

Our audit did not disclose any matters required to be reported in accordance with Chapter 10.650 *Rules of the Auditor General of the State of Florida*.



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See [CLAGlobal.com/disclaimer](http://CLAGlobal.com/disclaimer). Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.