FLORIDA HIGH SCHOOL FOR ACCELERATED LEARNING - MANATEE, INC.
d/b/a BRADENTON BAY HIGH SCHOOL

A Charter School and Component Unit of the
District School Board of Manatee County, Florida

Financial Statements
with Independent Auditor's Reports Thereon

June 30, 2026

M&A McCRADY & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

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FLORIDA HIGH SCHOOL FOR ACCELERATED LEARNING - MANATEE, INC.
d/b/a BRADENTON BAY HIGH SCHOOL

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management of Florida High School For Accelerated Learning - Manatee, Inc. d/b/a Bradenton Bay High School (the "School") offers the following narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2026.

Management's discussion and analysis is included at the beginning of the School's basic financial statements to provide the past and current position of the School's financial condition. This summary should not be taken as a replacement for the audit, which consists of the basic financial statements and required supplementary information.

FINANCIAL HIGHLIGHTS

- The School is managed by Second Mile Education.
- For the 2025-2026 school year the School received a "Commendable" School Improvement Rating from the Florida Department of Education.
- For the fiscal year ended June 30, 2026, the School's net position increased by approximately $215,000.
- Total governmental fund balance at the end of fiscal 2026 was approximately $213,000, an increase of approximately $207,000 from fiscal 2025.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to School's basic financial statements. The School's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the School through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other Required Supplementary Information that will enhance the understanding of the financial condition of School. This document also includes the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements in Accordance with *Government Auditing Standards,* as well as the management letter required by the Rules of the Florida Auditor General, Chapter 10.850, *Audits of Charter Schools and Similar Entities.*

Government-Wide Financial Statements

The government-wide financial statements are designed to provide a broad overview of the School's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the School's financial status as a whole.

The two government-wide statements report the School's net position and the current year changes. The net position is the difference between the School's total assets and total liabilities. Measuring the net position is one way to evaluate the School's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities, 2) business-type activities, and 3) component units. The governmental activities include the School's basic services. The business-type activities are those services that the School charges

for that are not directly related to the School's mission. For the year ended June 30, 2026, the School had no business-type activities or component units.

Fund Financial Statements

The fund financial statements provide a more detailed look at the School's most significant activities. A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. All of the operations of the School are presented in governmental funds only.

Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. The School's basic services are accounted for in governmental funds. These funds focus on how assets that can readily be converted into cash flow in and out, and what monies are left at year-end will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting.* This method also has a current financial resources focus. As a result, the governmental fund financial statements provide a detailed short-term view of the financial resources available to finance the School's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in reconciliations that are a part of the fund financial statements.

The School adopts an annual budget for its general fund, as required by the Florida Statutes. The budget is legally adopted by management of the School and its Board. A budgetary comparison schedule has been included as part of the Required Supplementary Information. The budgetary comparison schedules show four columns: 1) the original budget as adopted by the Board, 2) the final budget as amended by the Board, 3) the actual resources, charges and ending balances in the general fund, and 4) the variance between the final budget and the actual resources and charges.

Notes to Financial Statements

The notes to financial statements provide additional information essential to the full understanding of the information reported in the government-wide and fund financial statements. The notes to the financial statements start on page 16 of this report.

This report also includes the 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,* as well as the management letter required by the Rules of the Florida Auditor General, Chapter 10.850, *Audits of Charter Schools and Similar Entities.*

GOVERNMENT-WIDE ANALYSIS OF THE SCHOOL

The School's combined net position as of June 30, 2026 is summarized as follows:

	Governmental Activities		
	2026	2025	Changes
Current and other assets	$ 832,957	$ 90,199	$ 742,758
Right to use asset, net	2,124,445	2,387,263	(262,818)
Capital assets, net	150,607	31,875	118,732
Total Assets	3,108,009	2,509,337	598,672
Current and other liabilities	620,269	83,815	536,454
Lease note payable	2,350,245	2,503,193	(152,948)
Total Liabilities	2,970,514	2,587,008	383,506
Net position:			
Invested in capital assets, net of related debt	(75,193)	(84,055)	8,862
Unrestricted	212,688	6,384	206,304
Total Net Positions	$ 137,495	$ (77,671)	$ 215,166

The increase in current assets and current liabilities is due to timing of payment of liabilities. The increase in capital assets is a result of current year capital additions exceeding depreciation expense. The right-to-use asset and lease note payable decreased due to current-year amortization and principal payments. Net investment in capital assets increased slightly because the increase in other capital assets and reduction of the lease liability exceeded the current-year decrease in the right-to-use asset. The increase in total net position is a result of current-year revenues exceeding expenses.

Change in Net Position

The School's total revenues exceeded total expenses by approximately $215,000 in fiscal year 2026, and total expenses exceeded total revenues by approximately $78,000 in fiscal year 2025—see table below.

	Governmental Activities		
	2026	**2025**	**Changes**
Revenues:			
Federal sources passed through local school district	$ 213,907	$ 222	$ 213,685
State and local sources	3,380,661	1,150,951	2,229,710
Contributions and other revenues	28,380	815,025	(786,645)
Total revenues	3,622,948	1,966,198	1,656,750
Expenses:			
Instruction	$ 790,276	$ 495,726	$ 294,550
Pupil personnel services	362,269	112,553	249,716
Board	20,663	17,681	2,982
General administration	94,661	91,932	2,729
School administration	1,195,679	520,790	674,889
Fiscal services	11,596	8,119	3,477
Transportation	26	-	26
Operation of plant	804,266	678,391	125,875
Maintenance of plant	6,639	801	5,838
Interest	121,707	117,876	3,831
Total expenses	3,407,782	2,043,869	1,363,913
Change in net positions	$ 215,166	$ (77,671)	$ 292,837

The increase in total revenues was primarily due to higher FEFP, referendum, capital outlay, and federal funding, partially offset by the absence of management company contributions received in the prior year. Total expenses increased primarily due to higher management fees, salaries and related personnel costs, and depreciation expense. As a result, revenues exceeded expenses by approximately $215,000 in fiscal year 2026.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2026, information related to the School's capital assets is as follows:

	Governmental Activities		
	2026	2025	Changes
Furniture, fixtures and equipment	$ 170,192	$ 38,250	$ 131,942
	170,192	38,250	131,942
Less-accumulated depreciation	(19,585)	(6,375)	(13,210)
Total capital assets	$ 150,607	$ 31,875	$ 118,732

More detailed information about the School's capital assets is presented in Note 4 to the financial statements.

Lease Asset and Liabilities

The School's right to use asset for the year ended June 30, 2026 of $2,124,445, net of accumulated amortization of $503,734 is related to the facility lease.

The School's long term debt for the year ended June 30, 2026 of $2,350,245 is composed entirely of the School's facility lease payable. Interest paid during fiscal year June 30, 2026 was approximately $122,000. More detailed information about the School's long-term liabilities is presented in Note 5 to the financial statements.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the fiscal year, the School did not amend its budget. Generally, budget amendments fall into one of the following three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget once exact information is available; 2) amendments made to recognize the changes in funding amounts and 3) changes in appropriations that become necessary to maintain services.

In the general fund, actual revenues were approximately $1,262,000 greater than budgeted amounts, primarily because state and local funding was greater than anticipated, including additional funding associated with the School's operations and approximately $211,000 of local capital improvement funding. Actual expenditures were approximately $954,000 more than budgeted amounts, primarily due to greater-than-budgeted school administration, operation of plant, and pupil personnel support expenditures associated with the School's operating needs.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Budget Highlights for the Fiscal Year Ending June 30, 2027

Amounts available for appropriation in the general fund are approximately $2,950,000, a decrease of approximately $276,000 from the actual 2026. This is due to conservative estimates in student enrollment for the fiscal year 2027.

Budgeted expenditures in the general fund are approximately $2,927,000 an increase of approximately $11,000 from the actual 2026. If these estimates are realized, the School's general fund balance is expected to increase slightly at the conclusion of fiscal 2027.

CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT

This financial report is designed to provide interested parties with a general overview of the School's finances and to demonstrate the School's accountability for the money it receives. Should additional information be required, please contact Second Mile Education, 5850 T.G. Lee Blvd., Suite 345, Orlando, FL 32822.

McCrady & Associates
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Board of Directors of Florida High School For Accelerated Learning - Manatee, Inc. d/b/a Bradenton Bay High School, a Charter School and Component Unit of the District School Board of Manatee County, Florida

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and aggregate remaining fund information of Florida High School For Accelerated Learning - Manatee, Inc. d/b/a Bradenton Bay High School, (the "School"), a Charter School and Component Unit of the District School Board of Manatee County, Florida as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and aggregate remaining fund information of Florida High School For Accelerated Learning - Manatee, Inc. d/b/a Bradenton Bay High School, a Charter School and Component Unit of the District School Board of Manatee County, Florida as of and for the year ended June 30, 2026, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, we:

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

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

Required Supplementary Information

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

because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 16, 2026, on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

McCrady & Associates, PLLC

Altamonte Springs, Florida
September 16, 2026

FLORIDA HIGH SCHOOL FOR ACCELERATED LEARNING - MANATEE, INC.
d/b/a BRADENTON BAY HIGH SCHOOL

A Charter School and Component Unit of the
District School Board of Manatee County, Florida
Statement of Net Position

June 30, 2026

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 668,992
Due from other governmental agencies	163,965
Right to use asset:	
Property under lease	2,628,179
Accumulated amortization	(503,734)
Total right to use asset, net	2,124,445
Capital assets:	
Furniture, fixtures, and equipment	170,192
Less accumulated depreciation	(19,585)
Total capital assets, net	150,607
Total assets	$ 3,108,009
LIABILITIES	
Due to management company	$ 620,269
Long-term liabilities:	
Portion due or payable within one year	
Lease obligation	205,688
Portion due or payable after one year	
Lease obligation	2,144,557
Total liabilities	2,970,514
NET POSITION	
Invested in capital assets, net of related debt	(75,193)
Unrestricted	212,688
Total net position	137,495
Total liabilities and net position	$ 3,108,009

The accompanying notes to financial statements are an integral part of this statement.

FLORIDA HIGH SCHOOL FOR ACCELERATED LEARNING - MANATEE, INC.
d/b/a BRADENTON BAY HIGH SCHOOL

A Charter School and Component Unit of the
District School Board of Manatee County, Florida

Statement of Activities

For the Year Ended June 30, 2026

Governmental Activities:	Expenses	Program Specific Revenues: Charges for Services	Program Specific Revenues: Operating Grants and Contributions	Program Specific Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities
Instruction	$ 790,276	$ -	$ 81,965	$ -	$ (708,311)
Pupil personnel support	362,269	-	-	-	(362,269)
Board	20,663	-	-	-	(20,663)
General administration	94,661	-	-	-	(94,661)
School administration	1,195,679	-	-	-	(1,195,679)
Fiscal services	11,596	-	-	-	(11,596)
Transportation	26	-	-	-	(26)
Operation of plant	804,266	-	-	-	(804,266)
Maintenance of plant	6,639	-	-	-	(6,639)
Interest	121,707	-	-	183,286	61,579
Total primary government	$ 3,407,782	$ -	$ 81,965	$ 183,286	(3,142,531)
General revenues:					
Federal sources					131,942
State and local sources					3,197,375
Other revenue sources					28,380
Total general revenues					3,357,697
Changes in net position					215,166
Net position at beginning of year					(77,671)
Net position at end of year					$ 137,495

The accompanying notes to financial statements are an integral part of this statement.

FLORIDA HIGH SCHOOL FOR ACCELERATED LEARNING - MANATEE, INC.
d/b/a BRADENTON BAY HIGH SCHOOL

A Charter School and Component Unit of the
District School Board of Manatee County, Florida

Balance Sheet - Governmental Funds

June 30, 2026

	General Fund	Capital Projects Fund	Other Governmental Fund	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 668,992	$ -	$ -	$ 668,992
Due from other governmental agencies	8,500	24,660	130,805	163,965
Due from other funds	155,465	-	-	155,465
Total assets	$ 832,957	$ 24,660	$ 130,805	$ 988,422
LIABILITIES				
Due to management company	$ 620,269	$ -	$ -	$ 620,269
Due to general fund	-	24,660	130,805	155,465
Total liabilities	620,269	24,660	130,805	775,734
FUND BALANCES				
Spendable:				
Unassigned	212,688	-	-	212,688
Total fund balances	212,688	-	-	212,688
Total liabilities and fund balances	$ 832,957	$ 24,660	$ 130,805	$ 988,422

The accompanying notes to financial statements are an integral part of this statement.

FLORIDA HIGH SCHOOL FOR ACCELERATED LEARNING - MANATEE, INC.
d/b/a BRADENTON BAY HIGH SCHOOL

A Charter School and Component Unit of the
District School Board of Manatee County, Florida

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

June 30, 2026

Total fund balances - governmental funds	$	212,688
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. Net capital assets as of June 30, 2026 are as follows:		
Capital assets		170,192
Accumulated depreciation		(19,585)
Property under lease		2,628,179
Accumulated amortization		(503,734)
Long-term liabilities, including notes payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year end consist of the following:		
Lease obligation		(2,350,245)
Total net position - governmental activities	$	137,495

The accompanying notes to financial statements are an integral part of this statement.

FLORIDA HIGH SCHOOL FOR ACCELERATED LEARNING - MANATEE, INC.
d/b/a BRADENTON BAY HIGH SCHOOL

A Charter School and Component Unit of the
District School Board of Manatee County, Florida

Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds

For the Year Ended June 30, 2026

	General Fund	Capital Projects Fund	Other Governmental Fund	Total Governmental Funds
REVENUES				
Federal sources passed through local school district	$ -	$ -	$ 213,907	$ 213,907
State and local sources	3,197,375	183,286	-	3,380,661
Contributions and other revenues	28,380	-	-	28,380
Total revenues	3,225,755	183,286	213,907	3,622,948
EXPENDITURES				
Current:				
Instruction	695,101	-	81,965	777,066
Pupil personnel support	362,269	-	-	362,269
Board	20,663	-	-	20,663
General administration	94,661	-	-	94,661
School administration	1,195,679	-	-	1,195,679
Fiscal services	11,596	-	-	11,596
Transportation	26	-	-	26
Operation of plant	529,564	11,884	-	541,448
Maintenance of plant	6,639	-	-	6,639
Capital outlay	-	-	131,942	131,942
Debt service				
Principal	-	152,948	-	152,948
Interest	-	121,707	-	121,707
Total expenditures	2,916,198	286,539	213,907	3,416,644
Excess of revenues over expenditures	309,557	(103,253)	-	206,304
OTHER FINANCING SOURCES (USES)				
Operating transfer in	-	103,253	-	103,253
Operating transfer out	(103,253)	-	-	(103,253)
Total other financing sources	(103,253)	103,253	-	-
Net changes in fund balances	206,304	-	-	206,304
Fund balances at beginning of year	6,384	-	-	6,384
Fund balances at end of year	$ 212,688	$ -	$ -	$ 212,688

The accompanying notes to financial statements are an integral part of this statement.

FLORIDA HIGH SCHOOL FOR ACCELERATED LEARNING - MANATEE, INC.
d/b/a BRADENTON BAY HIGH SCHOOL

A Charter School and Component Unit of the
District School Board of Manatee County, Florida

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended June 30, 2026

Net changes in fund balances - total governmental funds	$	206,304
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Amounts incurred for the year ended June 30, 2026 are as follows:		
Capital outlays		131,942
Depreciation expense		(13,210)
Governmental funds report the acquisition of leases as expenditures. However, in the statement of activities, the cost of those assets are amortized over their useful lives. The amount incurred for the year ended June 30, 2026 is as follows:		
Amortization - right to use asset		(262,818)
Principal payments on long-term debt are expenditures in the governmental funds, but the repayments reduce long-term liabilities in the statement of net position.		152,948
Change in net position of governmental activities	$	215,166

The accompanying notes to financial statements are an integral part of this statement.

FLORIDA HIGH SCHOOL FOR ACCELERATED LEARNING - MANATEE, INC.
d/b/a BRADENTON BAY HIGH SCHOOL

A Charter School and Component Unit of the
District School Board of Manatee County, Florida

Notes to Financial Statements

For the Year Ended June 30, 2026

1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Florida High School For Accelerated Learning – Manatee, Inc., d/b/a Bradenton Bay High School (the "School") is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes and the Florida Not-for-Profit Corporation Act. The governing body of the School is the not-for-profit corporation Board of Governors (the "Board"), which is composed of four members. The School has retained a management company to operate the School (see Note 7).

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, the District School Board of Manatee County Florida, (the "School Board"). The School is considered a component unit of the School Board and meets the definition of a governmental entity under the Governmental Accounting Standards Board ("GASB").

The School is a high school that has developed a philosophy of recognizing and rewarding each student as an individual. Therefore, the education program, goals and objectives, and methods of accountability toward the objectives, must be set according to the situation of each individual student.

The School has selected a self-paced, mastery based, accelerated learning program as the model to implement this philosophy. The goal of the School is to provide, for students that might not be best suited for traditional schools, a school program and educational opportunities. These students include, but are not limited to, drop-outs or those in danger of dropping out, students needing more remedial support or individual instruction than can be obtained in a traditional high school, and students with family or other situations that prevent attending a regular scheduled program at traditional high schools.

Charter Contract

The School operates under a charter granted by The School Board of Manatee County (the "School Board" or "Sponsor"). The charter has a five-year term commencing July 1, 2024 and ending June 30, 2029, unless terminated or extended pursuant to the charter agreement. The term shall be automatically extended on a month-to-month basis until the Charter has been renewed, non-renewed, or terminated by the Sponsor.

Basis of Presentation

Based on the guidance provided in the American Institute of Certified Public Accountants Audit and Accounting Guide – *Audits for States and Local Governments* and provisions in the Florida Statutes, the School is considered as a governmental organization for financial statement reporting purposes. The School is required by its agreement with the School Board to use the governmental reporting model and follow the fund and accounting structure provided in the "Financial and Program Cost Accounting and Reporting for Florida Schools – The Red Book" issued by the Florida Department of Education ("FDOE").

Government-Wide Financial Statements

The government-wide financial statements provide both short-term and long-term information about the School in a manner similar to a private-sector business. The statement of net position and statement of activities are designed to provide financial information about the School as a whole on an accrual basis of accounting. The statement of net position provides information about the School's financial position, its assets and its liabilities, using an economic resources measurement focus.

The statement of activities presents a comparison between direct expenses and program revenue for each function or program of the School's governmental activities. Direct expenses are those specifically associated with a program or function, therefore, are clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of goods and services offered by the program, grants and contributions that are restricted for meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues.

Fund Financial Statements

The governmental fund financial statements report detailed information about the School's most significant funds, not the School as a whole. A fund is a group of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The School uses fund accounting to ensure and demonstrate compliance with finance related requirements. Certain funds are established by law while others are created by grant agreements. The following are individual governmental funds reported in the fund financial statements:

- General Fund – the School's primary operating fund that accounts for all financial resources of the school, except those that are required to be accounted for in another fund.
- Capital Projects Fund – to account for all resources for the acquisition of capital items by the School purchased with capital outlay funds.

- Special Revenue Fund – to account for the proceeds of specific revenues sources that are restricted or committed to expenditures for a specific purpose, including all federal grant revenues passed through the School District.
- Debt Service Fund – to account for the accumulation of resources for, and payment of general long-term debt principal, interest and related costs

For the purpose of these statements, the general and capital projects funds are considered major funds. Special revenue and debt service are non-major funds and reported as other governmental funds.

Basis of Accounting

Basis of accounting refers to when revenues and expenses/expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recognized when earned and expenses/expenditures are recognized when a liability is incurred, regardless of the timing the related cash flows take place.

The governmental funds basic financial statements are reported using the modified accrual basis of accounting. Under this method, revenues are recognized when they become measurable and available. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenues are recognized at the time the expenditure is made. Revenue recognition is determined per each grant on the basis of the requirements of each individual grant.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from the acquisition of long-term debt are reported as other financing sources.

Budgetary Basis Accounting

Budgets are prepared using the modified accrual basis of accounting and the governing board must approve all budgets and amendments. During the fiscal year, expenditures were controlled at the object level. Budgets may be amended by resolution of the Board prior to the date of the annual report.

Cash and Cash Equivalents

The School's cash and cash equivalents consist primarily of demand deposits with financial institutions.

All deposits should be made into and held by financial institutions designated by the treasurer of the State of Florida as qualified public depositories as defined by Chapter 280 of the Florida Statutes. Every qualified public depository institution should maintain eligible collateral to secure the public entity's funds. The minimum collateral to be pledged by the institution, the collateral eligible for pledge, and reporting requirements of the qualified public depositor to the treasurer is defined by the ability of the institution to guarantee deposits made by members of the pool should the need arise. The School's deposits are held in a qualified public depository. They are covered by the collateral pool as the School has identified itself as a public entity at June 30, 2026.

Interfund Receivables and Payables

Activities between the funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as due to/from other funds. The general fund recorded a receivable of $155,465, and the capital projects and other governmental fund recorded payables of $24,660 and $130,805, respectively, which relates to the amounts due from other governmental agencies (as described in Note 3), for amounts paid by the general fund on behalf of the capital projects and other governmental fund.

Capital Assets and Depreciation

The School's capital assets with useful lives of more than one year are stated at historical cost and reported in the statement of net position in the government-wide financial statements. Donated capital assets are recorded at their estimated fair value on the date donated. The School capitalizes assets with a cost of $1,000 or more. Expenditures of normal maintenance and repair that do not add to the asset value or extend the useful life are not capitalized. Depreciation is computed using the straight-line method. Estimated useful lives of the assets are as follows:

	Years
Furniture, fixtures, and equipment	5

Information related to the change in capital assets is described in Note 4.

Lease Asset and Liability

GASB Statement No. 87 - Leases, requires the recognition of certain long term lease contracts in which the School has control of a non-financial asset. The lease liability is recorded at the present value of future lease payments, including fixed payments, variable payments and reasonably certain guarantees. The lease liability is reduced for lease payments made, less the interest portion of the lease payment.

The non-financial asset is recorded as an intangible right-to-use asset. The right-to-use asset is recorded for the same amount as the related lease liability plus any prepayments and initial direct costs to place the asset in service. The right-to-use asset is amortized over the shorter of the useful life of the asset or lease term. In 2024, the School recognized a right-to-use asset and a lease liability of $2,628,179, which applies to their educational facility lease. Information related to the change in the right-to-use asset and lease liability is presented in Note 5.

Net Position and Fund Balance Classifications

Government-wide financial statements

The net position is classified and reported in four components:

- Investment in capital assets, net of related debt – consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any borrowings that are specifically attributed to the acquisition or improvement of those assets.
- Restricted – consists of amounts with constraints placed on their use either by external groups such as creditors, grantors, contributors, laws or regulations of other governments. As of June 30, 2026, the School did not have any restricted amounts.
- Unrestricted – all other amounts that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Fund financial statements

GASB Codification Section 1800.142, *Fund Balance Reporting and Governmental Fund Type Definitions,* defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB requires the fund balance amounts to be reported within one of the following fund balance categories:

- Nonspendable – fund balance associated with inventories, prepaid expenses, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned). All nonspendable fund balances at year end relate to assets that are in nonspendable form.
- Restricted – fund balance that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.
- Committed – fund balance that can be used only for the specific purposes determined by a formal action of the School's Board of Governance.
- Assigned – fund balance that is intended to be used by the School's management for specific purposes but does not meet the criteria to be classified as restricted or committed.
- Unassigned – fund balance that is the residual amount for the School's general fund and includes all spendable amounts not contained in the other classifications.

This statement also clarifies the definition of the special revenue fund which may be used to account for the proceeds of specific revenue sources (other than trusts for individual, private

organizations or other governmental agencies or for major capital projects) legally restricted to expenditures for specified purposes.

Order of Fund Balance Spending Policy

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

Revenue Sources

Revenues for operations are received primarily from the School Board, pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33, Florida Statutes, the School reports the number of full-time equivalent (FTE) students and related data to the School Board. The School Board receives a 5% administrative fee from the School, which is withheld from the respective Florida Education Finance Program (FEFP) payments. The administrative expense is reflected as a general administration expense/expenditure in the accompanying statement of activities and statement of revenues, expenditures and changes in fund balances – governmental funds. The administrative fee is calculated on the FEFP revenue up to 250 students.

Under provisions of Section 1011.62, Florida Statutes, the School Board reports the number of students and related data to the FDOE for funding through the FEFP. Funding for the School is adjusted during the year to reflect the revised calculations by the FDOE under the FEFP and the actual weighted full-time equivalent students reported by the School during the designated full-time equivalent student survey period. The FDOE may also adjust subsequent fiscal period allocations based on an audit of the School's compliance in determining and reporting FTE and related data. Generally, such adjustments are treated as reductions or additions of revenues in the year when the adjustments are made.

The basic amount of funding through the FEFP under Section 1011.62 is calculated based on (1) unweighted FTE, multiplied by (2) the cost factor for each program multiplied by (3) the base student allocation established by the Florida legislature. Additional funds for exceptional students who do not have a matrix of services are provided through the guaranteed allocation designated in Section 1011.62(1)(e)2., Florida Statutes. For the year ended June 30, 2026, the School reported 286.46 unweighted FTE.

From time to time, the School receives additional funding under other federal and state grants. This assistance is generally received based on applications submitted to various granting

agencies. For federal and state grants in which funding is awarded based on incurring eligible expenditures, revenue is recognized as the amount of eligible expenditures have been incurred.

The School is also eligible for charter school capital outlay funding. The amounts received under this program are based on the School's actual and projected student enrollment during the fiscal year. Funds received under this program may only be used for lawful capital outlay expenditures.

Recently Issued Accounting Pronouncements

In June 2022, the GASB issued Statement No. 101, Compensated Absences. This statement establishes accounting and financial reporting requirements for compensated absences, including vacation, sick leave, and paid time off, and associated salary-related payments. A liability is generally recognized for leave attributable to services already rendered that accumulates and is more likely than not to be used, paid, or otherwise settled. A liability is also recognized for leave that has been used but not yet paid or settled. The statement is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Because School employees, salaries, and related liabilities are the responsibility of the management company, the School has not included a liability for compensated absences in accrued expenses.

In December 2023, the GASB issued Statement No. 102, Certain Risk Disclosures. This statement requires governments to disclose concentrations or constraints that make them vulnerable to a substantial impact when an associated event has occurred or is more likely than not to occur within 12 months after the financial statement date. The statement is effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The School evaluated the requirements of this statement and determined that it did not have a material effect on its financial statements.

In April 2024, the GASB issued Statement No. 103, Financial Reporting Model Improvements. This statement improves key components of the financial reporting model, including management's discussion and analysis, unusual or infrequent items, proprietary fund statements, major component units, and budgetary comparison information. The statement is effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The School adopted this statement for the year ended June 30, 2026 and revised its financial statement presentation, as applicable.

In September 2024, the GASB issued Statement No. 104, Disclosure of Certain Capital Assets. This statement requires certain capital assets, including right-to-use lease assets, subscription assets, and other intangible right-to-use assets, to be disclosed separately by major class of underlying asset. It also establishes disclosure requirements for capital assets held for sale. The statement is effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The School adopted this statement for the year ended June 30, 2026 and separately disclosed its right-to-use lease assets and related accumulated amortization, as applicable.

Use of Estimates

In preparing the financial statements in conformity with accounting principles generally accepted in the United States, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the balance sheet and revenues and expenses/expenditures for the period presented. The School utilizes estimates which include, but are not limited to, depreciation, amortization, incremental borrowing rates, and evaluation of receivables from governmental agencies. Actual results could differ significantly from those estimates.

Subsequent Events

In accordance with GASB Codification Section 2250.106, the School has evaluated subsequent events and transactions for potential recognition or disclosure through September 16, 2026, which is the date the financial statements were available to be issued.

2 FAIR VALUE MEASUREMENTS

Accounting principles generally accepted in the United States (GAAP) define fair value for an investment generally as the price an organization would receive upon selling the investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. The information available to measure fair value varies depending on the nature of each investment and its market or markets. Accordingly, GAAP recognizes a hierarchy of "inputs" an organization may use in determining or estimating fair value. The inputs are categorized into "levels" that relate to the extent to which an input is objectively observable and the extent to which markets exist for identical or comparable investments. In determining or estimating fair value, an organization is required to maximize the use of observable market data (to the extent available) and minimize the use of unobservable inputs. The hierarchy assigns the highest priority to unadjusted quoted prices in active markets for identical items (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

The fair value hierarchy distinguishes between independent observable inputs and unobservable inputs used to measure fair value as follows:

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

Level 2: Inputs other than quoted market prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for an asset or liability. Level 3 inputs should be used to measure fair value to the extent that observable level 1 or 2 inputs are not available.

This statement requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. The School's significant financial instruments are cash, accounts receivable, accounts payable, and other short term assets and liabilities. For these financial instruments carrying values approximate fair value because of the short maturity of these instruments.

3 DUE FROM OTHER GOVERNMENTAL AGENCIES

Due from other governmental agencies of $163,965, included in the accompanying financial statements is mainly composed of approximately $25,000 of capital outlay and $112,000 of CSP funding and $19,000 of IDEA funding. Based on the nature of the grants, allowability of expenses for which reimbursement is requested, sources of funds, and benchmarking with similar organizations with similar grant requests, management has evaluated the collectability and an allowance for doubtful accounts is not considered necessary.

4 CAPITAL ASSETS

Capital asset activity during the year ended June 30, 2026 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets:				
Furniture, fixtures, and equipment	$ 38,250	$ 131,942	$ -	$ 170,192
Total capital assets	38,250	131,942	-	170,192
Accumulated depreciation:				
Furniture, fixtures, and equipment	(6,375)	(13,210)	-	(19,585)
Total accumulated depreciation	(6,375)	(13,210)	-	(19,585)
Capital assets, net	$ 31,875	$ 118,732	$ -	$ 150,607

Depreciation expense:

Instruction	$ 13,210
Total governmental activities depreciation expense	$ 13,210

Depreciation expense is allocated to the above expenses in the accompanying statement of activities.

This year's major capital asset additions included the following:

- Computers and technical equipment - $131,942

5 LEASE ASSET AND LIABILITY

The School entered into a lease agreement for the facilities of the School commencing August 1, 2024 and expiring July 31, 2034. The lease requires monthly payments of $22,078 for the first 12 months, increasing four percent per year through July 31, 2034. Additionally, the lease requires common area maintenance charges which include real property taxes, insurance, and other operating expenses throughout the lease term. The lease provides for one additional five-year renewal option and is guaranteed by the School's management company.

Information related to the School's lease activity during the year ended June 30, 2026 is as follows:

Right to Use Asset:		
Right to use asset as of July 1, 2025	$	2,387,263
2026 amortization expense		(262,818)
Right to use asset, net as of June 30, 2026	$	2,124,445
Lease note payable	$	2,350,245

Amortization of the right to use asset is calculated using the straight-line method over the remaining lease term. Amortization expense was charged to governmental activities and included within the operation of plant. Interest expense related to the amortization of the lease note payable is $121,707 for the year ended June 30, 2026 and is included in debt service.

Future minimum lease payments including annual increases are as follows:

	Principal	Interest	Total
2027	$ 205,688	$ 79,938	$ 285,626
2028	224,820	72,113	296,933
2029	245,311	63,567	308,878
2030	266,619	54,259	320,878
2031	289,996	44,141	334,137
2032-2035	1,117,811	62,854	1,180,665
Totals	$ 2,350,245	$ 376,872	$ 2,727,117

6 SCHEDULE OF STATE AND LOCAL REVENUE SOURCES

The following is a schedule of state and local revenue sources:

District School Board of Manatee County, Florida:	
Florida Education Finance Program	$ 1,508,477
Referendum	393,174
Class size reduction	258,693
Discretionary millage funds	268,877
Prior year true up of funds	234,368
Capital outlay	179,126
Local capital improvement	211,277
ESE guaranteed allocation	67,963
Sales tax levy	97,714
Educational enrichment	70,711
Miscellaneous	41,629
Safe schools	29,567
Mental health assistance allocation	18,520
Transportation	565
Total	$ 3,380,661

The administrative fee paid to the School Board during the year ended June 30, 2026 totaled $94,661 which is reflected as a general administration expense/expenditure in the accompanying statement of activities and statement of revenues, expenditures and changes in fund balances – governmental funds.

7 MANAGEMENT AND EDUCATION CONTRACTS

Management Services Agreement

The School entered into a contractual agreement with ALS Education, LLC (the “Company”), a Delaware Limited Liability Company d/b/a Second Mile Education to provide certain management oversight and consulting services necessary to support the School in organizing and operating a charter school in accordance with the Charter Agreement. The management agreement is effective April 9, 2024 and shall continue for a term that is concurrent with the term of the Charter Contract as it may be extended or renewed unless terminated sooner pursuant to the terms in the management agreement.

Under the terms of the agreement, the School shall pay a monthly continuing fee to the Company of ninety-seven percent (97%) of the School’s qualified gross revenues. Qualified gross revenues include basic state funding, special education funding, class size funding, mental health and safety funding, and income sources provided by state, federal and local law, and /or obtained through the Company’s efforts, which are not specifically excluded in the management

agreement. Qualified gross revenues exclude student fees, PTA/PTO income, and any state or federal funding that is meant to be a dollar-for-dollar reimbursement of expenditures made by the School.

In return for the fees, the Company shall be responsible for: providing management services, reports as reasonably requested by the School, governmental agencies, and Board, attending Board meetings, providing the educational model approved by the School, assisting in identifying and applying for grants, coordinating with legal, insurance, and financial advisors, technology support, operational support, providing administrative, teaching and support staff, wages, training and benefits.

The contract may be terminated by the School for non-renewal of the charter with the School Board and for breaches of contract terms which have not been cured within ninety days of written notice at the time of the contract breach. The contract may be terminated by the Company for fiscal year operating deficits (excluding the first year of operations), failure to pay fees due to the Company, material changes in federal or state funding, damages to the school facility that make School operations unfeasible, uneconomical or impractical, as long as such notification comes within sixty (60) days after the occurrence that caused such situation. If the contract is terminated by the Company after the beginning of the school year, the termination will not be effective until the end of that school year.

For the year ended June 30, 2026, the School incurred approximately $553,000 of management fees that are reflected as a school administration expense/expenditure in the accompanying statements of activities and statement of revenues, expenditures and changes in fund balances-governmental funds.

Due to Management Company

Due to the management company of approximately $620,000 is included in the accompanying financial statements. The balance primarily consists of unpaid June 2026 management fees and other expenses paid by the management company on behalf of the School and its Board. The increase from the prior year was primarily due to higher management-company billings outstanding at year-end.

8 RISK MANAGEMENT PROGRAM

Workers' compensation coverage, health and hospitalization, general liability, professional liability and property coverage are being provided through purchased commercial insurance with minimum deductibles for each line of coverage. Settled claims resulting from these risks have not historically exceeded commercial coverage.

9 COMMITMENTS AND CONTINGENT LIABILITIES

Retirement benefits

The School does not provide post-retirement benefits to retired employees. All employees are employees of the management company and benefits are the management company's sole responsibility.

Grants

The School participates in state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the School has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at year end may be impaired.

Management believes there are no significant contingent liabilities related to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

Legal Matters

In the normal course of conducting its operations, the School occasionally becomes party to various legal actions and proceedings. In the opinion of management, the ultimate resolution of such legal matters will not have a significant adverse effect on the accompanying financial statements.

10 INCOME TAXES

The School qualifies as a tax-exempt organization under Internal Revenue Code Section 501(c)(3), and is therefore, exempt from income taxes. Accordingly, no tax provision has been made in the accompanying financial statements. Additionally, no uncertain tax positions have been made requiring disclosure in the related notes to the financial statements. The School's income tax returns for the three previous years are subject to examination by tax authorities, and may change upon examination.

FLORIDA HIGH SCHOOL FOR ACCELERATED LEARNING - MANATEE, INC.
d/b/a BRADENTON BAY HIGH SCHOOL

A Charter School and Component Unit of the
District School Board of Manatee County, Florida

Required Supplementary Information

Budgetary Comparison Schedule - General Fund

For the Year Ended June 30, 2026

	Budgeted Amounts			Positive (Negative)
	Original	Final	Actual	Variance
REVENUES				
State and local sources	$ 1,941,664	$ 1,941,664	$ 3,197,375	$ 1,255,711
Contributions and other revenues	21,755	21,755	28,380	6,625
Total revenues	1,963,419	1,963,419	3,225,755	1,262,336
EXPENDITURES				
Current:				
Instruction	657,930	657,930	695,101	(37,171)
Pupil personnel support	130,011	130,011	362,269	(232,258)
Board	42,500	42,500	20,663	21,837
General administration	96,199	96,199	94,661	1,538
School administration	786,445	786,445	1,195,679	(409,234)
Fiscal services	15,000	15,000	11,596	3,404
Transportation	-	-	26	(26)
Operation of plant	220,491	220,491	529,564	(309,073)
Maintenance of plant	13,441	13,441	6,639	6,802
Capital outlay	-	-	-	-
Total expenditures	1,962,017	1,962,017	2,916,198	(954,181)
Excess of revenues over expenditures	1,402	1,402	309,557	308,155
OTHER FINANCING SOURCES (USES)				
Operating transfer out	-	-	(103,253)	(103,253)
Total other financing sources	-	-	(103,253)	(103,253)
Net changes in fund balances	1,402	1,402	206,304	$ 204,902
Fund balances at beginning of year	6,384	6,384	6,384	
Fund balances at end of year	$ 7,786	$ 7,786	$ 212,688	

FLORIDA HIGH SCHOOL FOR ACCELERATED LEARNING - MANATEE, INC.
d/b/a BRADENTON BAY HIGH SCHOOL

A Charter School and Component Unit of the
District School Board of Manatee County, Florida

Notes to Required Supplementary Information

1. BUDGETARY BASIS OF ACCOUNTING

Budgets are presented on the modified accrual basis of accounting. During the fiscal year, expenditures were controlled at the object level (e.g., salaries and benefits, purchased services, materials and supplies and capital outlay) within each activity (e.g., instruction, pupil personnel services and school administration). Budgets may be amended by resolution at any Board meeting prior to the date for the annual report.

McCRADY & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

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 Florida High School For Accelerated Learning - Manatee, Inc. d/b/a Bradenton Bay High School, a Charter School and Component Unit of the District School Board of Manatee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and aggregate remaining fund information of Florida High School For Accelerated Learning - Manatee, Inc. d/b/a Bradenton Bay High School, a Charter School and Component Unit of the District School Board of Manatee County, Florida as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the School's basic financial statements, and have issued our report thereon dated September 16, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

McCrady & Associates, PLLC

Altamonte Springs, Florida
September 16, 2026

Additional Information Required by
Rules of the Auditor General,
Chapter 10.850, *Audits of Charter Schools*
and Similar Entities

McCRADY & ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

Management Letter as Required by Rules of the Florida Auditor General, Chapter 10.850, *Charter School Audits*

To the Board of Directors of Florida High School For Accelerated Learning - Manatee, Inc. d/b/a Bradenton Bay High School, a Charter School and Component Unit of the District School Board of Manatee County, Florida

Report on the Financial Statements

We have audited the financial statements of Florida High School For Accelerated Learning - Manatee, Inc. d/b/a Bradenton Bay High School (the "School") as of and for the fiscal year ended June 30, 2026, and have issued our report thereon dated September 16, 2026.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in that report, if applicable, which is dated, September 16, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title

Section 10.854(1)(e)5. Rules of the Florida Auditor General, requires the name or official title of the entity be disclosed in this management letter. The official title of the entity is Florida High School For Accelerated Learning - Manatee, Inc. d/b/a Bradenton Bay High School. The School code is 412191.

Financial Condition and Management

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

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Florida Auditor General, we applied financial condition assessment procedures for the School. It is management's

responsibility to monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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

Transparency

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

Additional Matters

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

Purpose of this Letter

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

McCrady & Associates, PLLC

Altamonte Springs, Florida
September 16, 2026