Team Volusia Economic Development Corporation

Daytona Beach, Florida

Financial Statements
and
Independent Auditors' Report

For the Years Ended
December 31, 2025 and 2024

AAPG, LLP

Assurance Services • Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Team Volusia Economic Development Corporation
Daytona Beach, Florida

Opinion

We have audited the accompanying financial statements of Team Volusia Economic Development Corporation (a nonprofit organization), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Team Volusia Economic Development Corporation as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years 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. 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 Team Volusia Economic Development Corporation 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 Team Volusia Economic Development Corporation's ability to continue as a going concern within one year after the date that the 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 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 Team Volusia Economic Development Corporation’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 Team Volusia Economic Development Corporation’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.

aapG, LLP

Daytona Beach, Florida
July 10, 2026

TEAM VOLUSIA ECONOMIC DEVELOPMENT CORPORATION
STATEMENTS OF FINANCIAL POSITION
December 31, 2025 and 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 915,140	$ 843,886
Accounts receivable	25,608	49,250
Prepaid expenses	94,788	65,652
TOTAL CURRENT ASSETS	1,035,536	958,788
PROPERTY AND EQUIPMENT, NET	15,939	17,866
OTHER ASSETS		
Right of use asset - operating lease	12,156	82,298
Right of use asset - finance lease	1,998	5,992
Cash and cash equivalents - board designated	550,000	550,000
TOTAL OTHER ASSETS	564,154	638,290
TOTAL ASSETS	$ 1,615,629	$ 1,614,944
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Short-term lease obligation - operating lease	$ 12,156	$ 70,142
Short-term lease obligation - finance lease	2,188	4,242
Accounts payable	17,070	11,832
Accrued expenses	7,514	27,456
Contract liabilities	440,879	442,768
TOTAL CURRENT LIABILITIES	479,807	556,440
LONG-TERM LIABILITIES		
Long-term lease obligation - operating lease	-	12,156
Long-term lease obligation - finance lease	-	2,188
TOTAL LONG-TERM LIABILITIES	-	14,344
TOTAL LIABILITIES	479,807	570,784
NET ASSETS		
Without donor restrictions		
Designated by board	550,000	550,000
Undesignated	585,822	494,160
TOTAL NET ASSETS	1,135,822	1,044,160
TOTAL LIABILITIES AND NET ASSETS	$ 1,615,629	$ 1,614,944

See accompanying notes and independent auditors’ report.

TEAM VOLUSIA ECONOMIC DEVELOPMENT CORPORATION
STATEMENTS OF ACTIVITIES
For the Years Ended December 31, 2025 and 2024

	2025	2024
Revenue:		
Private sector	$ 558,625	$ 571,661
Public sector	616,856	561,325
Higher education	65,000	56,958
Grant revenue	25,000	-
Other revenue	52,150	49,888
Total revenue	1,317,631	1,239,832
Expenses:		
Personnel services	669,675	621,202
Operating expenses	162,098	164,924
Competitive intelligence	49,856	43,347
Recruiting and business development	119,718	88,913
Marketing and communications	80,099	60,632
External relations	72,359	85,705
Organizational excellence	22,139	20,490
One-time expenses	26,550	11,717
Strategy for success	40,212	19,766
Depreciation	6,028	9,126
Right of use asset amortization - finance lease	3,995	3,995
Total expenses	1,252,729	1,129,817
Net operating profit	64,902	110,015
Other income (expense)		
Interest income	25,291	19,419
Interest expense	(193)	(357)
Miscellaneous	1,662	5,830
Total other income (expense)	26,760	24,892
Change in net assets	91,662	134,907
Net assets - beginning of year	1,044,160	909,253
Net assets - end of year	$ 1,135,822	$ 1,044,160

See accompanying notes and independent auditors’ report.

TEAM VOLUSIA ECONOMIC DEVELOPMENT CORPORATION
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Change in net assets	$ 91,662	$ 134,907
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	6,028	9,126
Right of use asset amortization	3,995	3,995
(Increase) decrease in:		
Accounts receivable	23,642	6,845
Prepaid expenses	(29,136)	(17,335)
Increase (decrease) in:		
Accounts payable	5,238	296
Accrued expenses	(19,942)	1,248
Contract liabilities	(1,889)	38,000
Net cash provided by operating activities	79,598	177,082
Cash flows from investing activities:		
Purchases of property and equipment	(4,102)	(6,109)
Net cash (used in) investing activities	(4,102)	(6,109)
Cash flows from financing activities:		
Principal repayments on finance leases	(4,242)	(4,071)
Net cash (used in) financing activities	(4,242)	(4,071)
Net change in cash and cash equivalents	71,254	166,902
Cash and cash equivalents, beginning of year	1,393,886	1,226,984
Cash and cash equivalents, end of year	$ 1,465,140	$ 1,393,886
Cash and cash equivalents, operating	$ 915,140	$ 843,886
Cash and cash equivalents, board-designated	550,000	550,000
	$ 1,465,140	$ 1,393,886
Supplemental disclosure of cash flow information:		
Cash payments for interest expense	$ 193	$ 357

See accompanying notes and independent auditors’ report.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are described below to enhance the usefulness of the financial statements to the readers.

Nature of Operations
Team Volusia Economic Development Corporation ("TVEDC") was organized on July 27, 2010, to promote and foster economic development in Volusia County under the provisions of the Florida Not for Profit Corporation Act set forth in Chapter 617, Florida Statutes.

The Board of Directors comprises thirty-five members, the majority of whom are business leaders from private sector employers, along with representatives from education, labor organizations, local government, and community-based public assistance organizations.

Basis of Accounting
The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under this method of accounting, revenues are recognized as performance obligations are met and expenses are recognized when incurred.

Basis of Presentation
Financial statement presentation follows the requirements of FASB Accounting Standards Codification (ASC) 958, Not-for-Profit Entities. Under FASB ASC 958, TVEDC is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets 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-imposed restrictions.
>
> Net assets with donor restrictions: Net assets subject to donor-imposed restrictions that will be met either by actions of TVEDC and/or the passage of time, and net assets subject to donor-imposed restrictions that they be maintained in perpetuity by TVEDC.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions. It is TVEDC's policy to record donor-restricted contributions on which restrictions are met in the same reporting period as contributions without donor restrictions.

TVEDC had no net assets with donor restrictions at December 31, 2025 and 2024.

Accounting Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

TVEDC recognizes revenue from exchange transactions in accordance with FASB ASC 606, Revenue from Contracts with Customers. Revenue from exchange transactions is measured based on the amount of consideration specified in a contract with a customer, and excludes any sales incentives and amounts collected on behalf of third parties. Exchange transactions are those in which a reciprocal transfer occurs between two entities, exchanging resources for assets. TVEDC recognizes revenue when and as performance obligations are satisfied, which generally occurs with the transfer of control of the goods or services to the customer. TVEDC's revenue sources which are transferred at a point in time include annual meeting revenue, which is included in other revenue in the accompanying statements of activities. TVEDC's revenue sources which are transferred over time include membership revenue from the private sector, public sector and higher education institutions.

The timing of TVEDC's revenue recognition from exchange transactions is as follows:

	2025	2024
Services transferred at a point in time	$ 52,150	$ 49,888
Services transferred over time	1,240,481	1,189,944
Total revenue from contracts with customers	$ 1,292,631	$ 1,239,832

The opening and closing balances of receivables from contracts with customers and contract liabilities are as follows:

	Beginning of Year	End of Year
Receivables from contracts with customers	$ 49,250	$ 25,608
Contract liabilities	$ 442,768	$ 440,879

TVEDC had no contract assets as of December 31, 2025 and 2024.

Contributions

FASB ASC 958-605 requires that TVEDC first determine whether a contribution is conditional. Conditional contributions received are accounted for as liabilities and not recognized until that condition is either met or it is determined that the possibility of the condition not being met is remote, at which point the contribution becomes unconditional. All unconditional contributions are classified as either "net assets with donor restrictions" or "net assets without donor restrictions".

Advertising

Advertising costs are expensed as they are incurred. Advertising expense for the years ended December 31, 2025 and 2024, totaled $80,099 and $60,632, respectively.

Cost Allocation

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and benefits, which are allocated on the basis of estimates of time and effort.

Liquidity

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents
Cash and cash equivalents consist of checking, savings accounts and money market funds with original maturity dates of three months or less. All savings and money market accounts earn interest on their average monthly balances. For the purposes of the statements of cash flows, TVEDC considers all highly liquid debt instruments purchased with original maturity dates of three months or less to be cash equivalents.

The Board has approved designated net assets as cash reserves totaling $550,000 at December 31, 2025 and 2024. These designations do not attach any legal net asset restrictions to the use of funds.

Accounts Receivable
Accounts receivable primarily consist of membership dues from both the public and private sectors within Volusia County and are stated at net realizable value. When applicable, accounts receivable determined to be worthless are written off and are charged to bad debt expense in the year determined uncollectible. Accordingly, no allowance for credit losses was considered necessary.

Property and Equipment
Acquisitions of non-expendable tangible property with a useful life over one year are capitalized at historical cost. Qualifying equipment is depreciated over estimated useful lives ranging from three to fifteen years using the straight-line depreciation method. Computer software is amortized over three years using the straight-line method.

TVEDC reviews its investment in property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the property and equipment to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition of the property and equipment. If the property and equipment is considered impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the property and equipment exceeds the fair value of such property. There were no impairment losses recognized in 2025 and 2024.

Fair Value of Financial Instruments
The carrying amount reported in the statements of financial position for cash and cash equivalents, accounts receivable, prepaid expenses, accounts payable, accrued expenses and contract liabilities approximates fair value because of the immediate or short-term maturity of these financial instruments.

Income Taxes
TVEDC is exempt from income tax under Section 501(c)(6) of the Internal Revenue Code. The Internal Revenue Code provides for taxation of unrelated business income under certain circumstances. The Board believes that it has no liability for taxes with respect to unrelated business income. However, such status is subject to final determination upon examination of the related income tax returns by the appropriate taxing authorities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

***Income Taxes* (continued)**

TVEDC follows Accounting Standards Codification Topic 740, *Income Taxes* ("ASC 740"). A component of this standard prescribes the recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more likely than not to be sustained upon examination by taxing authorities. The Board's policy is to recognize interest and penalties associated with tax positions under this standard as a component of tax expense, and none were recognized since there was no material impact of the application of this standard for the years ended December 31, 2025 and 2024. Informational returns (Form 990) have been filed with the Internal Revenue Service. The Forms 990 for fiscal years ended December 31, 2023, 2024, and 2025 are subject to examination by the Internal Revenue Service, generally three years after they were filed.

NOTE 2 - CASH AND CASH EQUIVALENTS

Cash includes amounts on hand and amounts on deposit at financial institutions. TVEDC occasionally will have amounts on deposit at financial institutions that exceed the FDIC insurance limit. TVEDC believes that there is no significant risk with respect to such deposits.

NOTE 3 - PROPERTY AND EQUIPMENT

The major components of property and equipment at December 31, 2025 and 2024 were as follows:

	2025	2024
Computer equipment	$ 91,805	$ 87,703
Computer software and webite design	54,998	54,998
Furniture and equipment	90,259	90,259
Leasehold improvements	2,524	2,524
	239,586	235,484
Accumulated depreciation	(223,647)	(217,618)
	$ 15,939	$ 17,866

Depreciation expense charged to operations totaled $6,028 and $9,126 for the years ended December 31, 2025 and 2024, respectively.

NOTE 4 - FINANCE LEASE

In June 2021, TVEDC entered into a finance lease arrangement for the lease of a copier. TVEDC assesses whether an arrangement qualifies as a lease (i.e., conveys the right to control the use of an identified asset for a period of time in exchange for consideration) at inception and only reassesses its determination if the terms and conditions of the arrangements are changed.

The lease does not provide an implicit interest rate; therefore, TVEDC utilizes its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. As of December 31, 2025 and 2024, the right-of-use (ROU) asset has a balance of $1,998 and $5,992; the current lease liability is $2,188 and $4,242; and the long-term lease liability is $0 and $2,188, respectively. The assets are depreciated over the lower of the related lease terms or the estimated productive life. Depreciation of assets under the finance lease is included in operating expenses and totaled $3,995 for the years ended December 31, 2025 and 2024.

NOTE 4 - FINANCE LEASE (CONTINUED)

The following is a summary of equipment held under the finance lease:

Equipment	$	19,975
Less: Accumulated depreciation	$	(17,977)
Net book value	$	1,998

The future minimum lease payments required under the finance lease are as follows for the years ending December 31:

2026	$	2,214
Total		2,214
Less: amount representing interest		(26)
Total present value of lease liabilities		2,188
Less: Current portion		(2,188)
Long-term finance lease obligations	$	-

The weighted average remaining lease term for TVEDC's finance lease is 0.10 years, and the weighted average discount rate is 4.125%.

Cash paid for amounts included in measuring finance lease liabilities during the years ended December 31 2025 and 2024:

	2025	2024
Financing cash flows from finance lease	$ 4,428	$ 4,428
Lease assets obtained in exchange for lease obligation:		
Finance lease	$ 19,975	$ 19,975

NOTE 5 - OPERATING LEASE

TVEDC has entered into an operating lease for office facilities under an agreement that expired on February 28, 2023, at which point TVEDC renewed the lease for another three-year term that will expire in March 2026. This lease contains renewal provisions and generally requires TVEDC to pay insurance, taxes and other operating expenses related thereto. Operating lease expense for the years ended December 31, 2025 and 2024, was $70,142 and $72,320, respectively, and is included in operating expenses on the accompanying statements of activities.

As of December 31, 2025 and 2024, the operating leases right-of-use (ROU) assets have a balance of $12,156 and $82,298; the current lease liability is $12,156 and $70,142; and the long-term lease liability is $0 and $12,156, respectively.

The lease does not provide an implicit interest rate; therefore, TVEDC utilizes its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. The weighted-average remaining lease term for the operating lease is 0.03 years and the weighted-average discount rate is 6.75%. Cash paid for amounts included in measuring operating lease liabilities during the years ended December 31, 2025 and 2024:

NOTE 5 - OPERATING LEASE (CONTINUED)

	2025	2024
Operating cash flows from operating lease	$ 73,553	$ 73,553
Lease assets obtained in exchange for lease obligation:		
Operating lease	$ 356,308	$ 356,308

The aggregate future lease payments for the operating leases is as follows:

2026	$ 12,259
Total	12,259
Less: amount representing interest	(103)
Total present value of lease liabilities	12,156
Less: Current portion	(12,156)
Long-term finance lease obligations	$ -

NOTE 6 - PROFIT SHARING PLAN

TVEDC has established and maintains a qualified employee profit-sharing plan under IRC 401(k) for its employees. All employees who have reached the age of 21 and have one year of employment are eligible to participate in the plan. TVEDC participates in the plan by matching employee contributions up to 5% of each participant's salary. During the years ended December 31, 2025 and 2024, TVEDC's contributions to the plan amounted to $20,384 and $21,436, respectively.

Note 7 - FUNCTIONAL EXPENSES

Expenses noted on the Statements of Activities for 2025 and 2024, have been functionalized as follows:

Year ended December 31, 2025:

		Supporting Activities		
	Program Services	Fundraising	Management and General	Total
EXPENSES				
Personnel services	$ 519,170	$ 18,653	$ 131,852	$ 669,675
Operating expenses	72,839	2,370	86,889	162,098
Competitive intelligence	49,856	-	-	49,856
Recruiting and business development	119,718	-	-	119,718
Marketing and communications	80,099	-	-	80,099
External relations	59,995	-	12,364	72,359
Organizational excellence	9,336	335	12,468	22,139
One-time expenses	26,550	-	-	26,550
Strategy for Success	40,212	-	-	40,212
Depreciation	4,673	168	1,187	6,028
ROU amortization	3,097	111	787	3,995
	$ 985,545	$ 21,637	$ 245,547	$ 1,252,729

Note 7 - Functional Expenses (Continued)

Year ended December 31, 2024:

	Program Services	Supporting Activities: Fundraising	Supporting Activities: Management and General	Total
EXPENSES				
Personnel services	$ 482,053	$ 17,581	$ 121,568	$ 621,202
Operating expenses	70,361	2,437	92,126	164,924
Competitive intelligence	43,347	-	-	43,347
Recruiting and business development	88,913	-	-	88,913
Marketing and communications	60,632	-	-	60,632
External relations	75,279	-	10,426	85,705
Organizational excellence	6,785	247	13,458	20,490
One-time expenses	11,717	-	-	11,717
Strategy for Success	19,766	-	-	19,766
Depreciation	7,082	258	1,786	9,126
ROU amortization	3,100	113	782	3,995
	$ 869,035	$ 20,636	$ 240,146	$ 1,129,817

Note 8 - Liquidity and Availability of Financial Assets

The following reflects TVEDC's financial assets as of the statements of financial position date, reduced by amounts not available for general use because of contractual, Board designated, or donor-imposed restrictions within one year of the statements of financial position date.

	2025	2024
Financial assets at year-end	$ 1,490,748	$ 1,443,136
Less those unavailable for general expenditures within one year due to:		
Board designations	(550,000)	(550,000)
Financial assets available to meet cash needs for general expenditures within one year	$ 940,748	$ 893,136

As part of TVEDC's liquidity management, it has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations come due.

Note 9 - Management's Review of Subsequent Events

Management and the Board have evaluated subsequent events from the statement of financial position date through July 10, 2026, the date the financial statements were available to be issued. No subsequent events were identified that required adjustment or disclosure within the financial statements.