

**ECONOMIC DEVELOPMENT COMMISSION OF
FLORIDA'S SPACE COAST, INC.**

FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2025 AND 2024



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**ECONOMIC DEVELOPMENT COMMISSION OF FLORIDA'S SPACE COAST, INC.
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YEARS ENDED SEPTEMBER 30, 2025 AND 2024**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Economic Development Commission of Florida's Space Coast, Inc.
Rockledge, Florida

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Economic Development Commission of Florida's Space Coast, Inc. (the Commission), which comprise the statements of financial position as of September 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of Economic Development Commission of Florida's Space Coast, Inc., as of September 30, 2025 and 2024, and the changes in their 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 Qualified Opinion

As more fully described in Note 1 to the financial statements Economic Development Commission of Florida's Space Coast, Inc. did not consolidate the Economic Development Foundation of Florida's Space Coast, Inc., a related entity for which it is the sole member. Accounting principles generally accepted in the United States of America require that such entities be consolidated. Had Economic Development Foundation of Florida's Space Coast, Inc., been consolidated, many elements in the accompanying financial statements would have been materially affected. The effects on the financial statements of this departure from accounting principles generally accepted in the United States of America have not been determined.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Economic Development Commission of Florida's Space Coast, Inc., and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 Economic Development Commission of Florida's Space Coast, Inc.'s ability to continue as a going concern for one year after the date the financial statements are available to be issued.

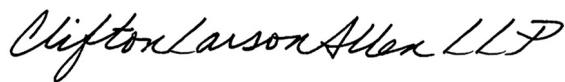
Auditors' Responsibilities for the Audit of the Financial Statements

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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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 Economic Development Commission of Florida's Space Coast, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Economic Development Commission of Florida's Space Coast, Inc.'s ability to continue as a going concern for a reasonable period of time.

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



CliftonLarsonAllen LLP

Orlando, Florida
March 5, 2026

ECONOMIC DEVELOPMENT COMMISSION OF FLORIDA'S SPACE COAST, INC.
STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2025 AND 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 3,472,749	\$ 3,074,680
Accounts Receivable, Net	241,006	192,463
Grants Receivable	126,701	113,339
Prepaid Expenses	36,804	38,390
Cash, Restricted for Grant Subrecipients	458,425	458,425
Total Current Assets	4,335,685	3,877,297
NONCURRENT ASSETS		
Property and Equipment, Net	17,988	26,110
Right-of-Use Assets - Operating, Net	97,996	184,737
Deposits	10,128	10,128
Total Noncurrent Assets	126,112	220,975
 Total Assets	 \$ 4,461,797	 \$ 4,098,272
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 38,506	\$ 46,551
Accrued Expenses	160,377	123,273
Deferred Revenue	458,425	468,425
Lease Liability - Operating, Current Portion	95,026	88,176
Total Current Liabilities	752,334	726,425
LONG-TERM LIABILITIES		
Lease Liability - Operating, Net of Current Portion	8,111	103,137
Total Long-Term Liabilities	8,111	103,137
 Total Liabilities	 760,445	 829,562
NET ASSETS		
Without Restrictions:		
Undesignated	3,191,073	2,786,344
Designated	492,291	456,256
Invested in Property and Equipment	17,988	26,110
Total Net Assets	3,701,352	3,268,710
 Total Liabilities and Net Assets	 \$ 4,461,797	 \$ 4,098,272

See accompanying Notes to Financial Statements.

ECONOMIC DEVELOPMENT COMMISSION OF FLORIDA'S SPACE COAST, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED SEPTEMBER 30, 2025 AND 2024

	2025	2024
SUPPORT AND REVENUE WITHOUT RESTRICTIONS		
Brevard County Grant	\$ 1,400,050	\$ 1,260,450
Investor Payments	1,032,938	959,938
Investor Meetings and Functions	73,374	65,578
State Grants	344,022	409,701
Program Sponsorships	-	2,250
Contributions, Donated Goods, and Services	680	4,890
Interest Income	69,354	60,033
Total Support and Revenue Without Restrictions	2,920,418	2,762,840
 EXPENSES		
Program Services Expense:		
Economic Development	1,956,197	1,920,167
Support Services Expense:		
Management and General	531,579	464,875
Total Expenses	2,487,776	2,385,042
 CHANGE IN NET ASSETS	 432,642	 377,798
Net Assets - Beginning of Year	3,268,710	2,890,912
 NET ASSETS - END OF YEAR	 \$ 3,701,352	 \$ 3,268,710

See accompanying Notes to Financial Statements.

ECONOMIC DEVELOPMENT COMMISSION OF FLORIDA'S SPACE COAST, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2025

	Program Services	Supporting Services	Total
SALARIES AND RELATED EXPENSES			
Salaries	\$ 872,613	\$ 231,960	\$ 1,104,573
Payroll Taxes	61,410	16,324	77,734
Retirement Contributions	106,567	28,328	134,895
Health, Disability, Liability, and Workers' Compensation Insurance	94,998	25,253	120,251
Total Salaries and Related Expenses	1,135,588	301,865	1,437,453
OTHER EXPENSES			
Bad Debt Expense	-	29,341	29,341
Communication and Outreach	19,989	-	19,989
Dues and Subscriptions	31,680	5,591	37,271
Education and Training	4,611	1,226	5,837
Expenses Under Grants	295,354	-	295,354
Facilities/Occupancy	117,685	33,193	150,878
Meetings and Functions	220,527	-	220,527
Office and Administrative	-	109,325	109,325
Postage	83	19	102
Professional Fees	73,530	47,871	121,401
Travel and Auto	32,907	-	32,907
Website Maintenance and Enhancement	17,342	1,927	19,269
Total Other Expenses	813,708	228,493	1,042,201
TOTAL EXPENSES BEFORE DEPRECIATION	1,949,296	530,358	2,479,654
Depreciation	6,901	1,221	8,122
Total Expenses by Function	\$ 1,956,197	\$ 531,579	\$ 2,487,776

See accompanying Notes to Financial Statements.

ECONOMIC DEVELOPMENT COMMISSION OF FLORIDA'S SPACE COAST, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2024

	Program Services	Supporting Services	Total
SALARIES AND RELATED EXPENSES			
Salaries	\$ 785,189	\$ 208,721	\$ 993,910
Payroll Taxes	49,942	13,276	63,218
Retirement Contributions	102,418	27,225	129,643
Health, Disability, Liability, and Workers' Compensation Insurance	80,737	21,462	102,199
Total Salaries and Related Expenses	1,018,286	270,684	1,288,970
OTHER EXPENSES			
Miscellaneous	-	103	103
Bad Debt Expense	-	10,238	10,238
Communication and Outreach	33,665	-	33,665
Dues and Subscriptions	33,717	5,950	39,667
Education and Training	1,401	372	1,773
Expenses Under Grants	380,822	-	380,822
Facilities/Occupancy	78,659	26,316	104,975
Meetings and Functions	218,701	-	218,701
Office and Administrative	-	94,659	94,659
Postage	300	87	387
Professional Fees	73,843	47,871	121,714
Travel and Auto	30,644	-	30,644
Website Maintenance and Enhancement	3,848	428	4,276
Total Other Expenses	855,600	186,024	1,041,624
TOTAL EXPENSES BEFORE DEPRECIATION AND AMORTIZATION	1,873,886	456,708	2,330,594
Depreciation	7,163	1,264	8,427
Amortization	39,118	6,903	46,021
Total Expenses by Function	\$ 1,920,167	\$ 464,875	\$ 2,385,042

See accompanying Notes to Financial Statements.

ECONOMIC DEVELOPMENT COMMISSION OF FLORIDA'S SPACE COAST, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 432,642	\$ 377,798
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	8,122	8,427
Bad Debt	29,341	10,238
Change in Operating Right-of-Use Assets and Lease Liabilities	(1,435)	1,748
(Increase) Decrease in Assets:		
Accounts Receivable	(77,884)	(53,063)
Grants Receivable	(13,362)	24,299
Prepaid Expenses	1,586	(3,213)
Increase (Decrease) in Liabilities:		
Accounts Payable	(8,045)	6,658
Accrued Expenses	37,104	8,238
Deferred Revenue	(10,000)	10,000
Total Adjustments	(34,573)	13,332
Net Cash Provided by Operating Activities	398,069	391,130
NET CHANGE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	398,069	391,130
Cash, Cash Equivalents, and Restricted Cash - Beginning of Year	3,533,105	3,141,975
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR	\$ 3,931,174	\$ 3,533,105
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash and Cash Equivalents	\$ 3,472,749	\$ 3,074,680
Cash, Restricted for Grant Subrecipients	458,425	458,425
Total Cash and Cash Equivalents, Including Restricted Cash	\$ 3,931,174	\$ 3,533,105

See accompanying Notes to Financial Statements.

ECONOMIC DEVELOPMENT COMMISSION OF FLORIDA'S SPACE COAST, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies and practices of Economic Development Commission of Florida's Space Coast, Inc. (the Commission), which affect significant elements of the accompanying financial statements:

Commission and Purpose

The Commission was incorporated May 4, 1989, and operates as a nonprofit organization. The Commission was organized to promote a common interest in economic and industrial development in Brevard County. The Commission is committed to enhancing the quality of life in Brevard County and advancing the welfare and economic interests of the region and its citizens through proactive economic development. It is the lead agency in Brevard County for the recruitment and retention of value-added manufacturing and technology-focused companies and is supported primarily through contracts, grants, and investor payments.

Economic Development Foundation of Florida's Space Coast, Inc.

The Commission is the sole member of Economic Development Foundation of Florida's Space Coast, Inc. (the Foundation), which is considered a related entity under U.S. GAAP. The Foundation was established in fiscal year 2021 and is a not-for-profit corporation. The purposes of the Foundation are to engage in charitable, educational and scientific activities, each within the meaning of Section 501(c)(3) and Section 170 of the Internal Revenue Code.

U.S. GAAP requires entities over which the Commission has a controlling financial interest to be consolidated with the Commission's financial statements. The accompanying financial statements do not include the accounts of the Foundation. The Foundation financial statements are available upon request.

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions.

Cash and Cash Equivalents

For the purpose of reporting cash flows, cash and cash equivalents includes cash on hand, amounts in demand deposits, and short-term investments with an original maturity date of 90 days or less.

Accounts and Grants Receivable

The Commission records accounts receivable when incurred and grants receivable when entitled to reimbursement at reporting intervals established in grant agreements. Management reviews receivables monthly for past due accounts, with balances over 90 days subject to review and follow-up by the president/CEO. Past due notices are sent to investors with balances exceeding 60 days and accounts greater than 120 days old are generally written off.

ECONOMIC DEVELOPMENT COMMISSION OF FLORIDA'S SPACE COAST, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts and Grants Receivable (Continued)

The Commission has established a \$20,091 and \$19,750 allowance for credit losses at September 30, 2025 and 2024, respectively. Provision for uncollectible accounts is made based on several factors, including aging analysis and past experience.

Property and Equipment

The Commission capitalizes all expenditures for equipment with a value in excess of \$5,000 and a useful life greater than one year. Lesser amounts are expensed. Purchased property and equipment are capitalized at cost. Depreciation expenses are provided using the straight-line method over the estimated useful lives of the various classes of assets.

The estimated useful lives of the principal classes of assets are as follows:

Equipment	3 to 5 Years
Furniture and Fixtures	5 Years
Leasehold Improvements	15 Years
Software	3 Years

Impairment of Long-Lived Assets

The Commission reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended September 30, 2025 and 2024.

Leases

The Commission determines if an arrangement is a lease at inception. Operating leases are included in Right-of-Use Assets – Operating and Lease Liability – Operating, and finance leases are included in Right-of-Use Assets – Financing and Lease Liability – Financing in the statements of financial position.

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

ECONOMIC DEVELOPMENT COMMISSION OF FLORIDA'S SPACE COAST, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Commission has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities.

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

Accrued Leave

The Commission compensates its employees for unused vacation to a maximum of 20 days and sick leave up to six weeks paid at a rate of 50% upon termination of employment. The amount of change in accrued vacation and sick leave for all employees from one year to the next is recorded in personnel expense during the current year. Accrued leave is reported as Accrued Expenses on the accompanying statements of financial position.

Deferred Revenue

The Commission records certain contract receipts as deferred revenue until it is expended for the purpose of the contract, at which time it is recognized as revenue.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, 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 (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restriction when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. The Commission had no net assets with donor restrictions as of September 30, 2025 and 2024.

ECONOMIC DEVELOPMENT COMMISSION OF FLORIDA'S SPACE COAST, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets (Continued)

Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as Net Assets Released from Restrictions.

Contributed Services and Materials

Contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The Commission received contributed services of \$680 and \$4,890 during the years ended September 30, 2025 and 2024, respectively, for various marketing services and event space, which are included in in-kind contributions and the expense categories to which they relate in the statements of activities.

The Commission estimates the fair value of in-kinds on the basis of estimates of the current market rates for similar marketing services and event space in the Commission's market. Professional services are valued and reported at the estimated fair value based on current rates for similar services.

Revenue Recognition

The Commission receives substantially all of its grant and contract revenue from federal, state, and local agencies. The Commission recognizes contract revenue (up to the contract ceiling) from its contracts over a period which represents the service period for certain contracts, or to the extent of expenses, dependent upon the contract.

For the portion of the Commission's revenue derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the commission has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as Deferred Revenue in the statements of financial position and disclosed in Note 5. The Commission received cost-reimbursable grants of \$841,724 and \$676,686 that have not been recognized as of September 30, 2025 and 2024, respectively, because qualifying expenditures have not yet been incurred.

The Commission also receives support from private and public organizations. Support from public sector members is recognized as revenue when the funds are appropriated. Private sector support, including investor payments, is recognized as revenue when received by the Commission due to the discretionary nature. The Commission can receive contributions from investors as well as promises to give. Contributions are recorded when assets are received or when an unconditional promise to give is received.

ECONOMIC DEVELOPMENT COMMISSION OF FLORIDA'S SPACE COAST, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Commission is exempt from income taxes under Section 501(c)(6) of the Internal Revenue Code (IRC). Therefore, no provision for income taxes has been made in the accompanying financial statements. The Commission files income tax returns in the U.S. federal jurisdiction. The Commission's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

The Commission has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statements.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. These allocations have been made based on considerations of time and space usage. Although the methods of allocation used are considered reasonable, other methods could be used that would provide different results.

Use of Estimates

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

Subsequent Events

The Commission has evaluated events and transactions for potential recognition or disclosure in the financial statements through March 5, 2026, the date which the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

ECONOMIC DEVELOPMENT COMMISSION OF FLORIDA'S SPACE COAST, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 2 LIQUIDITY AND AVAILABILITY

The Commission monitors liquidity regularly through the monthly financial package provided to the board. The Commission's financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	2025	2024
Cash and Cash Equivalents	\$ 3,472,749	\$ 3,074,680
Accounts Receivable	241,006	192,463
Grants Receivable	126,701	113,339
Total Liquid Financial Assets	3,840,456	3,380,482
Internal Designation:		
Board Designated Reserve	(492,291)	(456,256)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	\$ 3,348,165	\$ 2,924,226

Funds without donor restrictions have been designated by the board of directors as an operational reserve. The Commission has an operating reserve policy to ensure financial stability. The policy defines a target amount for funding the reserve, which is to be determined annually based on operating costs.

NOTE 3 MATCHING REQUIREMENTS

The Commission receives a portion of its support through grants and contracts. Certain grants and contracts require the Commission to provide specified amounts of matching revenue. For each grant or contract, where applicable, the Commission has met all matching requirements. Also, for each grant contract that ended on or before September 30, 2025, no obligation remains outstanding to the funding source.

NOTE 4 RETIREMENT PLAN

The Commission has a defined contribution retirement plan (Plan) that Employees are eligible for participation in the Plan upon completion of one year of full-time, contemporary service; employer contributions to the plan were equal to 15% of each eligible employee's salary. Under the provisions of the Plan, eligible employees may elect to defer a percentage of their salary subject to certain IRC limitations. The Commission contributes 15% of eligible employees' federally taxable wages, with certain exclusions. During the years ended September 30, 2025 and 2024, Plan contributions charged to operations were \$134,895 and \$129,643, respectively.

NOTE 5 DEFERRED REVENUE

Deferred revenue as of September 30, 2025 and 2024, totaling \$458,425 and \$468,425, respectively, consisted of grant amounts invoiced in excess of revenue earned at year-end.

ECONOMIC DEVELOPMENT COMMISSION OF FLORIDA'S SPACE COAST, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 6 PROPERTY AND EQUIPMENT

As of September 30, property and equipment consisted of the following:

	2025	2024
Equipment	\$ 18,157	\$ 18,161
Furniture and Fixtures	34,866	34,866
Leasehold Improvements	34,987	34,987
Software	16,925	16,925
Total	104,935	104,939
Less: Accumulated Depreciation and Amortization	86,947	78,829
Total Property and Equipment	\$ 17,988	\$ 26,110

Depreciation and amortization expense for the years ended September 30, 2025 and 2024 was \$8,122 and \$8,427, respectively.

NOTE 7 LINE OF CREDIT

The Commission maintains a business line of credit with a financial institution, which is renewed on an annual basis. At September 30, 2025 and 2024, the line had a principal amount of \$200,000, available for borrowing. The line of credit bears interest at 5.00%. Principal is due on demand and interest is due monthly. The line is secured with a Commercial Security Agreement which defines collateral to include all assets, personal property, and accounts receivable. At September 30, 2025 and 2024, there was no principal amount outstanding.

NOTE 8 RELATED PARTIES

The board of directors includes representation of both the private and public service industries as required by Florida statutes. The Commission had transactions with entities related to certain board members for the purpose of membership, marketing, operational, and professional services. During the years ended September 30, 2025 and 2024, total payments to these entities were \$335,777 and \$240,400, respectively. The Commission also receives contributions from these entities in support of the Commission's mission. During the years ended September 30, 2025 and 2024, the total contributions received from these entities were \$23,000 and \$17,000, respectively. There are also amounts payable to these entities as of September 30, 2025 and 2024 in the amounts of \$7,963 and \$16,506, respectively. The transactions were approved and authorized in accordance with the Commission's purchasing policies and procedures.

The Foundation owed the Commission \$25,608 and \$2,775, respectively, as of September 30, 2025 and 2024.

ECONOMIC DEVELOPMENT COMMISSION OF FLORIDA'S SPACE COAST, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 9 LEASES

The Commission leases office facilities under a long-term, noncancelable lease agreement. The lease expires in October 2026.

The following tables provide quantitative information concerning the Commission's lease.

	<u>2025</u>	<u>2024</u>
Lease Costs:		
Operating Lease Costs	\$ 92,643	\$ 92,643
Total Lease Costs	<u>\$ 92,643</u>	<u>\$ 92,643</u>
Other Information:		
Cash Paid for Amounts Included in the Measurement of Lease Liabilities:		
Operating Cash Flows from Operating Leases	\$ 94,076	\$ 90,895
Weighted Average Remaining Lease Term - Operating Leases	1.1 Years	2.1 Years
Weighted-Average Discount Rate - Operating Leases	3.9 %	3.9 %

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

<u>Year Ending September 30,</u>	<u>Operating Leases</u>
2026	\$ 97,367
2027	8,137
Total Lease Payments	105,504
Less: Imputed Interest	2,367
Present Value of Lease Liabilities	<u>\$ 103,137</u>
Short-Term Lease Liabilities	\$ 95,026
Long-Term Lease Liabilities	8,111
Total Lease Liabilities	<u>\$ 103,137</u>

ECONOMIC DEVELOPMENT COMMISSION OF FLORIDA'S SPACE COAST, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025 AND 2024

NOTE 10 CONCENTRATIONS OF CREDIT RISK

The Commission maintains cash in banks in amounts that are from time to time in excess of federally insured limits of \$250,000 per bank. The Commission had approximately \$2,853,338 and \$2,445,488 subject to this credit risk at September 30, 2025 and 2024, respectively.

In addition, the Commission has established an account with a financial institution that is certified as "Qualified Public Depositories" (QPDs), as required under the Florida Public Deposits Act. This law requires every qualified public depository to deposit with the state treasurer eligible collateral equal to or in excess of an amount to be determined by the state treasurer and requires the state treasurer to ensure that funds are entirely collateralized throughout the fiscal year. As of September 30, 2025, the Commission's deposits with QPDs totaled \$465,607, of which \$462,832 is held for future payments related to a state grant.

The Commission receives money from public sources, various grantors, and from private sources. There is a concentration of credit risk with respect to the volume of support the Commission receives from these funding sources. Cost-reimbursable grant funding totaling \$1,744,072 and \$1,670,151 was received from two organizations, respectively, for the years ended September 30, 2025 and 2024, which represents 60% and 59% of total public support. Should these support levels decrease, the Commission may be adversely affected.

In addition, there is a significant concentration of risk associated with account and grant receivables from one organization for the years ended September 30, 2025 and 2024, which represents 43% and 46% of total receivables.

Effective July 1, 2012, the Commission was awarded a \$10,000,000 grant from the Florida Department of Economic Opportunity to fund and implement an innovative economic development program, including commercialization of research and development, economic diversification, and job creation. Grant revenue was not recognized in the years ended September 30, 2025 and 2024. The full amount of the grant has been awarded to the Commission by the state, and amounts remaining in deferred revenue related to this grant contract will be recognized as revenue in future fiscal years as earning criteria are met.

NOTE 11 COMMITMENTS AND CONTINGENCIES

Certain contracts and grants received by the Commission are subject to review by grantor agencies. As a result of these reviews, the Commission may be required to repay a portion of grant funds received. To date, reviews performed have not resulted in any request for repayment.



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