IREDELL COUNTY ECONOMIC DEVELOPMENT CORPORATION FOUNDATION

Reviewed Financial Statements at June 30, 2025 and 2024

IREDELL COUNTY ECONOMIC DEVELPMENT CORPORATION FOUNDATION

Mooresville, North Carolina

Reviewed

Financial Statements

At

June 30, 2025 and 2024

And For The Years Then Ended

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INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors of
IREDELL COUNTY ECONOMIC DEVELPMENT CORPORATION FOUNDATION
Mooresville, North Carolina

We have reviewed the accompanying financial statements of the **IREDELL COUNTY ECONOMIC DEVELOPMENT CORPORATION FOUNDATION** (a nonprofit organization), which comprise the statements of assets, liabilities, and net assets- modified cash basis as of June 30, 2025 and 2024, and the related statements of revenue, expenses and changes in assets- modified cash basis, and functional expenses-modified cash basis, for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expressing of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting; 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modification that should be made to the financial statements for them to be in accordance with the modified cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of **IREDELL COUNTY ECONOMIC DEVELOPMENT CORPORATION FOUNDATION** (the Foundation) and to meet our ethical responsibilities, in accordance with the relevant ethical requirements to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the modified cash basis of accounting.

DMJPS PLLC

December 22, 2025
Mooresville, North Carolina

IREDELL COUNTY ECONOMIC DEVELOPMENT CORPORATION FOUNDATION
STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS-MODIFIED CASH BASIS
JUNE 30, 2025 and 2024

ASSETS	**06/30/2025**	**06/30/2024**
CURRENT ASSETS		
Cash	$ 442,003	$ 383,835
Total Current Assets	442,003	383,835
PROPERTY AND EQUIPMENT		
Furniture and equipment	8,526	7,845
	8,526	7,845
Less: Accumulated depreciation	(2,716)	(1,148)
Total Property and Equipment, net	5,810	6,697
TOTAL ASSETS	$ 447,813	$ 390,532

LIABILITIES AND NET ASSETS		
NET ASSETS		
Net Assets With Donor Restrictions	$ 381,090	$ 303,283
Net Assets Without Donor Restrictions	66,723	87,249
TOTAL NET ASSETS	447,813	390,532
TOTAL LIABILITIES AND NET ASSETS	$ 447,813	$ 390,532

IREDELL COUNTY ECONOMIC DEVELOPMENT CORPORATION FOUNDATION
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS-MODIFIED CASH BASIS
For The Years Ended June 30, 2025 and 2024

	06/30/2025	06/30/2024
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:		
REVENUES AND OTHER SUPPORT		
Interest income	$ 461	$ 668
Campaign donations	16,250	21,000
TOTAL REVENUES AND GAINS WITHOUT DONOR RESTRICTIONS	16,711	21,668
Net assets released from restrictions:		
Restrictions satisfied by services rendered	57,151	117,577
TOTAL NET ASSETS RELEASED FROM RESTRICTIONS	57,151	117,577
TOTAL REVENUES, GAINS, AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS	73,862	139,245
EXPENSES		
Program services	87,949	134,472
Supporting services	6,439	11,608
TOTAL EXPENSES	94,388	146,080
(DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(20,526)	(6,835)
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS:		
REVENUES AND OTHER SUPPORT		
Campaign donations	100,000	157,120
Contribution from the Foundation	30,000	30,000
Interest income	4,958	-
Net assets released from restrictions	(57,151)	(117,577)
INCREASE IN NET ASSETS WITH DONOR RESTRICTIONS	77,807	69,543
INCREASE IN TOTAL NET ASSETS	57,281	62,708
Total Net Assets, Beginning	390,532	327,824
Total Net Assets, Ending	$ 447,813	$ 390,532

See Independent Accountant's Report and Accompanying Notes to Financial Statements.

IREDELL COUNTY ECONOMIC DEVELOPMENT CORPORATION FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES-MODIFIED CASH BASIS
For The Year Ended June 30, 2025

	Program Services	Supporting Services	**2025 Totals**
EXPENSES			
Professional fees	$ 7,446	$ 827	$ 8,273
Marketing	48,282	5,365	53,647
Office supplies	517	57	574
Contribution to alliance	30,000	-	30,000
Bank service fees	293	33	325
Depreciation	1,412	157	1,569
Total expenses	$ 87,949	$ 6,439	$ 94,388

IREDELL COUNTY ECONOMIC DEVELOPMENT CORPORATION FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES-MODIFIED CASH BASIS
For The Year Ended June 30, 2024

	Program Services	Supporting Services	**2024 Totals**
EXPENSES			
Professional fees	$ 7,290	$ 810	$ 8,100
Marketing	93,775	10,419	104,194
Office Supplies	398	44	442
Contribution to the Alliance	30,000	-	30,000
Program fees	1,350	150	1,500
Board meetings	627	70	697
Depreciation	1,032	115	1,147
Total expenses	$ 134,472	$ 11,608	$ 146,080

NOTE 1 - **NATURE OF ACTIVITIES**

The Foundation was established by the Iredell Economic Development Corporation. The Foundation supports specific economic development initiatives that create jobs, investment, and resources to minimize the tax burden on the local communities.

NOTE 2 - **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation
The financial statements of Iredell County Economic Development Corporation Foundation have been prepared on the modified cash basis of accounting; consequently, revenues and related assets are recognized when received rather than when earned and expenses are recognized when paid rather than when the obligation is incurred. Exceptions to the modified cash basis of accounting are the recording of property and equipment and the related accumulated depreciation as long-term assets, and payroll liabilities at year-end and pass-through grant funds the Foundation is holding for specific purposes which are recorded as current liabilities. The Foundation is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Restricted and Unrestricted Support
Contributions received are recorded as with or without donor restrictions depending on the existence or nature of any donor-imposed restraint.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as support with donor restrictions and thus increases that net asset class. However, if a restriction is fulfilled in the same period in which the contribution is received, the Foundation reports the support as support without donor restrictions.

Net assets with Donor Restrictions consist of assets related to the Iredell Industry and Education Alliance.

Property and Equipment
Property and equipment purchased by the Department are stated at cost. Donations of property and equipment are recorded as support at their estimated fair value as established by the donor. Such donations are reported as without donor restriction unless the donor has restricted the donated asset to a specific purpose.

Expenditures for maintenance and repairs are charged to expense as incurred. Major expenditures are capitalized. It is the Foundation's policy to capitalize expenditures for these items in excess of $500. Depreciation is calculated on the straight-line method over the following estimated useful lives:

Furniture, fixtures, and equipment	5-20 years

Depreciation expense for the years ended June 30, 2025 and 2024 was $1,569 and $1,147, respectively.

NOTE 2 - **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** – Continued

Income Tax Status
The Foundation is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue code and is exempt from federal and state income taxes on all income related to its exempt function.

The Foundation follows ASC 740-10 as it relates to uncertain tax positions for the years ended June 30, 2025 and 2024 and has evaluated its tax positions for all open tax years. However, the Organization is not currently under audit nor has the Foundation been contacted by the Internal Revenue Service.

Based on the evaluation of the Foundation's tax positions, management believes all positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions has been recorded for the years ended June 30, 2025 and 2024.

Cash, Cash Equivalents and Restricted Cash
The Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash, cash equivalents and restricted cash.

Expense Allocation
The cost of providing the Foundation's various programs and activities have been summarized on a functional basis in the statement of activities. Expenses incurred to support the overall operations of the Foundation have been allocated to programs and supporting services – general management based on management's estimates of time and effort devoted to each component.

Donated Materials and Services

Donated Materials – Donated property, marketable securities and other noncash donations are recorded as contributions at their estimated fair market value at the date of donation. During the years ended June 30, 2025 and 2024 there were no such materials donated.

Donated Services – Donated services are recognized if the services received (a) create or enhance long-lived 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. During the year ended June 30, 2025 and 2024, there was no such services donated.

Estimates
The preparation of financial statements under the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates. Management believes its estimates are reasonable.

Revenue and Revenue Recognition
Contribution and Grant Revenue
The Foundation recognizes revenue from investors when the funds are received. Contributions received are recorded as support without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. Support that is not restricted by the donor is reported as an increase in net assets without donor restrictions.

NOTE 2 - **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** – Continued

All donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires; that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions.

Contracts with local governments: The Foundation contracts with local county and city governments to provide economic development services for their jurisdictions. Contracts are for a set annual fee with services performed over the fiscal year. Revenue under these contracts is recognized over the term of the contract and all revenue is recognized in full when the annual contract expires, which is June 30th of each year.

Subsequent Events

The Foundation was awarded a grant from the State of North Carolina on February 6, 2025 totaling $750,000. The Foundation entered into an agreement with the South Iredell Economic Development Corporation (SICDC) on July 9, 2025 to transfer the grant funds to SICDC to fund the extension of existing infrastructure and further construction of roads within the Mooresville Business Park East. The Foundation has not received any grant funds as of the date the financial statements were available to be issued.

Management has evaluated subsequent events through December 22, 2025, the date the financial statements were available to be issued.

NOTE 3 - **ACCOUNTING PRONOUNCEMENTS**

In June 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958) – Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this update clarify the difference between contributions and exchange transactions and require the Foundation to determine whether a contribution is conditional or unconditional (depending on the existence of barriers to overcome) and then whether the contribution has a donor-imposed restriction (either time or purpose) or is unrestricted. The Foundation had no conditional contributions in either of the years ended June 30, 2025 and 2024. No changes to the reported balances on the Foundation's financial statements were required to conform with FASB ASU 2018-08 for the years ended June 30, 2025 and 2024.

NOTE 4 - **CONCENTRATIONS**

Revenue Sources

The Foundation is a community service organization which generates substantially all of its revenues from the Piedmont region of North Carolina and is therefore dependent upon the economy in that area.

NOTE 4 - **CONCENTRATIONS** – Continued

Credit Risk
The Foundation places its cash, cash equivalents, and restricted cash on deposit with financial institutions in the United States. The Federal Deposit Insurance Corporation (FDIC) covers $250,000 for substantially all depository accounts. The Foundation from time to time may have amounts on deposit in excess of the insured limit. At each of the years ended June 30, 2025 and June 30, 2024, the Organization had $37,071 and $53,283, respectively, which exceeded the insured limits.

NOTE 5 - **LIQUIDITY AND AVAILABILITY**

	2025	2024
Total financial assets	$447,813	$390,532
Donor imposed restrictions:	(376,132)	(303,283)
Financial assets available to meet cash needs for general expenditures within one year	$71,681	$87,249

The Foundation receives the majority of its funding from campaign donations. The Foundation manages its liquidity and reserves following these guiding principles: operating within a prudent range of financial soundness and stability and maintaining adequate liquid assets to fund near-term operating needs. The Foundation forecasts its future cash flows and monitors its liquidity on an ongoing basis.

NOTE 6 - **FIXED ASSETS**

Property and Equipment on June 30, 2025 consisted of:

Furniture and Equipment	$ 8,526
Less Accumulated Depreciation	(2,716)
	$5,810

Property and Equipment on June 30, 2024 consisted of:

Furniture and Equipment	$ 7,845
Less Accumulated Depreciation	(1,148)
	$6,697