ECONOMIC GROWTH BUSINESS INCUBATOR
(A Nonprofit Corporation)

INDEPENDENT AUDITORS' REPORT
AND
FINANCIAL STATEMENTS

DECEMBER 31, 2025

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INDEX TO FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Economic Growth Business Incubator
Austin, Texas

Opinion

We have audited the accompanying financial statements of Economic Growth Business Incubator (a nonprofit corporation), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Economic Growth Business Incubator as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Economic Growth Business Incubator 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 Economic Growth Business Incubator's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 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, including omissions, 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 Economic Growth Business Incubator'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 Growth Business Incubator'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.

Allman & Associates, Inc.

Austin, Texas
April 30, 2026

ECONOMIC GROWTH BUSINESS INCUBATOR
(A Nonprofit Corporation)

STATEMENT OF FINANCIAL POSITION

December 31, 2025

Assets		
Current Assets:		
Cash and cash equivalents	$	338,332
Accounts receivable		78,099
Contributions and grants receivable		2,900
Prepaid expenses		1,213
Total Current Assets		420,544
Finance lease right of use assets, net		10,216
Property and equipment, net		467
Total Assets	$	431,227
Liabilities and Net Assets		
Current Liabilities:		
Accrued payroll liabilities	$	17,597
Deferred revenue, current		8,571
Finance lease liabilities, current		2,105
Total Current Liabilities		28,273
Deferred revenue, net of current portion		6,429
Finance lease liabilities, net of current portion		8,237
Total Liabilities		42,939
Net Assets:		
Without donor restrictions		
Undesignated		348,288
Total net assets without donor restrictions		348,288
With donor restrictions		
Purpose restrictions		40,000
Total net assets with donor restrictions		40,000
Total Net Assets		388,288
Total Liabilities and Net Assets	$	431,227

See accompanying auditors' report and notes to financial statements

ECONOMIC GROWTH BUSINESS INCUBATOR
(A Nonprofit Corporation)

STATEMENT OF ACTIVITIES

Year Ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue			
Contributions	$ 41,615	$ -	$ 41,615
Donated facilities and supplies	47,789	-	47,789
Grants	337,798	40,000	377,798
Fundraiser:			
Fundraiser revenue	58,976	-	58,976
Cost of direct benefit to donors	(19,322)	-	(19,322)
Fundraiser, net	39,654	-	39,654
Training and coaching income	199,299	-	199,299
Incubator rental income	1,778	-	1,778
Back office services and fees	17,533	-	17,533
Interest income	4,487	-	4,487
Miscellaneous	1,865	-	1,865
Net assets released from restriction	41,376	(41,376)	-
Total Support and Revenue	733,194	(1,376)	731,818
Expenses			
Program services			
Training	390,785	-	390,785
Incubator	11,147	-	11,147
Back office	108,940	-	108,940
Total program services	510,872	-	510,872
Supporting services:			
General and administrative	73,943	-	73,943
Fundraising	37,297	-	37,297
Total supporting services	111,240	-	111,240
Total Expenses	622,112	-	622,112
Change in Net Assets	111,082	(1,376)	109,706
Net Assets, Beginning of Year	237,206	41,376	278,582
Net Assets, End of Year	$ 348,288	$ 40,000	$ 388,288

See accompanying auditors' report and notes to financial statements

ECONOMIC GROWTH BUSINESS INCUBATOR
(A Nonprofit Corporation)

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2025

	Program Services			Supporting Services			
Expense Category	**Training**	**Incubator**	**Back Office Services**	**General and Administrative**	**Fundraising**	**Cost of Direct Benefit to Donors**	**Total**
Catering, venue, and gifts	$ -	$ -	$ -	$ -	$ -	$ 19,322	$ 19,322
Depreciation	383	11	101	56	11	-	562
Event	-	-	-	-	3,157	-	3,157
Insurance	3,214	95	851	473	94	-	4,727
Internet and technology	7,211	212	10,523	1,060	212	-	19,218
Office expenses	5,644	166	1,494	830	166	-	8,300
Office rent	23,664	696	6,264	3,480	696	-	34,800
Other	11,547	258	2,319	1,288	665	-	16,077
Professional fees	23,249	565	5,090	2,828	566	-	32,298
Program supplies	16,052	-	-	-	-	-	16,052
Salary and benefits	283,209	9,130	82,176	63,860	31,716	-	470,091
Space rental	16,150	-	-	-	-	-	16,150
Staff development	462	14	122	68	14	-	680
Total expenses	$ 390,785	$ 11,147	$ 108,940	$ 73,943	$ 37,297	$ 19,322	$ 641,434
Less expenses included with revenues on the statement of activities							
Cost of direct benefit to donors	-	-	-	-	-	(19,322)	(19,322)
Total expenses included in the expense section on statement of activities	$ 390,785	$ 11,147	$ 108,940	$ 73,943	$ 37,297	$ -	$ 622,112

See accompanying auditors' report and notes to financial statements

ECONOMIC GROWTH BUSINESS INCUBATOR
(A Nonprofit Corporation)

STATEMENT OF CASH FLOWS

Year Ended December 31, 2025

Cash flows from operating activities		
Change in net assets	$	109,706
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation		562
Amortization of right of use assets		1,486
Change in assets and liabilities:		
Accounts receivable, net		(55,462)
Contributions and grants receivable		33,916
Prepaid expenses		95
Accrued payroll liabilities		5,712
Deferred revenue		15,000
Net cash provided by operating activities		111,015
Cash flows from financing activities:		
Repayments of finance lease liabilities		(1,360)
Net cash used by financing activities		(1,360)
Net Change in Cash and Cash Equivalents		109,655
Cash and Cash Equivalents, beginning of year		228,677
Cash and Cash Equivalents, end of year	$	338,332
Supplemental Data:		
Interest paid	$	277
Income tax paid	$	-
Supplemental Disclosure of Non-cash Transactions:		
Right of use assets obtained in exchange for finance lease liabilities	$	11,702

See accompanying auditors' report and notes to financial statements

NOTE A – ORGANIZATION

Economic Growth Business Incubator (EGBI) was established in 2003 as a non-profit corporation to provide training, coaching, and support to aspiring and existing business owners who face barriers to growing a successful business. EGBI achieves its mission through a variety of initiatives including the following activities:

Training – EGBI provides education and training in entrepreneurship and financial literacy.

Incubator – EGBI provides an incubation setting to individuals who are starting or growing their businesses.

Back Office Services – EGBI provides bookkeeping services to help educate clients on their business's financial position.

EGBI is funded primarily through grants and training and coaching income.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of EGBI is presented to assist in understanding EGBI's financial statements. The financial statements and notes are representations of EGBI's management who is responsible for their integrity and objectivity. The accounting policies conform to U.S. generally accepted accounting principles (GAAP) and have been consistently applied in the preparation of the financial statements.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities. Under the accrual basis, revenues are recognized in the accounting period in which they are earned and become measurable. Expenses are recorded in the accounting period incurred, if measurable.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates used in preparing these financial statements include those assumed in the functional allocation of expenses, valuation of in-kind contributions, and depreciation. Actual results could differ from those estimates.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Statement Presentation

Net assets and revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of EGBI and changes therein are classified 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. 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.

Cash and Cash Equivalents

For purposes of the statement of cash flows, EGBI considers all deposits in banks and interest-bearing instruments with a maturity of three months or less to be cash equivalents.

Receivables

Accounts receivable consists primarily of fees due for coaching, training, or bookkeeping services. The allowance for credit losses is an estimate based on historical information, current conditions, and reasonable and supportable forecasts. EGBI determined that no allowance for credit losses was required as of December 31, 2025 as all of the trade receivables are expected to be collected.

Contributions and grants receivable are recognized at the estimated present value of the future cash flows. A discount to present value has not been recorded in the financial statements as the present value of the future cash flows approximated the recorded value. Management determined the allowance for uncollectable contributions and grants based on historical experience and an assessment of economic conditions. The allowance reported in the financial statement is considered an accounting estimate. The estimate may be adjusted as more current information becomes available and an adjustment could be significant. At December 31, 2025, no allowance was considered necessary as management believes the full amount will be collected. All contributions and grants receivable are due within one year of the statement of financial position date.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

Acquisitions of property and equipment are stated at cost, if purchased, or fair market value on the date of donation, if received as a gift. Assets with a cost in excess of $1,000 and useful lives greater than one year are capitalized. Depreciation is calculated using the straight-line method over estimated lives of the assets, generally 5 years for computer equipment. When assets are retired, or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in the period in which they were retired. Maintenance and repairs are charged to expense as incurred.

Leases

EGBI leases certain office equipment. EGBI has elected to apply the short-term lease exception to all leases with a term of one year or less. These leases are not recorded on the statement of financial position and lease expense is recognized on a straight-line basis over the lease term.

The determination of whether an arrangement is a lease is made at the lease's inception. In accordance with FASB, Accounting Standards Update (ASU) 2016-02, *Leases* (Topic 842), a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

Right of Use (ROU) assets represent EGBI's right to use an underlying asset for the lease term and lease liabilities represent its obligation to make lease payments. ROU assets and the related liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. EGBI uses the implicit rate when it is readily available. When the implicit rate is not readily available, EGBI has elected to use a risk-free rate based on U.S. Treasury rates for periods comparable with that of the lease term. ROU assets also includes any payments made to the lessor before the commencement date of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. ROU leased assets are amortized over the lease term using the straight-line method. EGBI's lease terms may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised.

When EGBI has lease agreements with lease and non-lease components, these components are generally accounted for separately with amounts allocated to the lease and non-lease components based on stand-alone prices. For certain equipment leases, like copiers, EGBI accounts for the lease and non-lease components as a single lease.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition
Contracts with Customers – Revenue from contracts with customers are recorded when the underlying performance obligations are met, in accordance with FASB, ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606). When EGBI receives payment in advance, a contract liability is recorded as deferred revenue and then reduced when the revenue is recognized. Revenue streams that are recorded as contracts with customers include training and coaching income and back office services.

Contributions – Contributions, including unconditional promises to give and grants, are recorded when received. In accordance with FASB Accounting Standards Codification (ASC) 958-605, *Not-For-Profit Entities Revenue Recognition*, contributions received are recorded as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restrictions. Unconditional promises to give, which do not state a due date, are presumed to be time-restricted by the donor until received and are reported as net assets with donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. Conditional promises to give and conditional grants are recognized as the conditions upon which they depend are substantially met. Conditional promises to give are recognized as an increase in net assets without donor restrictions if the donor-imposed conditions and restrictions are met in the same period.

Fundraiser revenue is comprised of an exchange element based upon the direct benefits donors receive and a contribution element for the difference between the price paid and the direct benefits received.

Contributed Goods and Services
EGBI records contributions of in-kind goods based on an estimate of the fair value on the date of the donation. EGBI recognizes donated services if they create or enhance non-financial assets or require specialized skills and would typically be purchased if not contributed.

EGBI received donated services from a variety of unpaid volunteers assisting the organization in carrying out its activities. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition of such volunteer efforts was not met.

Credit Risk
Financial instruments that potentially subject EGBI to credit risk consist of cash and cash equivalents and receivables. EGBI's deposits did not exceed the federal insurance limits at December 31, 2025.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

EGBI generally does not maintain collateral for its receivables and does not believe significant credit risk exists as of December 31, 2025.

Functional Expenses

The costs of providing program services and other activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses reports the natural classification detail of expense by function. Accordingly, certain costs have been allocated among the programs, general and administrative, and fundraising services benefited. Personnel costs have been allocated based on an estimate of time and effort spent in each area. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of EGBI.

NOTE C – TAX EXEMPT STATUS

EGBI is a nonprofit organization qualifying for tax exempt status under Section 501(c)(3) of the Internal Revenue Code, and as such, is subject to income taxes only on unrelated business income in excess of $1,000. EGBI owes no federal income tax for the year ending December 31, 2025.

EGBI has adopted the recognition requirements for uncertain income tax positions as required by GAAP, with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more likely than not be sustained upon examination by taxing authorities. EGBI has analyzed the tax positions taken in its filings with the Internal Revenue Service and state jurisdictions where it operates. EGBI believes that its income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on EGBI's financial position, changes in net assets or cash flows. Accordingly, EGBI has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2025. EGBI is subject to audit by taxing authorities for the previous three years which are considered open. There are currently no income tax audits in progress.

NOTE D – ACCOUNTS RECEIVABLE

Receivables from contracts with customers are reported as accounts receivable, net in the statement of financial position. The beginning and ending balances for accounts receivable were as follows for the year ended December 31, 2025:

NOTE D – ACCOUNTS RECEIVABLE (continued)

	January 1, 2025	December 31, 2025
Accounts receivable	$ 22,637	$ 78,099

NOTE E – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of December 31, 2025:

Staff laptops	$ 6,622
Less accumulated depreciation	(6,155)
Property and equipment, net	$ 467

Depreciation expense was $562 for the year ended December 31, 2025.

NOTE F – DEFERRED REVENUE

The following table provides information about significant changes in deferred revenue for the year ended December 31, 2025:

Deferred program revenue, beginning of year	$ -
Revenue recognized that was included in deferred revenue at beginning of year	-
Increase in deferred revenue due to cash received during the year	15,000
Deferred program revenue, end of year	$ 15,000

Due to the nature and timing of the services provided, the revenue is expected to be recognized over the following two years.

NOTE G – LEASES

EGBI signed a 63-month lease for a copier beginning in May 2025 with monthly payments of $205. The lease contains an option to purchase the copier or renew the lease for one year at the

NOTE G – LEASES (continued)

end of the lease term, which was not included when assessing the value of the ROU asset because EGBI was not reasonably certain to exercise either option.

The finance lease ROU assets and liabilities were calculated using the risk-free discount rate of 3.81%.

The maturities of lease liabilities as of December 31, 2025 were as follows:

Years Ending December 31,	**Amount**
2026	$ 2,455
2027	2,455
2028	2,455
2029	2,455
2030	1,432
Total lease payments	11,252
Less: interest	(910)
Present value of lease liabilities	$ 10,342

Total lease costs for the year ended December 31, 2025 were as follows:

Finance lease cost	
Amortization of right-of-use assets	$ 1,486
Interest expense	277
Total finance lease costs	$ 1,763

Finance lease right of use assets included on the statement of financial position consisted of right of use assets of $11,702, less accumulated amortization of $1,486, as of December 31, 2025.

NOTE H – NET ASSETS WITH DONOR RESTRICTIONS

Net assets were restricted by donors for the following reasons for the year ended December 31, 2025:

NOTE H – NET ASSETS WITH DONOR RESTRICTIONS (continued)

Subject to Expenditure for Specific Purpose:		
Childcare bootcamp	$	25,000
Caregiver to CEO project		15,000
Total net assets with donor restrictions	$	40,000

For the year ended December 31, 2025, net assets were released from donor restrictions as follows:

Satisfaction of purpose restrictions		
EGBI programs	$	4,560
Total purpose restriction releases		4,560
Satisfaction of timing restrictions		
Promises to give that are not restricted by donors, but which are unavailable for expenditure until due		36,816
Total net assets released from donor restrictions	$	41,376

NOTE I – FAIR VALUE MEASUREMENTS AND DISCLOSURES

The requirements of *Fair Value Measurements and Disclosures* of the ASC apply to all financial instruments and all nonfinancial assets and nonfinancial liabilities that are being measured and reported on a fair value basis. Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement is the same in both cases – to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions (an exit price). *Fair Value Measurements and Disclosures* also establish a fair value hierarchy that prioritizes the inputs used in valuation methodologies into the following three levels:

- *Level 1 Inputs – Quoted prices (unadjusted) in active markets for identical assets* or liabilities that the reporting entity can access at the measurement date.

- Level 2 Inputs – Inputs other than quoted prices included with Level 1 that are observable for the asset or liability either directly or indirectly.

NOTE I – FAIR VALUE MEASUREMENTS AND DISCLOSURES (continued)

- Level 3 Inputs – Unobservable inputs for the asset or liability.

The fair value of EGBI's assets and liabilities approximate the carrying amounts of such instruments due to their short maturity.

NOTE J – CONTRIBUTED GOODS AND SERVICES

During the year ending December 31, 2025, EGBI recorded the following contributed goods and services:

Office space	$	34,800
Program space		7,750
Event services and supplies		5,239
Total contributed goods and services	$	47,789

The organization received the use of office space at no charge. This space is approximately 2,500 square feet. The estimated fair value of the use of this facility was provided by the donor. The donated space was used for program services, general and administrative services, and fundraising and is included in office rent on the statement of functional expenses.

Donated program space was valued at the estimated fair value provided by the donor and used for training programs.

Event services and supplies were donated for the fundraiser and valued at the estimated fair value provided by the donor.

NOTE K – RETIREMENT PLAN

EGBI has a Savings Incentive Match Plan for Employees retirement plan, also known as a SIMPLE IRA plan, in which substantially all employees may participate. EGBI matches employee contributions up to a maximum of 3%. Employee contributions are 100% vested immediately. EGBI's contribution to the plan was $9,356 for the year ended December 31, 2025.

NOTE L – LIQUIDITY AND AVAILABILITY

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

Cash and cash equivalents	$	338,332
Accounts receivable		78,099
Contribtuions and grants receivable		2,900
Total financial assets		419,331
Less funds not available for general expenditure due to:		
Purpose restrictions		(40,000)
Financial assets available within one year to meet cash needs for general expenditures within one year	$	379,331

The Board ensures EGBI's financial stability by approving an annual budget prior to the start of each fiscal year and monitoring variances throughout the year. EGBI intends to meet cash needs through its program fees and contributions and staying within approved budget amounts.

NOTE M – REVENUES AND RECEIVABLES CONCENTRATIONS

For the year ended December 31, 2025, EGBI received $88,000 in contributions from the Housing Authority of the City of Austin (HACA) which represented approximately 12% of the organization's total revenue. At December 31, 2025, the receivable from HACA totaled $13,250, which represented 17% of the total accounts receivable balance.

For the year ended, December 31, 2025, EGBI received $87,000 in training and coaching income for providing training and coaching to small business owners under contracts with the City of Austin. This represented approximately 12% of the total revenue for the year. At December 31, 2025, the total receivable from the City of Austin totaled $21,344, which represented approximately 27% of the total accounts receivable balance.

On November 28, 2023, EGBI entered into a two year contract with the City of Austin beginning December 1, 2023 to provide individual coaching to small businesses. EGBI is paid based on the services provided and received a maximum of $150,000 for the initial term of the contract. The contract may be extended for an additional year for $75,000 up to three times and the contract was renewed in December 2025 for an additional twelve months.

NOTE N – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date but before the financial statements are issued. Management evaluated subsequent events through the date the financial statements were available for issuance, April 30, 2026, and there were no significant subsequent events to be disclosed.