USA TEAM HANDBALL

Financial Statements

For the Year Ended December 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
USA Team Handball
Colorado Springs, Colorado

Opinion

We have audited the accompanying financial statements of USA Team Handball (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities and changes in net assets, 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 USA Team Handball as of December 31, 2025, and the changes in its net assets and 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 USA Team Handball 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.

Emphasis of Matter Regarding Deficiency in Net Assets Without Donor Restrictions

As discussed in Note H to the financial statements, USA Team Handball has a deficiency in net assets without donor restrictions of $65,405 as of December 31, 2025. Management's evaluation of the events and conditions, and Management's plans to address these matters, are also described in Note H. Our opinion is not modified with respect to this matter.

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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 the 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 USA Team Handball'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 USA Team Handball'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 USA Team Handball'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.

Report on Summarized Comparative Information

We have previously audited the financial statements of USA Team Handball for the year ended December 31, 2024, and our audit report dated November 18, 2025, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Colorado Springs, Colorado
November 15, 2026

USA TEAM HANDBALL

Statements of Financial Position

December 31, 2025

(With Comparative Amounts for 2024)

ASSETS

	2025	2024
CURRENT ASSETS:		
Cash and cash equivalents	$ 124,961	$ 14,497
Accounts/grants receivable	3,313	
Other receivable		19,553
Prepaid expenses	36,866	22,410
Total current assets	165,140	56,460
OFFICE SOFTWARE AND EQUIPMENT:		
Office software and equipment	11,971	11,971
Less accumulated depreciation	(7,327)	(4,933)
Office software and equipment - net	4,644	7,038
TOTAL ASSETS	$ 169,784	$ 63,498

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Accounts payable	$ 56,258	$ 170,167
Accrued liabilities	4,306	4,125
Deferred revenue	154,180	23,614
Total current liabilities	214,744	197,906
NET ASSETS:		
Net assets without donor restrictions	(65,405)	(161,960)
Net assets with donor restrictions	20,445	27,552
Total net assets	(44,960)	(134,408)
TOTAL LIABILITIES AND NET ASSETS	$ 169,784	$ 63,498

See Notes to Financial Statements

USA TEAM HANDBALL

Statement of Activities and Changes in Net Assets

For the Year Ended December 31, 2025

(With Comparative Amounts for 2024)

	Without Donor Restrictions	With Donor Restrictions	2025 Totals	2024 Totals
REVENUE:				
Value-in-kind	$ 305,799	$	$ 305,799	$ 55,303
IHF funding	274,965		274,965	31,094
Corporate sponsorship	263,710		263,710	177,212
USOPC grants	102,500		102,500	118,600
Events	65,277		65,277	23,120
Membership income	60,363		60,363	21,495
Contributions	16,552	37,995	54,547	90,783
USOPC digital media agreement	25,000		25,000	25,000
USATHF grants		10,000	10,000	10,000
Merchandise sales	1,270		1,270	8,450
Other income	436		436	
Interest & dividends	2		2	91
Total revenues, gains, and other support before net assets released from restrictions	1,115,874	47,995	1,163,869	561,148
NET ASSETS RELEASED FROM RESTRICTIONS:				
Satisfaction of purpose restrictions	55,102	(55,102)		
Total revenue, gains, and other support	1,170,976	(7,107)	1,163,869	561,148
EXPENSES:				
Program expenses	946,202		946,202	515,737
Supporting services:				
General & administrative	128,219		128,219	209,352
Total expenses	1,074,421		1,074,421	725,089
CHANGE IN NET ASSETS	96,555	(7,107)	89,448	(163,941)
NET ASSETS, beginning of year	(161,960)	27,552	(134,408)	29,533
NET ASSETS, end of year	$ (65,405)	$ 20,445	$ (44,960)	$ (134,408)

See Notes to Financial Statements

USA TEAM HANDBALL

Statement of Functional Expenses

For the Year Ended December 31, 2025

(With Comparative Amounts for 2024)

	Program Expenses	General & Administrative	Total 2025 Expenses	Total 2024 Expenses
Travel	$ 699,508	$ 13,303	$ 712,811	$ 234,072
Salaries	65,642	23,787	89,429	129,059
Uniforms, including VIK	60,579		60,579	7,693
Professional fees		48,526	48,526	83,753
Insurance	15,366	15,909	31,275	39,135
Contract labor	31,203		31,203	7,044
Referee expenses	15,769		15,769	4,260
Facility rental	11,900		11,900	14,558
Membership fees	10,000	255	10,255	10,000
Bank charges		8,738	8,738	4,539
Supplies & equipment, including VIK	6,894	664	7,558	67,310
Payroll taxes	5,456	1,218	6,674	12,633
Employee benefits	6,448		6,448	19,224
Coaching development	5,433		5,433	10,846
Rent		5,408	5,408	5,305
Background checks	3,875	60	3,935	12,700
Registrations & fees	3,710		3,710	30,207
Miscellaneous	246	3,338	3,584	3,285
Safe Sport	790	2,369	3,159	4,660
Depreciation	1,958	436	2,394	2,394
IT expense		1,920	1,920	2,400
Dues & subscriptions		1,259	1,259	8,042
Postage	231	989	1,220	307
Direct event costs	1,194		1,194	4,000
Promotion & advertising		26	26	6,133
Telephone		14	14	
Interest expense				1,530
	$ 946,202	$ 128,219	$ 1,074,421	$ 725,089

See Notes to Financial Statements

USA TEAM HANDBALL

Statement of Cash Flows

For the Year Ended December 31, 2025

(With Comparative Amounts for 2024)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 89,448	$ (163,941)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	2,394	2,394
(Increase) decrease in operating assets:		
Accounts/grants receivable	(3,313)	1,384
Other receivable	19,553	(19,553)
Prepaid expenses	(14,456)	4,885
Increase (decrease) in operating liabilities:		
Accounts payable	(113,909)	122,844
Accrued liabilities	181	(8,258)
Deferred revenue	130,566	23,454
Total adjustments	21,016	127,150
Net cash provided (used) by operating activities	110,464	(36,791)
NET INCREASE (DECREASE) IN CASH	110,464	(36,791)
CASH AND CASH EQUIVALENTS, beginning of year	14,497	51,288
CASH AND CASH EQUIVALENTS, end of year	$ 124,961	$ 14,497

See Notes to Financial Statements

USA TEAM HANDBALL

Notes to Financial Statements

For the Year Ended December 31, 2025

A. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

USA Team Handball (the Organization) is the national governing body for team handball, making it responsible for the promotion and development of the sport in the United States.

Method of Accounting

The financial statements of USA Team Handball have been prepared on the accrual basis of accounting.

Basis of Presentation

The financial statement presentation follows the recommendations of accounting principles generally accepted in the United States of America (GAAP).

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 that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization.

- Net assets with donor restrictions: net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature, such as those that will be met by the passage of time or other purposes specified by the donor. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds 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

Cash and cash equivalents consist of the Organization's checking and savings accounts.

Accounts and Other Receivable

Accounts and other receivable are stated at the amount the Organization expects to collect from balances outstanding at year-end. Based on the Organization's assessment of the credit history with customers having outstanding balances and current relationships with them, it has concluded that realization of losses on balances outstanding at year-end, if any, will be immaterial. Therefore, no allowance for doubtful accounts is considered necessary.

Property and Equipment

Items with greater than one-year useful life and costs greater than $1,500 are capitalized. Assets are recorded at cost or fair value if donated and depreciated using the straight-line method over estimated useful lives of five years.

Revenue Recognition

The Organization's revenue recognition policies are as follows:

- Event and sponsorship revenue - event and sponsorship revenues are recognized in the amount that reflects the consideration that the Organization is entitled to in exchange for substantially fulfilling performance obligations specific to each event or contract. Sponsorships and event revenues are recognized as revenue in the period in which the Organization satisfies its performance obligation to its sponsors and event participants. The Organization's performance obligations for sponsorship revenue are to provide promotion and advertising opportunities as arranged under each contract. The Organization's performance obligation for event revenue is to hold a specified event.

- Membership dues - membership dues revenue is recognized in the amount that reflects the consideration that the Organization is entitled to in exchange for providing membership services. Dues are recognized as revenue in the period in which the Organization satisfies its

performance obligation to its members. A performance obligation is a promise in a contract to transfer a distinct good or service to a customer, as defined by ASC 606. The Organization's performance obligation for membership dues revenue is to provide membership services and benefits accessible only to its members.

Contributions

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of donated assets. 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 in the statement of activities as satisfied program restrictions. However, restricted contributions are reported as an increase in net assets without donor restriction if the restriction is satisfied in the same reporting period in which the support is recognized.

Prior-Year Comparisons

The amounts shown for the year ended December 31, 2024, in the accompanying financial statements, include certain prior year summarized comparative information in total but not by net asset class or both natural and functional allocation for expenses. Accordingly, those prior year totals are not intended to present all information necessary for a fair presentation in conformity with accounting principles generally accepted in the United States of America. Such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2024, from which the summarized information was derived.

In-kind Revenue

The Organization records various types of in-kind contributions. Contributed services are recognized if the services received create or enhance long-lived assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The Organization measures the services received at the market rates shared by the firms providing those services.

Contributions of tangible assets are recognized at fair value when received. Corporate sponsorship income in the form of in-kind goods, such as apparel and equipment, and some qualifying services, are reported as revenue and expense in the fiscal year they are received. The amounts reflected in the accompanying financial statements as nonfinancial in-kind contributions are offset by like amounts included in expenses (Note G).

The Organization's policy related to gifts-in-kind is to utilize the assets given to carry out the mission of the Organization. If an asset is provided that does not allow the Organization to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or other method depending on the type of asset.

In addition, a number of volunteers have donated significant amounts of their time to the Organization's program and supporting services. These in-kind contributions are not reflected in the financial statements since these services do not meet the criteria for recognition.

Functional Expenses

The financial statements report certain categories of expenses that are attributable to program or supporting services of the Organization. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Personnel expenses are allocated on the basis of estimates of time and effort spent by personnel in the various programs and supporting services made by the Organization's management.

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 the reported amounts of assets and liabilities, the disclosure of contingent liabilities, and the reported amounts of revenues and expenses. Actual results could differ from those estimates.

Supplemental Cash Flow Information

Cash flows from operating activities include interest payments of $0 and $1,530 for the years ended December 31, 2025 and

2024, respectively. The Organization paid no income taxes during the years ended December 31, 2025 and 2024.

B. AVAILABLE RESOURCES AND LIQUIDITY

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. The Organization has cash and cash equivalents as a current source of liquidity at its disposal.

In addition to currently held financial assets available to meet general expenditures over the next 12 months, the Organization operates under a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

As of December 31, 2025 and 2024, the following financial assets could readily be made available within one year of the balance sheet date to meet general expenditures:

	2025	2024
Cash and cash equivalents	$ 124,961	$ 14,497
Accounts/grants receivable	3,313	
Other receivable		19,553
Total financial assets	128,274	34,050
Less:		
Donor restricted net assets purpose restricted	(20,445)	(27,552)
Amount available for general expenditures	$ 107,829	$ 6,498

C. CONTRACT ASSETS AND LIABILITIES

The timing of revenue recognition, billings, and cash collections may result in billed accounts receivable, unbilled receivables (contract assets), and customer advances and deposits (contract liabilities) on the Statement of Financial Position. Amounts are billed as work progresses in accordance with agreed-upon contractual terms. Revenue is recognized upon satisfaction of performance obligations (Note A).

As of December 31, the contract balances were as follows:

	2025	2024	2023
Accounts receivable	$ 3,313	$	$ 1,384
Deferred revenue	$ 154,180	$ 23,614	$ 160

D. NET ASSETS WITH DONOR RESTRICTIONS: TEMPORARY IN NATURE

Net assets with donor restrictions at December 31, 2025 and 2024, consist of donations restricted for the following purposes or timing:

	2025	2024
Wheelchair Handball National Team	$ 11,867	$ 24,309
Women's development	5,596	472
Men's junior team	2,972	2,755
Men's National team	10	
Men's development		16
Total	$ 20,445	$ 27,552

Net assets are released from donor restrictions by incurring expenses that satisfy the restricted purpose. During the years ended December 31, 2025 and 2024, temporary restrictions were released for the following purposes:

	2025	2024
Wheelchair Handball National Team	$ 25,600	$ 32,197
Women's National Team	14,290	$ 177
IHF Trophy	10,000	
Men's JR Team	2,755	245
Other	1,146	4,200
Women's JR Team	1,000	
Men's National Team	311	53
Women's Beach		7,217
Total	$ 55,102	$ 44,089

E. RELATED PARTY TRANSACTIONS

The United States Olympic & Paralympic Committee (USOPC) provided grants to the Organization as follows for the years ended December 31, 2025 and 2024:

	2025	2024
Governance & management	$ 64,000	$ 73,500
Shared services	35,000	31,200
Marketing & communication		9,400
Other	3,500	4,500
Total	$ 102,500	$ 118,600

For the years ended December 31, 2025 and 2024, the Organization also received $58,406 and $55,303, respectively, of value-in-kind goods and services from the USOPC, which is included in amounts described in Note G.

In 2013, the Organization entered into a digital media agreement with the USOPC. The term of the agreement was extended through December 31, 2026. In addition to the amounts above, the Organization has received $25,000 for each of the years ended December 31, 2025 and 2024, under this agreement.

The Organization also receives significant funding from the International Handball Federation (IHF). During the years ended December 31, 2025 and 2024, respectively, the Organization received $274,965 and $31,094 of funding for sport development. The support recorded for the year ended December 31, 2025, includes approximately $121,000 in forgiven liabilities owed to IHF for the years 2023 through 2025.

For the year ended December 31, 2025, the Organization also received $197,393, of value-in-kind goods and services from the IHF, which is included in amounts described in Note G.

The Organization receives significant economic benefits from grants provided by the USOPC and IHF to enhance and maintain its programs at current levels.

During the year ended December 31, 2025, the Organization's Chief Executive Officer (CEO) advanced the Organization $10,500 to provide short-term operating liquidity until expected funding was received; the advance was unsecured, non-interest-

bearing, and had no stated repayment terms.

Also, in June 2025, the CEO personally paid $18,927 of airfare for Wheelchair National Team athletes and staff traveling to the Hand 4 All Championships in Lyon, France. The Organization recorded this amount as travel expense, with a corresponding amount due to the CEO.

Of these advances, the Organization repaid the CEO $19,427 in October 2025. As of December 31, 2025, the Organization owed the remaining $10,000 to the CEO, which is included in accounts payable. The amount due was repaid in February of 2026.

F. LEASE

Beginning February 1, 2022, the Organization entered into a sublease agreement with the United States Olympic and Paralympic Committee for 252 square feet of office space. The lease arrangement requires the Organization to pay base rent in the amount of $136.50 per month for the duration of the lease term and expires a year from the start date with an option for renewal. During the year ended December 31, 2025, the Organization exercised its option to renew the lease for another year.

The Organization also received a rent subsidy of $3,906 during the years ended December 31, 2025 and 2024 from the USOPC.

G. DONATED GOODS AND SERVICES

The Organization received in-kind sponsorships and donations from various supporters, including related organizations. Donated goods and services consisted of the following goods and services recorded in the Statement of Activities at market rates for the years ended December 31:

	2025	2024
Lodging & meals	$ 225,643	$ 18,270
Travel	17,000	
Uniforms & apparel	57,250	29,627
Use of office space	3,906	3,906
Referees	2,000	
Other services		3,500
Total contributions in-kind	$ 305,799	$ 55,303

H. EVALUATION OF GOING CONCERN AND NET ASSET DEFICIENCY

In connection with the financial statements for the year ended December 31, 2024, Management concluded that a deficiency in net assets without donor restrictions of $161,960, together with limited liquidity, raised substantial doubt about the Organization's ability to continue as a going concern.

For the year ended December 31, 2025, the Organization reported an increase in net assets of $89,448. As of December 31, 2025, it had a deficiency in net assets without donor restrictions of $65,405 and net assets with donor restrictions of $20,445. The 2025 increase includes approximately $121,000 of support from the cancellation of liabilities owed to the International Handball Federation (Note E). Cash and cash equivalents increased from $14,497 to $124,961 during 2025. Current liabilities include $154,180 of deferred revenue, which represents performance obligations to be satisfied in 2026 rather than cash obligations to third parties.

Management evaluated whether conditions and events, considered in the aggregate, raise substantial doubt about the Organization's ability to continue as a going concern within one year after November 15, 2026, the date the financial statements were available to be issued. Management considered the remaining net asset deficiency, the non-recurring nature of the liability cancellation, and the Organization's dependence on USOPC and IHF funding. Management also considered the following plans, which have been implemented and which management believes are probable of continuing to be effective:

- Cost-containment measures and staffing restructuring implemented beginning in late 2024. These reduced general and administrative expenses from $209,352 in 2024 to $128,219 in 2025.

- Multi-year sponsorship agreements, major sponsorship revenue continues to provide operating support.

- Continued USOPC and IHF sport development funding of expected to continue into 2026 and 2027.

- Continued improvement to operating under a balanced budget for the year ending December 31, 2026.

Based on these results and plans, Management concluded that

substantial doubt about the Organization's ability to continue as a going concern has been alleviated. Management and the Board continue to monitor the remaining deficiency in net assets without donor restrictions. They expect to eliminate it through operating surpluses.

I. INCOME TAXES

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is not subject to federal income tax. Accordingly, no income tax provision has been recorded.

The Organization's Form 990, Return of Organization Exempt from Income Tax, is subject to examination by various taxing authorities, generally for three years after the date they were filed. Management of the Organization believes that it does not have any uncertain tax positions that are material to the financial statements.

J. SUBSEQUENT EVENTS AND CONTINGENCIES

In preparing the financial statements, Management has evaluated events and transactions for potential recognition or disclosure through November 15, 2026, the date that the financial statements were available to be issued. No such transactions or events were noted except the repayment of the loan owed to the CEO in February 2026 (Note E) and the matter described below.

During the year ended December 31, 2024, the Organization entered negotiations to settle a matter with an unrelated party who claimed grievances against the Organization relating to a certain contract signed in the year ended December 31, 2020. During the year ended December 31, 2024, Management entered into a settlement agreement with the party, under which the Organization paid $42,000 in 2024. The agreement also required the Organization to pay 10% of Defined Gross Revenues (DGR) received from a certain grantor in 2025 and 2026, not to exceed $30,000 combined. As of December 31, 2025, the Organization had paid $15,000 of the maximum $30,000 related to 2025 and 2026 DGR. Any remaining obligation is contingent upon receipt of 2026 DGR.