



**FINANCIAL STATEMENTS  
WITH  
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**

**Northwest Federal Credit Union Foundation**

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## **INDEPENDENT AUDITORS' REPORT**

**Board of Directors  
Northwest Federal Credit Union Foundation  
Herndon, Virginia**

### **Opinion**

We have audited the accompanying financial statements of Northwest Federal Credit Union Foundation (a nonprofit organization), which comprise the statements of financial position as of December 31, 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, the financial statements referred to above present fairly, in all material respects, the financial position of Northwest Federal Credit Union Foundation as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Northwest Federal Credit Union Foundation 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 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 Northwest Federal Credit Union Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

**Auditors' Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, 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 judgement 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 Northwest Federal Credit Union Foundation'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 Northwest Federal Credit Union Foundation'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.

*DeLeon & Stang*

**DeLeon & Stang, CPAs and Advisors**  
**Frederick, Maryland**  
**April 8, 2026**

**Northwest Federal Credit Union Foundation**  
**Statements of Financial Position**  
**December 31, 2025 and 2024**

	<b>2025</b>	<b>2024</b>
<b>ASSETS</b>		
<b>Assets:</b>		
Cash and cash equivalents	\$ 280,856	\$ 359,446
Restricted cash	15,754	14,020
Investments	1,736,438	1,480,903
Accounts receivable	25,000	15,000
Deposits	13,500	4,850
<b>TOTAL ASSETS</b>	<b>\$ 2,071,548</b>	<b>\$ 1,874,219</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities:</b>		
Accounts payable and accrued expenses	\$ 20,464	\$ 10,415
Total liabilities	20,464	10,415
<b>Net assets:</b>		
Without donor restrictions	1,960,417	1,778,109
With donor restrictions	90,667	85,695
Total net assets	2,051,084	1,863,804
<b>TOTAL NET LIABILITIES AND NET ASSETS</b>	<b>\$ 2,071,548</b>	<b>\$ 1,874,219</b>

**Northwest Federal Credit Union Foundation**  
**Statements of Activities**  
**For the Years Ended December 31, 2025 and 2024**

	<b>2025</b>			<b>2024</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenue and support:</b>						
Contributions, individual	\$ 176,895	\$ 42,987	\$ 219,882	\$ 142,668	\$ 30,764	\$ 173,432
Contributions, corporate	63,344	-	63,344	30,450	-	30,450
In-kind contributions	639,119	-	639,119	526,624	-	526,624
Special events	215,552	-	215,552	187,858	-	187,858
Investment income, net of fees	114,263	-	114,263	85,909	-	85,909
Net assets released from restrictions	38,015	(38,015)	-	55,323	(55,323)	-
<b>Total revenue and support</b>	<b>1,247,188</b>	<b>4,972</b>	<b>1,252,160</b>	<b>1,028,832</b>	<b>(24,559)</b>	<b>1,004,273</b>
<b>Expenses:</b>						
Program services	961,217	-	961,217	669,494	-	669,494
Supporting services	103,663	-	103,663	99,198	-	99,198
<b>Total expenses</b>	<b>1,064,880</b>	<b>-</b>	<b>1,064,880</b>	<b>768,692</b>	<b>-</b>	<b>768,692</b>
<b>Change in net assets</b>	<b>182,308</b>	<b>4,972</b>	<b>187,280</b>	<b>260,140</b>	<b>(24,559)</b>	<b>235,581</b>
<b>Net assets, beginning of year</b>	<b>1,778,109</b>	<b>85,695</b>	<b>1,863,804</b>	<b>1,517,969</b>	<b>110,254</b>	<b>1,628,223</b>
<b>Net assets, end of year</b>	<b>\$ 1,960,417</b>	<b>\$ 90,667</b>	<b>\$ 2,051,084</b>	<b>\$ 1,778,109</b>	<b>\$ 85,695</b>	<b>\$ 1,863,804</b>

See Accompanying Notes to Financial Statements

**Northwest Federal Credit Union Foundation  
Statement of Functional Expenses  
For the Year Ended December 31, 2025**

**2025**

	Program Services			Supporting Services			Total Expenses
	Scholarships	Community Outreach	Total Program Services	Fundraising	General and Administrative	Total Supporting Services	
<b>Financial Expenses</b>							
Scholarship and youth services	\$ 183,400	\$ 178,186	\$ 361,586	\$ 9,015	\$ -	\$ 9,015	\$ 370,601
Youth events	4,101	7,841	11,942	26,622	-	26,622	38,564
Equipment and supplies	-	-	-	-	917	917	917
Marketing	-	-	-	1,241	-	1,241	1,241
Subscription and dues	-	-	-	-	2,610	2,610	2,610
Travel and meals	-	-	-	-	230	230	230
Audit	-	-	-	-	10,500	10,500	10,500
Training and meetings	-	-	-	-	1,098	1,098	1,098
<b>Subtotal Financial Expenses</b>	<u>187,501</u>	<u>186,027</u>	<u>373,528</u>	<u>36,878</u>	<u>15,355</u>	<u>52,233</u>	<u>425,761</u>
<b>In-Kind Expenses</b>							
In-kind salaries and fringes	49,404	444,636	494,040	-	-	-	494,040
In-kind occupancy	-	44,565	44,565	-	-	-	44,565
In-kind equipment and supplies	744	6,685	7,429	-	-	-	7,429
In-kind basic needs	-	41,655	41,655	51,430	-	51,430	93,085
<b>Subtotal In-Kind Expenses</b>	<u>50,148</u>	<u>537,541</u>	<u>587,689</u>	<u>51,430</u>	<u>-</u>	<u>51,430</u>	<u>639,119</u>
Total expenses	<u>\$ 237,649</u>	<u>\$ 723,568</u>	<u>\$ 961,217</u>	<u>\$ 88,308</u>	<u>\$ 15,355</u>	<u>\$ 103,663</u>	<u>\$ 1,064,880</u>

**Northwest Federal Credit Union Foundation  
Statement of Functional Expenses  
For the Year Ended December 31, 2024**

**2024**

	Program Services			Supporting Services			Total Expenses
	Scholarships	Community Outreach	Total Program Services	Fundraising	General and Administrative	Total Supporting Services	
<b>Financial Expenses</b>							
Scholarship and youth services	\$ 130,000	\$ 59,258	\$ 189,258	\$ -	\$ -	\$ -	\$ 189,258
Youth events	3,793	4,410	8,203	22,151	-	22,151	30,354
Equipment and supplies	-	-	-	-	794	794	794
Marketing	-	-	-	6,762	-	6,762	6,762
Subscription and dues	-	-	-	-	2,758	2,758	2,758
Travel and meals	-	-	-	-	154	154	154
Audit	-	-	-	-	9,851	9,851	9,851
Training and meetings	-	-	-	-	2,137	2,137	2,137
<b>Subtotal Financial Expenses</b>	<u>133,793</u>	<u>63,668</u>	<u>197,461</u>	<u>28,913</u>	<u>15,694</u>	<u>44,607</u>	<u>242,068</u>
<b>In-Kind Expenses</b>							
In-kind salaries and fringes	41,218	333,864	375,082	-	37,097	37,097	412,179
In-kind occupancy	-	16,614	16,614	-	1,846	1,846	18,460
In-kind equipment and supplies	-	17,479	17,479	-	1,546	1,546	19,025
In-kind basic needs	-	62,858	62,858	14,102	-	14,102	76,960
<b>Subtotal In-Kind Expenses</b>	<u>41,218</u>	<u>430,815</u>	<u>472,033</u>	<u>14,102</u>	<u>40,489</u>	<u>54,591</u>	<u>526,624</u>
Total expenses	<u>\$ 175,011</u>	<u>\$ 494,483</u>	<u>\$ 669,494</u>	<u>\$ 43,015</u>	<u>\$ 56,183</u>	<u>\$ 99,198</u>	<u>\$ 768,692</u>

See Accompanying Notes to Financial Statements

**Northwest Federal Credit Union Foundation**  
**Statements of Cash Flows**  
**For the Years Ended December 31, 2025 and 2024**

	<b>2025</b>	<b>2024</b>
<b><u>Cash Flows From Operating Activities:</u></b>		
Change in net assets	\$ 187,280	\$ 235,581
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized gain on investments	(24,552)	(12,135)
Decrease (increase) in operating assets:		
Accounts receivable	(10,000)	(10,795)
Deposits	(8,650)	(4,850)
(Decrease) increase in operating liabilities:		
Accounts payable and accrued expenses	10,049	5,354
Total adjustments	(33,153)	(22,426)
Net cash provided by operating activities	154,127	213,155
<b><u>Cash Flows From Investing Activities:</u></b>		
Purchases of investments, net	(230,983)	(238,394)
Net cash used in investing activities	(230,983)	(238,394)
<b>Net decrease in cash, cash equivalents, and restricted cash</b>	(76,856)	(25,239)
<b>Cash, cash equivalents, and restricted cash, beginning of year</b>	373,466	398,705
<b>Cash, cash equivalents, and restricted cash, end of year</b>	\$ 296,610	\$ 373,466

**Northwest Federal Credit Union Foundation  
Notes to Financial Statements (Continued)  
December 31, 2025 and 2024**

**Northwest Federal Credit Union Foundation  
Notes to Financial Statements  
December 31, 2025 and 2024**

**NOTE 1 - ORGANIZATION**

Since 2005, the Northwest Federal Credit Union Foundation (the Foundation) has been a driving force in empowering youth to reach their goals by supporting their health, well-being, and education in Northern Virginia. As the charitable arm of Northwest Federal Credit Union, the Foundation is a community leader dedicated to making a real difference in the lives of youth through its outreach programs. Embracing a Superhero theme, the Foundation embodies the spirit of empowerment and celebrates the potential of every child to succeed.

The Foundation offers four programs and services to address the needs identified within the community it serves.

Aspire Higher Scholarship Program

The Aspire Higher Scholarship Program is a cornerstone initiative that provides financial support to students pursuing higher education funding over \$2,400,000 in scholarships to 474 students since inception.

Community Outreach and Distribution Drives

Outreach drives are a vital aspect of the Foundation's programming, aimed at providing essential resources to students from low-income backgrounds. The Foundation has continually rallied the community through more than 150 outreach drives, collecting food, hygiene items, coats, shoes and more to meet essential needs.

The Foundation has charitable beneficiaries in each of the communities where Northwest has a branch location and serves over 40 schools.

Outreach drives are as follows:

- **Food for Kids:** Providing weekend meal bags for students facing food insecurity
- **Health & Hygiene Drive:** Offering bags of love filled with wellness and hygiene products
- **Step into Success:** Gifting new pairs of shoes and socks to students starting the school year
- **Winter Warmth:** Providing coats and warm winter accessories to under-resourced students

**Northwest Federal Credit Union Foundation**  
**Notes to Financial Statements (Continued)**  
**December 31, 2025 and 2024**

**NOTE 1 - ORGANIZATION** (Continued)

Financial Education and Career Readiness

Over 36,000 young people have received financial education from the Foundation since inception. The Foundation's Financial Literacy and Career Readiness initiatives equip student with essential skills and knowledge to succeed in their future endeavors.

Workshops, seminars, and field trips provide hands-on learning experiences related to financial management, job readiness, and career exploration.

Mentoring

Mentoring programs offered by the Foundation provide students with valuable guidance and support from adult mentors. In 2024, they began to rebuild this program which has been dormant since COVID-19. NW Foundation has 15 Northwest employees serving as mentors who meet 1:1 with students each week.

The N.E.E.D.S. Project

To commemorate its 20<sup>th</sup> year, the Foundation introduced The N.E.E.D.S. Project (Nurturing Education, Experiences & Dreams for Students), a new initiative focused on meeting unmet needs in local schools. In its inaugural year, the Foundation proudly funded 20 projects, from supplying basics to children in need, to creating meaningful educational opportunities. At Sterling Middle School, for example, students lined the hallways to cheer as a book vending machine was unveiled, rewarding good attendance and positive behavior with tokens to "purchase" books of their very own.

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

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 of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Description of Net Assets

Net assets are classified based on existence or absence of donor imposed restrictions as follows:

- *Net Assets Without Donor Restrictions* – Net assets that are currently available for operating purposes under the direction of management and the board of directors or designated by the board for specific use.

**Northwest Federal Credit Union Foundation**  
**Notes to Financial Statements (Continued)**  
**December 31, 2025 and 2024**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

- *Net Assets With Donor Restrictions* – Net assets that are stipulated by donors for specific operating purposes or for the acquisition of property and equipment or are time restricted. These include donor restrictions requiring the net assets to be held in perpetuity or for a specific term with investment return specified for a specific purpose. Net assets with donor restrictions at December 31, 2025 and 2024 were \$90,667 and \$85,695, respectively.

Cash and Cash Equivalents

The Foundation considers all highly liquid securities purchased with an original maturity of three months or less to be cash equivalents.

Restricted Cash

Restricted cash represents monies held, which are subject to donor-imposed restrictions that require that they be held separately from cash and cash equivalents. The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the statements of financial position that sum to the total as shown in the statements of cash flows:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 280,856	\$ 359,446
Restricted cash	<u>15,754</u>	<u>14,020</u>
Total cash, cash equivalents, and restricted cash shown in the statements of cash flows	<u>\$ 296,610</u>	<u>\$ 373,466</u>

Investments

Investments consist of exchange traded funds and mutual funds. These investments are reported at fair value based on quoted market prices on active markets (Level 1) for identical securities because quoted market prices are readily available. Net unrealized gains and losses on investments are reflected in the statements of activities, netted with investment fees. Interest and dividends are reflected as income when earned.

Fair value measurement

The Foundation follows the provisions of FASB ASC 820, *Fair Value Measurement*. FASB ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs (assumptions that market participants would use in pricing assets and liabilities, including assumptions about risk) used to measure fair value, and enhances disclosure requirements for fair value measurements. The Foundation accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement.

**Northwest Federal Credit Union Foundation**  
**Notes to Financial Statements (Continued)**  
**December 31, 2025 and 2024**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Accounts Receivable

The Foundation is funded through individual donations, corporate donations, and fundraisers. Revenue is recognized as an increase in the statement of activities and changes in net assets as donations are made and promises to give are agreed upon. A receivable is recorded when a promise to give is agreed upon and the donation has not yet been received. Account balances over 90 days past due are considered delinquent and, unless strong mitigating factors exist, a dollar for dollar allowance is established. No allowance for uncollectible accounts was required at December 31, 2025 or 2024.

In-kind Contributions

The Foundation receives donations of office space, salaries and fringe, public relations and marketing, and other goods and services from individual and corporate donors. These contributions are recorded at their estimated fair market value at the date the donation is made.

Contributions of services are recognized in the financial statements if the services enhance or create non-financial assets or require specialized skills provided by individuals possessing those skills that would typically need to be purchased if not provided by donation. Otherwise, volunteer services are not recorded in the financial statements as these contributions do not meet the requirements to be recorded as revenue and expense.

Expense Allocation

The Foundation allocates its expenses on a functional basis among various programs and supporting services. Expenses that can be identified with specific programs or supporting services are recorded directly according to their natural expenditure classification. Joint costs are allocated based on various identifiable bases (i.e., allowable occupancy costs are allocated based on the percentage of space occupied). Salaries and fringes attributable to multiple programs are allocated based on time spent for the program.

Advertising

The Foundation expenses the costs of advertising as they are incurred.

Income Taxes

The Foundation complies with the provisions of the FASB Accounting Standards Codification topic *Accounting for Uncertainty in Income Taxes*. For the years ended December 31, 2025 and 2024, no unrecognized tax provision or benefit exists.

**Northwest Federal Credit Union Foundation**  
**Notes to Financial Statements (Continued)**  
**December 31, 2025 and 2024**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

The Foundation is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is classified as other than a private foundation by the Internal Revenue Service.

The Foundation's tax returns may be subject to audit for three years after filing; hence, the Foundation's tax returns for years 2022 and onward are open to tax examination.

Subsequent Events

Management has evaluated the financial statements for subsequent events requiring accrual or disclosure through April 8, 2025, the date which the financial statements were available to be issued. There were no events identified requiring recognition in or disclosure to the financial statements.

**NOTE 3 - INVESTMENTS**

The cost, fair values and unrealized gain of investments at December 31, 2025 and 2024 are as follows:

	<b>2025</b>		
	<b>Cost</b>	<b>Fair Value</b>	<b>Unrealized Gain</b>
Liquid funds	\$ 7,365	\$ 7,365	\$ -
Mutual Funds	493,400	546,548	53,148
Certificates of deposit	1,182,525	1,182,525	-
Total	<u>\$ 1,683,290</u>	<u>\$ 1,736,438</u>	<u>\$ 53,148</u>
	<b>2024</b>		
	<b>Cost</b>	<b>Fair Value</b>	<b>Unrealized Gain</b>
Liquid funds	\$ 6,736	\$ 6,736	\$ -
Mutual Funds	458,099	486,695	28,596
Certificates of deposit	987,472	987,472	-
Total	<u>\$ 1,452,307</u>	<u>\$ 1,480,903</u>	<u>\$ 28,596</u>

**Northwest Federal Credit Union Foundation**  
**Notes to Financial Statements (Continued)**  
**December 31, 2025 and 2024**

**NOTE 3 - INVESTMENTS** (Continued)

Investment income, net for the years ended December 31, 2025 and 2024 is summarized as follows:

	<u>2025</u>	<u>2024</u>
Interest and dividends	\$ 92,783	\$ 74,886
Unrealized gain	24,552	12,135
Investment fees	<u>(3,071)</u>	<u>(1,112)</u>
	<u>\$ 114,264</u>	<u>\$ 85,909</u>

**NOTE 4 FAIR VALUE MEASUREMENT**

In accordance with FASB ASC 820, *Fair Value Measurement*, NWFCUF has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Investments recorded in the Statement of Financial Position are categorized based on the following inputs to the valuation techniques:

Level 1 Fair values are based on unadjusted quoted prices for identical assets in an active market that NWFCUF has the ability to access.

Level 2 Fair values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3 Fair values are based on inputs to the valuation methodology which are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for financial assets measured at fair value. There have been no changes in the methodologies used and there were no transfers between levels in the fair value hierarchy during the year ended December 31, 2025. Transfers between levels would be recorded at the end of the reporting period, when applicable.

**Northwest Federal Credit Union Foundation**  
**Notes to Financial Statements (Continued)**  
**December 31, 2025 and 2024**

**NOTE 4      FAIR VALUE MEASUREMENT** (Continued)

- *Mutual funds* - Valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by NWFCUF are deemed to be actively traded.
- *Certificates of deposit* - Valued at original cost plus accrued interest, which approximates fair value.

The following table summarizes the financial assets, which are measured at fair value on a recurring basis, as of December 31, 2025 and 2024:

	<b>2025</b>			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 7,365	\$ -	\$ -	\$ 7,365
Mutual funds - equities	546,548	-	-	546,548
Certificates of deposit	-	1,182,525	-	1,182,525
	<u>\$ 553,913</u>	<u>\$ 1,182,525</u>	<u>\$ -</u>	<u>\$ 1,736,438</u>
	<b>2024</b>			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 6,736	\$ -	\$ -	\$ 6,736
Mutual funds - equities	486,695	-	-	486,695
Certificates of deposit	-	987,472	-	987,472
	<u>\$ 493,431</u>	<u>\$ 987,472</u>	<u>\$ -</u>	<u>\$ 1,480,903</u>

**NOTE 5 -      RELATED PARTY TRANSACTIONS AND REVENUE CONCENTRATION**

The Foundation is related to Northwest Federal Credit Union (NWFCU) who donates office space, equipment, and services to the Foundation and also covers staff salaries and benefits. The Secretary/Treasurer of the Foundation also sits on the Board of Directors for NWFCU. NWFCU has agreed to reimburse the Foundation for expenses staff incurs for mileage, supplies, and various other expenses. There were no amounts due to the Foundation at December 31, 2025 and 2024. All cash accounts are held at the Credit Union.

Total support provided by NWFCU for the years ended December 31, 2025 and 2024 was \$546,034 and \$449,664, respectively. This amounts to approximately 44% and 45% of total revenue for the years ended December 31, 2025 and 2024, respectively.

**Northwest Federal Credit Union Foundation**  
**Notes to Financial Statements (Continued)**  
**December 31, 2025 and 2024**

**NOTE 6 - IN-KIND CONTRIBUTIONS**

During the years ended December 31, 2025 and 2024, the Foundation received in-kind contributions in the form of office space, salaries and fringe, public relations and marketing, and other goods and services from individual and corporate donors. All in-kind contributions have been recorded at their fair market value as of the date of the gift.

Donated goods and services are recognized as in-kind contributions and expensed in accordance with U.S. GAAP. In order to meet the criteria for recognition in the financial statements, contributions of donated services must: (a) create or enhance non-financial assets or (b) require specialized skills, be performed by people with those skills and would otherwise have to be purchased by the Foundation.

In-kind contributions for the years ended December 31, 2025 and 2024 consisted of the following:

	<b>2025</b>				<b>Total</b>
	<b>Program/Activity</b>				
	<b>Scholarships</b>	<b>Community Outreach</b>	<b>Fundraising</b>	<b>General and Administrative</b>	
Utilized in-kind: NWFCU					
Salaries and fringe	\$ 49,404	\$ 444,636	\$ -	\$ -	\$ 494,040
Office space	-	44,565	-	-	44,565
Equipment and supplies	744	6,685	-	-	7,429
Utilized in-kind: Other					
Program resources	-	41,655	-	-	41,655
Monetized in-kind: Other					
Silent auction donations	-	-	51,430	-	51,430
	<u>\$ 50,148</u>	<u>\$ 537,541</u>	<u>\$ 51,430</u>	<u>\$ -</u>	<u>\$ 639,119</u>
	<b>2024</b>				
	<b>Program/Activity</b>				
	<b>Scholarships</b>	<b>Community Outreach</b>	<b>Fundraising</b>	<b>General and Administrative</b>	<b>Total</b>
Utilized in-kind: NWFCU					
Salaries and fringe	\$ 41,218	\$ 333,864	\$ -	\$ 37,097	\$ 412,179
Office space	-	16,614	-	1,846	18,460
Equipment and supplies	-	17,479	-	1,546	19,025
Utilized in-kind: Other					
Program resources	-	62,858	-	-	62,858
Monetized in-kind: Other					
Silent auction donations	-	-	14,102	-	14,102
	<u>\$ 41,218</u>	<u>\$ 430,815</u>	<u>\$ 14,102</u>	<u>\$ 40,489</u>	<u>\$ 526,624</u>

**Northwest Federal Credit Union Foundation**  
**Notes to Financial Statements (Continued)**  
**December 31, 2025 and 2024**

**NOTE 7 - LIQUIDITY AND FUNDS AVAILABLE**

The following table reflects the Foundation’s financial assets as of December 31, 2025 and 2024, reduced by amounts not available for general expenditure within one year, if any. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, trust assets, assets held for others, endowments and accumulated earnings net of appropriations within one year and board designated endowments. These board designations could be drawn upon if the board approves that action.

Financial assets available to meet cash needs for general expenditures within one year as of December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Financial assets		
Cash	\$ 280,856	\$ 359,446
Investments, at fair value	1,736,438	1,480,903
Accounts receivable	25,000	15,000
Total financial assets	<u>2,042,294</u>	<u>1,855,349</u>
Less: net assets with donor restrictions	<u>(90,667)</u>	<u>(85,695)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,951,627</u>	<u>\$ 1,769,654</u>

The Foundation has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

**NOTE 8 - SIGNIFICANT CONCENTRATIONS OF CREDIT RISK**

The Foundation maintains cash at a single financial institution that, at times, may exceed federally insured limits. At December 31, 2025 and 2024, \$1,236,635 and \$1,111,340, respectively, was uninsured. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant concentration of credit risk on its cash and cash equivalents.