



**RUDD & COMPANY**<sub>PLLC</sub>  
*certified public accountants | business consultants*

## **DEVELOPMENT WORKSHOP FOUNDATION, INC.**

**Financial Statements  
with  
Independent Auditors' Report**

**June 30, 2025 and 2024**

*giving direction to your future*

**DEVELOPMENT WORKSHOP FOUNDATION, INC.****Table of Contents****June 30, 2025 and 2024**

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<b>Independent Auditors' Report</b> .....	1-2
<b>Financial Statements</b>	
Statements of Financial Position.....	3-4
Statement of Activities – Year Ended June 30, 2025 .....	5-6
Statement of Activities – Year Ended June 30, 2024 .....	7-8
Statement of Functional Expenses – Year Ended June 30, 2025.....	9
Statement of Functional Expenses – Year Ended June 30, 2024.....	10
Statements of Cash Flows.....	11
Notes to Financial Statements.....	12-18



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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Development Workshop Foundation, Inc.  
Idaho Falls, Idaho

### **Opinion**

We have audited the accompanying financial statements of Development Workshop Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Development Workshop Foundation, Inc. as of June 30, 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 Development Workshop Foundation, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of 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 Development Workshop Foundation, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

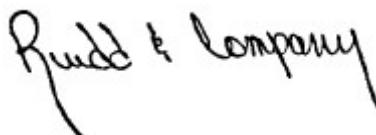
## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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 Development Workshop Foundation, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Development Workshop Foundation, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

A handwritten signature in black ink that reads "Rudd & Company". The signature is fluid and cursive, with "Rudd" and "Company" connected by a horizontal stroke.

Idaho Falls, Idaho  
November 24, 2025

**DEVELOPMENT WORKSHOP FOUNDATION, INC.**

**Statements of Financial Position**

**June 30,**

	<b>2025</b>	<b>2024</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 444,738	\$ 529,140
Finance lease receivable - current	<u>28,407</u>	<u>47,002</u>
Total Current Assets	<u>473,145</u>	<u>576,142</u>
<b>Property and Equipment</b>		
Equipment	48,008	48,008
Less accumulated depreciation	<u>(47,697)</u>	<u>(45,830)</u>
Net Property and Equipment	<u>311</u>	<u>2,178</u>
<b>Other Assets</b>		
Finance lease receivable - long-term	15,462	46,545
Long-term investments	1,888,020	991,295
Prepaid expense	3,290	-
Legacies and bequests	<u>1,000</u>	<u>1,000</u>
Total Other Assets	<u>1,907,772</u>	<u>1,038,840</u>
<b>Total Assets</b>	<u><u>\$ 2,381,228</u></u>	<u><u>\$ 1,617,160</u></u>

The Accompanying Notes are an  
Integral Part of the Financial Statements

	<b>2025</b>	<b>2024</b>
<b>Liabilities and Net Assets</b>		
Current Liabilities		
Net related party payable	\$ 3,216	\$ 5,004
Total Current Liabilities	<u>3,216</u>	<u>5,004</u>
Other Liabilities		
Unearned revenue	<u>1,423</u>	<u>4,129</u>
Total Liabilities	<u>4,639</u>	<u>9,133</u>
Net Assets		
With donor restrictions	438,912	1,007,929
Without donor restrictions:		
Board designated for 2020 projects	-	17,814
Board designated for 2022 projects	-	2,628
Board designated for 2023 projects	-	42,146
Board designated for 2024 projects	-	62,730
Undesignated	<u>1,937,677</u>	<u>474,780</u>
Total Net Assets	<u>2,376,589</u>	<u>1,608,027</u>
Total Liabilities and Net Assets	<u>\$ 2,381,228</u>	<u>\$ 1,617,160</u>

The Accompanying Notes are an  
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**DEVELOPMENT WORKSHOP FOUNDATION, INC.**  
**Statement of Activities**  
**Year Ended June 30, 2025**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Support and Revenue</b>			
<b>Support</b>			
General contributions	\$ 851,408	\$ -	\$ 851,408
Festival of trees	174,359	-	174,359
Legacies and bequests	15,000	-	15,000
Other income	39,981	-	39,981
<b>Total Support</b>	<b>1,080,748</b>	<b>-</b>	<b>1,080,748</b>
<b>Revenue</b>			
Dividends and interest	46,503	-	46,503
Lease interest income	2,706	-	2,706
Gain on investment	53,887	-	53,887
<b>Total Revenue</b>	<b>103,096</b>	<b>-</b>	<b>103,096</b>
<b>Support Provided by Expiring Time and Purpose Restrictions</b>	<b>569,017</b>	<b>(569,017)</b>	<b>-</b>
<b>Total Revenue and Support</b>	<b>1,752,861</b>	<b>(569,017)</b>	<b>1,183,844</b>
<b>Expenses</b>			
<b>Program Services</b>			
DWI - Idaho Falls	80,814	-	80,814
DWI - Rexburg	180,292	-	180,292
DWI - Salmon	1,065	-	1,065
<b>Total Program Services</b>	<b>262,171</b>	<b>-</b>	<b>262,171</b>

The Accompanying Notes are an  
 Integral Part of the Financial Statements

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	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support Services			
General and administrative			
expense	72,545	-	72,545
Fundraising expense	80,566	-	80,566
Total Support Services	<u>153,111</u>	<u>-</u>	<u>153,111</u>
Total Expense	<u>415,282</u>	<u>-</u>	<u>415,282</u>
Change in Net Assets	1,337,579	(569,017)	768,562
Net Assets, Beginning of Year	<u>600,098</u>	<u>1,007,929</u>	<u>1,608,027</u>
Net Assets, End of Year	<u>\$ 1,937,677</u>	<u>\$ 438,912</u>	<u>\$ 2,376,589</u>

The Accompanying Notes are an  
Integral Part of the Financial Statements

**DEVELOPMENT WORKSHOP FOUNDATION, INC.**  
**Statement of Activities**  
**Year Ended June 30, 2024**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Support and Revenue</b>			
<b>Support</b>			
General contributions	\$ 45,556	\$ -	\$ 45,556
Festival of trees	150,200	-	150,200
Tributes	194	-	194
Legacies and bequests	12,400	-	12,400
 Total Support	 208,350	 -	 208,350
 Revenue			
Dividends and interest	33,996	-	33,996
Lease interest income	4,528	-	4,528
Gain on investment	41,099	-	41,099
 Total Revenue	 79,623	 -	 79,623
 Support Provided by Expiring Time and Purpose Restrictions	 11,695	 (11,695)	 -
 Total Revenue and Support	 299,668	 (11,695)	 287,973
 Expenses			
<b>Program Services</b>			
DWI - Idaho Falls	38,065	-	38,065
DWI - Rexburg	28,018	-	28,018
DWI - Salmon	286	-	286
 Total Program Services	 66,369	 -	 66,369

The Accompanying Notes are an  
Integral Part of the Financial Statements

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	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support Services			
General and administrative			
expense	69,495	-	69,495
Fundraising expense	76,559	-	76,559
Total Support Services	146,054	-	146,054
Total Expense	212,423	-	212,423
Change in Net Assets	87,245	(11,695)	75,550
Net Assets, Beginning of Year	512,853	1,019,624	1,532,477
Net Assets, End of Year	\$ 600,098	\$ 1,007,929	\$ 1,608,027

The Accompanying Notes are an  
Integral Part of the Financial Statements



**DEVELOPMENT WORKSHOP FOUNDATION, INC.****Statement of Functional Expenses****Year Ended June 30, 2025**

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	<b>Program Services</b>	<b>General and Administrative Expenses</b>	<b>Fundraising Expenses</b>	<b>Total</b>
Distributions to				
DWI - Idaho Falls	\$ 80,814	\$ -	\$ -	\$ 80,814
DWI - Rexburg	180,292	-	-	180,292
DWI - Salmon	1,065	-	-	1,065
Administrative services	-	33,865	-	33,865
Depreciation	-	1,867	-	1,867
Office expense	-	26,367	-	26,367
Dues and subscriptions	-	1,057	-	1,057
Bank fees	-	5,123	-	5,123
Public relations	-	524	-	524
Other expenses	-	3,509	-	3,509
Travel expense	-	233	-	233
Event expense	-	-	79,344	79,344
Postage	-	-	1,222	1,222
 Total Expenses	 \$ 262,171	 \$ 72,545	 \$ 80,566	 \$ 415,282

The Accompanying Notes are an  
Integral Part of the Financial Statements

**DEVELOPMENT WORKSHOP FOUNDATION, INC.**

**Statement of Functional Expenses**

**Year Ended June 30, 2024**

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	<b>General and Program Services</b>	<b>Administrative Expenses</b>	<b>Fundraising Expenses</b>	<b>Total</b>
Distributions to				
DWI - Idaho Falls	\$ 38,065	\$ -	\$ -	\$ 38,065
DWI - Rexburg	28,018	-	-	28,018
DWI - Salmon	286	-	-	286
Administrative services	-	49,620	-	49,620
Depreciation	-	10,348	-	10,348
Office expense	-	5,226	-	5,226
Dues and subscriptions	-	2,317	-	2,317
Bank fees	-	1,000	-	1,000
Public relations	-	612	-	612
Other expenses	-	231	-	231
Travel expense	-	141	-	141
Event expense	-	-	75,589	75,589
Postage	-	-	970	970
 Total Expenses	 \$ 66,369	 \$ 69,495	 \$ 76,559	 \$ 212,423

The Accompanying Notes are an  
Integral Part of the Financial Statements

**DEVELOPMENT WORKSHOP FOUNDATION, INC.**

**Statements of Cash Flows**

**Years Ended June 30,**

	<b>2025</b>	<b>2024</b>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ 768,562	\$ 75,550
Adjustments to reconcile net income to net cash provided (used) by operating activities	1,867	10,348
Depreciation	(53,887)	(41,099)
Gain on investments	(1,788)	(13,739)
Net change in:		
Accounts payable	-	(60)
Related party payable	<u>(1,788)</u>	<u>(13,739)</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b><u>714,754</u></b>	<b><u>31,000</u></b>
 <b>Cash Flows from Investing Activities</b>		
Payments received from finance leases	43,683	51,816
Proceeds from sale of investments	-	170,000
Purchases of investments	<u>(842,839)</u>	<u>-</u>
<b>Net Cash Provided (Used) by Investing Activities</b>	<b><u>(799,156)</u></b>	<b><u>221,816</u></b>
 <b>Net Increase (Decrease) in Cash</b>	<b><u>(84,402)</u></b>	<b><u>252,816</u></b>
 <b>Cash at Beginning of Year</b>	<b><u>529,140</u></b>	<b><u>276,324</u></b>
 <b>Cash at End of Year</b>	<b><u>\$ 444,738</u></b>	<b><u>\$ 529,140</u></b>
 <b>Supplemental Disclosure of Cash Flow Information</b>		
Interest Paid	\$ -	\$ -
Taxes Paid	\$ -	\$ -

The Accompanying Notes are an  
Integral Part of the Financial Statements

**DEVELOPMENT WORKSHOP FOUNDATION, INC.**  
**Notes to Financial Statements**  
**Years Ended June 30, 2025 and 2024**

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**1. Summary of Significant Accounting Policies**

**Nature of Activities**

Development Workshop Foundation, Inc. (the “Foundation”) was established in October 1997 to provide financial support to Development Workshop, Inc. (DWI). DWI assists individuals who have a disability or who are disadvantaged in recognizing and achieving their desired level of economic and social independence.

The Foundation’s mission is to make funding available to DWI and to be recognized as a leading foundation within Idaho in promoting opportunities for individuals with disabilities and disadvantages.

The revenues of the Foundation are derived primarily from the following sources:

1. Fundraising events including the annual Festival of Trees.
2. Contributions by corporations, trusts and individuals.
3. Earnings on investments.
4. Related entity lease income.

Donated services are not recorded on the books unless the services are to be capitalized, in which case the services are recorded at fair market value.

**Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

**Net Assets**

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

*Net Assets Without Donor Restrictions*

Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the broad limits resulting from the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

*Net Assets With Donor Restrictions*

Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor’s instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the organization must continue to use the resources in accordance with the donor’s instructions.

**DEVELOPMENT WORKSHOP FOUNDATION, INC.**  
**Notes to Financial Statements**  
**Years Ended June 30, 2025 and 2024**

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**1. Summary of Significant Accounting Policies (continued)**

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

**Property and Equipment**

The Foundation capitalizes property and equipment over \$1,000. Property and equipment are recorded in the books at cost. All depreciable assets are being depreciated using the straight-line method, over their estimated useful lives that range from 3 to 7 years.

**Contributions**

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

**Investments**

Investments in marketable securities with readily determinable fair values are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Short-term investments consist of equity and debt securities with original maturities of twelve months or less. Long-term investments consist of equity and debt securities with original maturities greater than twelve months.

**Expense Classifications and Allocation**

Program expenses include the costs of managing the assets of the Foundation and making disbursements of the income to DWI.

General and administrative expenses include the costs of operations of the Foundation which do not relate specifically to program expenses, but benefit all functions indirectly.

Fundraising support expenses include the costs of planning and organizing events to raise the money needed to fulfill the mission statement, and fund the endowment.

Expenses are allocated to the various functional categories based on the purpose achieved by each expenditure. Expenses whose time may benefit more than one activity are allocated based on an estimate of percentage of time devoted to each function.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Foundation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**DEVELOPMENT WORKSHOP FOUNDATION, INC.**  
**Notes to Financial Statements**  
**Years Ended June 30, 2025 and 2024**

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**1. Summary of Significant Accounting Policies (continued)**

**Tax Exempt Status**

The Foundation operates as a tax-exempt organization under authority of the Internal Revenue Code. The Foundation is therefore, exempt from federal and state income taxes. The Foundation qualified under IRC Section 501(c)(3). Accordingly, there is no accounting for income taxes in the accompanying financial statements.

The Foundation files form 990 in the U.S. federal jurisdiction. The Foundation has evaluated its tax position for all open tax years. The Foundation's information return is open to examination by the Internal Revenue Service, generally, for three years after it was filed or the due date of the return, whichever is later.

**Statement of Functional Expenses**

The costs of providing various program and supporting services have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Estimates**

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

**Subsequent Events**

The Company has evaluated events through November 24, 2025, the date the financial statements were available to be issued. No subsequent events were identified which required disclosure.

**2. Cash and Cash Equivalents**

The Foundation maintains various interest bearing cash accounts. The cash carrying balance at June 30, 2025 and 2024 was \$444,738 and \$529,140, respectively, and the bank balance was \$446,800 and \$529,140, respectively. At times, the total cash and cash equivalents held by these financial institutions exceed FDIC insurance coverage. At June 30, 2025 and 2024, the Foundation had \$196,800 and \$279,140, respectively, uninsured and uncollateralized.

**DEVELOPMENT WORKSHOP FOUNDATION, INC.**  
**Notes to Financial Statements**  
**Years Ended June 30, 2025 and 2024**

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**3. Related Party Transactions**

The Foundation receives administrative services from DWI, a related entity, on a reimbursement basis. Charges for services and reimbursed expenses amounted to \$33,865 and \$49,620 for the years ended June 30, 2025 and 2024, respectively.

As of June 30, 2025 and 2024 the Foundation had a net payable outstanding with DWI of \$3,216 and \$5,004, respectively.

During the years ended June 30, 2025 and 2024, program contributions of \$262,171 and \$66,369, respectively, were awarded by the Foundation to DWI.

The Foundation leases vehicles to DWI under finance leases. For the years ended June 30, 2025 and 2024, the Foundation received lease payments of \$32,957 and \$54,206, respectively, from DWI.

**4. Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor restrictions limiting their use, within one year of June 30, are:

	<b>2025</b>	<b>2024</b>
Financial assets:		
Cash and cash equivalents	\$ 444,738	\$ 529,140
Investments	1,888,020	991,295
Lease receivable - current	<u>28,407</u>	<u>47,002</u>
Total financial assets	<u>2,361,165</u>	<u>1,567,437</u>
Donor restricted assets	(438,912)	(1,007,929)
Board designated projects	<u>-</u>	<u>(125,318)</u>
Amount available for general expenditures within one year	<u>\$ 1,922,253</u>	<u>\$ 434,190</u>

**DEVELOPMENT WORKSHOP FOUNDATION, INC.**  
**Notes to Financial Statements**  
**Years Ended June 30, 2025 and 2024**

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**5. Fair Value Measurement**

FASB ASC 820 specifies a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (observable inputs). The following summarizes the fair value hierarchy:

Level 1 Inputs – Unadjusted quoted market prices for identical assets and liabilities in an active market.

Level 2 Inputs – Inputs other than the quoted process in active markets that are observable either directly or indirectly.

Level 3 Inputs – Inputs based on prices or valuation techniques that are both unobservable and significant to the overall fair value measurements.

FASB ASC 820 requires the use of observable market data, when available, in making fair value measurements. When inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurements. Valuation techniques used need to maximize the use of observable inputs.

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at June 30, 2025 are as follows:

	<b>Fair Value Measurements at Reporting Date Using</b>				
	<b>Fair Value</b>	<b>Quoted Prices in Active Market</b>	<b>Significant Other Observable Inputs</b>	<b>Significant Unobservable Inputs</b>	
		<b>(Level 1)</b>	<b>(Level 2)</b>	<b>(Level 3)</b>	
Long-Term Investments					
U.S. Treasury bonds & notes	\$ 362,500	\$ 362,500	\$ -	\$ -	
Corporate bonds & notes	446,946	446,946	-	-	
U.S. Government Agency	19,657	19,657	-	-	
Municipal bonds & notes	407,994	407,994	-	-	
Equities	650,923	650,923	-	-	
Total Long-Term Investments	<u>\$ 1,888,020</u>	<u>\$ 1,888,020</u>	<u>\$ -</u>	<u>\$ -</u>	

**DEVELOPMENT WORKSHOP FOUNDATION, INC.**  
**Notes to Financial Statements**  
**Years Ended June 30, 2025 and 2024**

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**5. Fair Value Measurement (continued)**

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at June 30, 2024 are as follows:

	<b>Fair Value Measurements at Reporting Date Using</b>			
	<b>Quoted Prices in Active Market (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>	
	<b>Fair Value</b>			
Long-Term Investments				
Corporate bonds	\$ 762,058	\$ 762,058	\$ -	\$ -
Fixed income mutual funds	209,915	209,915	-	-
U.S. Government Agency	19,322	19,322	-	-
<b>Total Long-Term Investments</b>	<b>\$ 991,295</b>	<b>\$ 991,295</b>	<b>\$ -</b>	<b>\$ -</b>

Short-term investments and long-term investments are reported at fair value on a recurring basis determined by reference to quoted market prices and other relevant information generated by market transactions.

The Foundation recognizes the transfer of assets into and out of the levels as of the date an event or change in circumstances causes the transfer. There are no transfers between levels in the years ended June 30, 2025 and 2024.

Unrealized and realized gain/(loss) on investments on the statement of activities is reported net of administrative fees of \$53,887 and \$41,099, respectively, for the years ended June 30, 2025 and 2024.

**DEVELOPMENT WORKSHOP FOUNDATION, INC.****Notes to Financial Statements****Years Ended June 30, 2025 and 2024**

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**6. Finance Leases**

In the years ended June 30, 2025 and 2024, the Foundation entered into agreements with DWI, a related entity, to lease vehicles to DWI under direct financing leases. The lease agreements contain a bargain purchase option at the end of the lease term. The financing leases have lease terms of 5 years from commencement. The following is a schedule by years of future minimum payments required under the leases and the components of the Foundation's investment in direct financing leases at June 30, 2025:

2026	.....	\$ 28,407
2027	.....	15,006
2028	.....	<u>456</u>
	Total minimum lease payments receivable	43,869
	Less: unearned revenue	<u>(1,423)</u>
	Net investment in direct financing leases	<u>\$ 42,446</u>

Unearned revenue is amortized into lease interest income by the interest method using a constant periodic rate over the lease term. Interest income recognized on financing leases for the years ended June 30, 2025 and 2024 was \$2,706 and \$4,528, respectively.

**7. Net Assets with Donor Restrictions**

Net assets with donor restrictions consists of contributions restricted by donors for specific purposes. The Foundation received donations from the Mary Beck Estate that are required to be used specifically for improvements at the DWI Rexburg location. In addition, the Foundation received funds designated for COVID-19 relief, which are restricted to the purchase of personal protective equipment (PPE). These amounts will be released from restriction as expenditures are made in accordance with donor stipulations.