

MAKE-A-WISH FOUNDATION® OF GEORGIA
FINANCIAL STATEMENTS
YEARS ENDED AUGUST 31, 2024 AND 2023



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**MAKE-A-WISH FOUNDATION® OF GEORGIA
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YEARS ENDED AUGUST 31, 2024 AND 2023**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Make-A-Wish Foundation® of Georgia
Atlanta, Georgia

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Make-A-Wish Foundation® of Georgia (a nonprofit organization) (the Foundation), which comprise the statements of financial position as of August 31, 2024 and 2023, 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 Make-A-Wish Foundation® of Georgia as of August 31, 2024 and 2023, 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 (GAAS). 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 Make-A-Wish Foundation® of Georgia 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 Make-A-Wish Foundation® of Georgia's ability to continue as a going concern for one year after the date 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 GAAS 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 GAAS, 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 Make-A-Wish Foundation® of Georgia'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 Make-A-Wish Foundation® of Georgia'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.



CliftonLarsonAllen LLP

Lakeland, Florida
January 28, 2025

MAKE-A-WISH FOUNDATION® OF GEORGIA
STATEMENTS OF FINANCIAL POSITION
AUGUST 31, 2024 AND 2023

	2024	2023
ASSETS		
Cash and Cash Equivalents	\$ 1,536,887	\$ 1,863,987
Due from Related Entities	260,608	193,796
Prepaid Expenses	233,914	247,161
Contributions Receivable, Net	1,196,426	1,355,906
Other Assets	124,808	91,762
Right-of-Use Assets - Operating	261,714	384,965
Right-of-Use Assets - Finance	21,934	27,916
Property and Equipment, Net	47,304	23,330
Total Assets	\$ 3,683,595	\$ 4,188,823
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 344,496	\$ 303,108
Due to Related Entities	174,333	210,604
Other Liabilities	66,760	78,184
Lease Liability - Operating	320,346	466,074
Lease Liability - Financing	22,458	28,081
Total Liabilities	928,393	1,086,051
NET ASSETS		
Without Donor Restrictions	1,548,644	2,266,224
With Donor Restrictions	1,206,558	836,548
Total Net Assets	2,755,202	3,102,772
Total Liabilities and Net Assets	\$ 3,683,595	\$ 4,188,823

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF GEORGIA
STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT			
Public Support:			
Contributions, Cash	\$ 3,991,648	\$ 416,459	\$ 4,408,107
Contributions, Donated Goods and Services	2,147,200	476,723	2,623,923
Grants	173,863	8,337	182,200
Total Public Support	6,312,711	901,519	7,214,230
Internal Special Events, Cash	2,620,612	105,040	2,725,652
Internal Special Events, Donated Goods and Services	215,096	-	215,096
Less: Costs of Direct Benefits to Donors	(515,816)	-	(515,816)
Total Internal Special Events	2,319,892	105,040	2,424,932
Investment Income, Net	114,783	-	114,783
Other Income	15,300	-	15,300
Net Assets Released from Restrictions	636,549	(636,549)	-
Total Revenues, Gains, and Other Support	9,399,235	370,010	9,769,245
EXPENSES			
Program Services:			
Wish Granting	7,244,702	-	7,244,702
Total Program Services	7,244,702	-	7,244,702
Support Services:			
Fundraising	1,419,494	-	1,419,494
Management and General	1,452,619	-	1,452,619
Total Support Services	2,872,113	-	2,872,113
Total Expenses	10,116,815	-	10,116,815
CHANGE IN NET ASSETS	(717,580)	370,010	(347,570)
Net Assets - Beginning of Year	2,266,224	836,548	3,102,772
NET ASSETS - END OF YEAR	\$ 1,548,644	\$ 1,206,558	\$ 2,755,202

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF GEORGIA
STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT			
Public Support:			
Contributions, Cash	\$ 3,823,399	\$ 391,939	\$ 4,215,338
Contributions, Donated Goods and Services	2,470,073	438,452	2,908,525
Grants	187,085	-	187,085
Total Public Support	6,480,557	830,391	7,310,948
Internal Special Events, Cash	2,525,483	-	2,525,483
Internal Special Events, Donated Goods and Services	127,230	-	127,230
Less: Costs of Direct Benefits to Donors	(375,245)	-	(375,245)
Total Internal Special Events	2,277,468	-	2,277,468
Investment Income, Net	62,751	-	62,751
Other Income	8,550	-	8,550
Net Assets Released from Restrictions	597,466	(597,466)	-
Total Revenues, Gains, and Other Support	9,426,792	232,925	9,659,717
EXPENSES			
Program Services:			
Wish Granting	7,699,324	-	7,699,324
Total Program Services	7,699,324	-	7,699,324
Support Services:			
Fundraising	1,197,240	-	1,197,240
Management and General	1,328,918	-	1,328,918
Total Support Services	2,526,158	-	2,526,158
Total Expenses	10,225,482	-	10,225,482
CHANGE IN NET ASSETS	(798,690)	232,925	(565,765)
Net Assets - Beginning of Year	3,064,914	603,623	3,668,537
NET ASSETS - END OF YEAR	\$ 2,266,224	\$ 836,548	\$ 3,102,772

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF GEORGIA
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2024

	Program Services	Support Services			Direct Donor Benefits	Total
	Wish Granting	Fundraising	Management and General	Total Support Services		
Direct Costs of Wishes	\$ 5,584,641	\$ -	\$ -	\$ -	\$ -	\$ 5,584,641
Salaries, Taxes, and Benefits	998,919	987,647	1,070,973	2,058,620	-	3,057,539
Printing, Subscriptions, and Publications	2,170	46,641	3,645	50,286	-	52,456
Professional Fees	6,351	13,561	134,938	148,499	-	154,850
Rent and Utilities	66,804	46,767	49,386	96,153	-	162,957
Postage and Delivery	20,154	3,865	3,164	7,029	-	27,183
Travel	22	10,383	2,737	13,120	-	13,142
Meetings and Conferences	-	66,262	17,463	83,725	-	83,725
Office Supplies	84,960	4,087	3,382	7,469	-	92,429
Communications	28,967	12,349	8,434	20,783	-	49,750
Advertising and Media (Cash)	207	12,597	153	12,750	-	12,957
Repairs and Maintenance	2,137	1,496	1,926	3,422	-	5,559
Insurance	-	1,000	-	1,000	-	1,000
Membership Dues	25	29,263	653	29,916	-	29,941
National Partnership Dues	426,937	97,586	85,387	182,973	-	609,910
Miscellaneous	14,911	80,742	64,838	145,580	-	160,491
Depreciation and Amortization	7,497	5,248	5,540	10,788	-	18,285
Special Event - Direct Donor Benefits	-	-	-	-	515,816	515,816
Total Expenses by Function	<u>7,244,702</u>	<u>1,419,494</u>	<u>1,452,619</u>	<u>2,872,113</u>	<u>515,816</u>	<u>10,632,631</u>
Less: Expenses Netted Against Revenues on the Statement of Activities:						
Special Event Expenses	-	-	-	-	(515,816)	(515,816)
Total Expenses Included in the Expense Section of the Statement of Activities	<u>\$ 7,244,702</u>	<u>\$ 1,419,494</u>	<u>\$ 1,452,619</u>	<u>\$ 2,872,113</u>	<u>\$ -</u>	<u>\$ 10,116,815</u>

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF GEORGIA
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2023

	Program Services	Support Services			Direct Donor Benefits	Total
	Wish Granting	Fundraising	Management and General	Total Support Services		
Direct Costs of Wishes	\$ 6,192,516	\$ -	\$ -	\$ -	\$ -	\$ 6,192,516
Salaries, Taxes, and Benefits	955,886	844,426	1,000,868	1,845,294	-	2,801,180
Printing, Subscriptions, and Publications	2,441	37,598	3,377	40,975	-	43,416
Professional Fees	785	12,895	120,203	133,098	-	133,883
Rent and Utilities	63,098	44,826	47,314	92,140	-	155,238
Postage and Delivery	15,796	4,273	2,743	7,016	-	22,812
Travel	778	11,672	17,674	29,346	-	30,124
Meetings and Conferences	244	32,490	21,490	53,980	-	54,224
Office Supplies	18,060	11,004	3,014	14,018	-	32,078
Communications	14,839	13,312	8,613	21,925	-	36,764
Repairs and Maintenance	3,665	2,894	1,221	4,115	-	7,780
Membership Dues	340	25,795	1,928	27,723	-	28,063
National Partnership Dues	390,194	70,452	81,291	151,743	-	541,937
Miscellaneous	35,612	81,672	15,039	96,711	-	132,323
Depreciation and Amortization	5,070	3,931	4,143	8,074	-	13,144
Special Event - Direct Donor Benefits	-	-	-	-	375,245	375,245
Total Expenses by Function	<u>7,699,324</u>	<u>1,197,240</u>	<u>1,328,918</u>	<u>2,526,158</u>	<u>375,245</u>	<u>10,600,727</u>
Less: Expenses Netted Against Revenues on the Statement of Activities:						
Special Event Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(375,245)</u>	<u>(375,245)</u>
Total Expenses Included in the Expense Section of the Statement of Activities	<u>\$ 7,699,324</u>	<u>\$ 1,197,240</u>	<u>\$ 1,328,918</u>	<u>\$ 2,526,158</u>	<u>\$ -</u>	<u>\$ 10,225,482</u>

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF GEORGIA
STATEMENTS OF CASH FLOWS
YEARS ENDED AUGUST 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (347,570)	\$ (565,765)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	12,303	11,150
Amortization of Right-of-Use Asset, Finance Lease	5,982	1,994
(Gain) Loss on Sale of Property and Equipment	306	293
Contributed Inventory	(215,096)	(70,285)
Change in Discount to Present Value of Contributions Receivable	(23,541)	(8,061)
Change in Operating Right-of-Use Assets and Lease Liabilities	(22,477)	81,109
(Increase) Decrease in Assets:		
Contributions Receivable	183,021	(549,773)
Due from Related Entities	(66,812)	5,118
Prepaid Expenses	13,247	65,803
Other Assets	182,050	169,831
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	41,388	(106,063)
Due to Related Entities	(36,271)	(34,496)
Other Liabilities	(11,424)	44,660
Deferred Rent	-	(99,212)
Net Cash Used by Operating Activities	(284,894)	(1,053,697)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(36,583)	(11,269)
Net Cash Used by Investing Activities	(36,583)	(11,269)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Payments on Finance Lease Obligations	(5,623)	(1,829)
Net Cash Used by Financing Activities	(5,623)	(1,829)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(327,100)	(1,066,795)
Cash and Cash Equivalents - Beginning of Year	1,863,987	2,930,782
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 1,536,887	\$ 1,863,987
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Contributed Inventory	\$ 215,096	\$ 70,285

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF GEORGIA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 1 ORGANIZATION

Make-A-Wish Foundation® of Georgia (the Foundation) is a Georgia nonprofit corporation, organized for the purpose of creating life changing wishes for children with critical illnesses. The Foundation is an independently operating chapter of Make-A-Wish Foundation® of America (National Organization), which develops and implements national programs in public relations and fundraising for the benefit of all local chapters. To be a Make-A-Wish chapter, the local chapter is obligated to comply with a chapter agreement with the National Organization and such guidelines, resolutions, and policies as may be adopted by the National Organization's board of directors.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Foundation are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) applicable to nonprofit entities.

Cash and Cash Equivalents

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

Contributions Receivable

Contributions receivable are unconditional promises to give. Such promises that are expected to be collected within one year are recorded at expected net realizable value when the promise is received. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. Contributions receivable are discounted using fair value rates and contributions are written off when deemed uncollectible.

Leases

The Foundation determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases are included in right-of-use (ROU) assets – financing and lease liability – financing in the statements of financial position.

ROU assets represent the Foundation's right to use an underlying asset for the lease term and lease liabilities represent the Foundation's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Foundation will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease terms. The Foundation has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the statements of financial position.

MAKE-A-WISH FOUNDATION® OF GEORGIA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Foundation has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities.

The Foundation has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component.

Property and Equipment, Net

Property and equipment having a unit cost greater than \$500 and a useful life of more than one year are capitalized at cost when purchased. Donated assets are capitalized at the estimated fair value at the date of receipt and restrictions are released once the asset has been placed into service. Depreciation on property and equipment is provided on a straight-line basis over the estimated useful lives of the assets, generally three to eight years. Leasehold improvements are amortized over the shorter of the estimated useful life of the asset or the remaining terms of the leases. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are expensed as incurred.

Long-lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances indicate a long-lived asset may be impaired, the asset value will be reduced to fair value. Fair value is determined through various valuation techniques including quoted market values and third-party independent appraisals, as considered necessary.

Net Assets

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 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. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restriction when the assets are placed in service. 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.

MAKE-A-WISH FOUNDATION® OF GEORGIA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets (Continued)

Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as Net Assets Released from Restrictions.

Revenue Recognition

Revenue is recognized on the accrual basis and generally consists of contributions, special event revenue, in-kinds, and other income.

An internal special event is a fundraising event coordinated and staffed by Foundation personnel rather than a third-party support group or organization. It is designed to attract people for the purpose of raising mission awareness, for increasing funding from existing donors, and the cultivation of future donors.

Special event revenue consists of registrations, sponsorships, and other contributions. The exchange element of the special event revenue was approximately \$516,000 and \$375,000 for the years ended August 31, 2024 and 2023, respectively. The portion that is considered to be exchange revenue is recognized as revenue when the performance obligations are met which is the occurrence of the event.

The Foundation receives auction items to be sold at its special events. Contributed auction items are valued at the gross selling price received and the value is included in internal special event revenue on the statement of activities. The amount of auction items received and sold during the years ended August 31, 2024 and 2023 totaled \$279,795 and \$297,350, respectively.

Unconditional promises to give are recognized initially at fair value as contributions revenue in the period such promises are made by donors. Fair value is estimated giving consideration to anticipated future cash receipts (after allowance is made for uncollectible contributions) and discounting such amounts at a risk-adjusted rate commensurate with the duration of the donor's payment plan. Amortization of the discounts is recorded as additional contributions revenue.

Conditional promises to give are not recognized as contribution revenue and receivables until the conditions have been substantially met.

Contributions of assets other than cash are recorded at their estimated fair value. Contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

MAKE-A-WISH FOUNDATION® OF GEORGIA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions: Donated Goods and Services

The Foundation received in-kind contributions of assets, services, and materials that are reported in the statements of activities as follows:

	<u>2024</u>	<u>2023</u>
Wish Related Travel, Goods, and Services	\$ 2,605,498	\$ 2,899,276
Special Events	215,096	127,588
Property and Equipment	2,947	-
Other	<u>15,478</u>	<u>8,891</u>
Total Contributed Nonfinancial Assets and Services	<u>\$ 2,839,019</u>	<u>\$ 3,035,755</u>

Wish related travel, goods and other services are used in the wish granting program. The Foundation estimates the fair value of wish related travel, goods, and services on the basis of estimates of the current market rates for similar travel, goods and other services in the Foundation's market.

Professional services relate to donated legal services used for support services, and are valued and reported at the estimated fair value based on current rates for similar services.

Special event donated items are donated items recorded at fair value that are used in facilitating the event. Examples of such donated items are generally food, beverage, facility costs, and auction items. The Foundation estimates the fair value of these donated items based on the current market rates for similar items in the Foundation's market.

Property and equipment items donated consist of furniture and were valued using fair market value at the time they were donated as they were provided by the donor.

In-kind contributions related to wish granting are restricted to be used in granting wishes. In-kind contributions related to special events are restricted for use at those events. No other in-kind contributions were received with donor restrictions.

Income Taxes

The Foundation is a nonprofit organization exempt from federal income and state of Georgia taxes under the provisions of Internal Revenue Code (IRC) Section 501(c)(3) and the Georgia Revenue and Taxation code. However, the Foundation remains subject to income taxes on any net income that is derived from a trade or business, regularly carried on and not in furtherance of the purpose for which it was granted exemption. No income tax provision has been recorded as the net income, if any, from any unrelated trade or business, in the opinion of management, is not material to the financial statements taken as a whole.

Management believes that no uncertain tax positions exist for the Foundation at August 31, 2024 and 2023. The Foundation files income tax returns in the U.S. federal jurisdiction, and state jurisdictions.

MAKE-A-WISH FOUNDATION® OF GEORGIA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Expenses

The Foundation performs three functions: wish granting, fundraising, and management and general. Definitions of these functions are as follows:

Wish Granting

Activities performed by the Foundation in granting wishes to children with critical illnesses.

Fundraising

Activities performed by the Foundation to generate funds and/or resources to support its programs and operations.

Management and General

All costs not identifiable with a single program or fundraising activity, but indispensable to the conduct of such programs and activities and to the Foundation's existence, are included as management and general expenses. This includes expenses for the overall direction of the Foundation, business management, general recordkeeping, budgeting, financial reporting, and activities relating to these functions such as salaries, rent, supplies, equipment, and other expenses.

Expenses that benefit more than one function of the Foundation are allocated among the functions based generally on the amount of time spent by employees on each function.

Management Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make a number of estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

Adoption of Accounting Pronouncement

The Foundation has adopted ASU 2016-13, *Financial Instruments –Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses. The Foundation adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Foundation's financial statements but did change how the allowance for credit losses is determined.

MAKE-A-WISH FOUNDATION® OF GEORGIA
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2024 AND 2023

NOTE 3 LIQUIDITY AND AVAILABILITY

The Foundation monitors liquidity regularly through the monthly financial package provided to the board and through the enterprise-wide Benchmarks of Excellence. Holding 6 months to 24 months of liquidity is considered excellent based off the enterprise-wide published scale.

	<u>2024</u>	<u>2023</u>
Total Financial Assets	\$ 2,993,921	\$ 3,413,689
Donor-Imposed Restrictions:		
Restricted Funds	<u>(1,206,558)</u>	<u>(836,548)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 1,787,363</u>	<u>\$ 2,577,141</u>

Financial assets include cash and cash equivalents, investments, due from related entities, contributions receivable, and investments held for long-term purposes. For purposes of analyzing resources available to meet general expenditures over one year, the Foundation considers all expenditures related to its ongoing program activities, as well as the functions in support of those activities, to be general expenditures.

NOTE 4 CONTRIBUTIONS RECEIVABLE

Contributions receivable include pledges that have been discounted at a rate of 4.2% at August 31, 2024 and 2023. The following is a summary of the Foundation's contributions receivable at August 31:

	<u>2024</u>	<u>2023</u>
Total Amounts Due in:		
Within One Year	\$ 919,967	\$ 1,163,967
One to Five Years	<u>300,000</u>	<u>200,000</u>
Gross Contributions Receivable	1,219,967	1,363,967
Less Discount to Present Value	<u>(23,541)</u>	<u>(8,061)</u>
Contributions Receivable, Net	<u>\$ 1,196,426</u>	<u>\$ 1,355,906</u>

NOTE 5 TRANSACTIONS WITH RELATED ENTITIES

The Foundation received the following distributions from the National Organization for the years ended August 31:

	<u>2024</u>	<u>2023</u>
Corporate, Online, Whitemail, and General Contributions	\$ 968,557	\$ 776,027
Direct Mail	<u>113,502</u>	<u>117,950</u>
Total Distributions Received	<u>\$ 1,082,059</u>	<u>\$ 893,977</u>

These amounts are recorded in the statements of activities as public support revenue.

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NOTE 5 TRANSACTIONS WITH RELATED ENTITIES (CONTINUED)

As part of the National Organization’s Wish Fulfillment Fund, chapters may apply for funds that have been donated by other chapters to underwrite the cost of wishes. Under this program, the Foundation received \$6,000 and \$21,034 during the years ended August 31, 2024 and 2023, respectively.

The Foundation paid to the National Organization the following amounts for the years ended August 31:

	2024	2023
Chapter Dues	\$ 609,910	\$ 541,937
Services and Other	202,171	160,978
Total Amounts Paid	<u>\$ 812,081</u>	<u>\$ 702,915</u>

Chapters who assist with the organization and granting of wishes from other chapters are paid a “fee for service” called the wish asset fee. Under this program, the originating chapter agrees to pay a fee to the chapter of the wish destination to assist with any planning, booking, and facilitating of the wish for the home chapter. Under this program, the Foundation received \$15,300 and \$8,550, respectively, during the years ended August 31, 2024 and 2023, which is recorded in the accompanying statements of activities as Other Income.

Amounts due from and to related entities are as follows at August 31:

	2024	2023
Due from National Organization	\$ 238,610	\$ 162,622
Due from Other Chapters	21,998	31,174
Total Due from Related Entities	<u>\$ 260,608</u>	<u>\$ 193,796</u>
Due to National Organization	\$ 28,335	\$ 5,655
Due to Other Chapters	145,998	204,949
Total Due to Related Entities	<u>\$ 174,333</u>	<u>\$ 210,604</u>

Amounts due from the National Organization represent contributions remitted to the National Organization that are identified for the Foundation’s use but were not yet transferred to the Foundation as of year-end. Amounts due from other chapters represent amounts paid in assisting other chapters with their wish granting. Amounts due to other chapters represent amounts owed to other chapters who have assisted in the granting of wishes for the Foundation. Amounts due to the National Organization generally represent unpaid chapter dues and services.

During the years ended August 31, 2024 and 2023 the Foundation received contributions, both cash and in-kind, from board members totaling \$1,011,010 and \$1,153,185, respectively. Amounts paid to related parties for goods and services used in the Foundation’s operations totaled \$549,523 and \$630,691 for the years ended August 31, 2024 and 2023, respectively.

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NOTE 6 PROPERTY AND EQUIPMENT, NET

Property and equipment consist of the following as of August 31:

	2024	2023
Computer Equipment and Software	\$ 110,980	\$ 85,450
Other Equipment	48,849	48,849
Leasehold Improvements	294,694	294,694
Total	454,523	428,993
Less: Accumulated Depreciation and Amortization	(407,219)	(405,663)
Property and Equipment, Net	\$ 47,304	\$ 23,330

Depreciation expense totaled \$12,303 and \$11,150 for the years ended August 31, 2024 and 2023.

NOTE 7 LEASES

The Foundation leases equipment as well as certain operating and office facilities for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2028.

The following tables provides quantitative information concerning the Foundation's leases:

	2024	2023
Lease Cost:		
Finance Lease Cost:		
Amortization of Right-of-Use Assets	\$ 5,982	\$ 1,994
Interest on Lease Liabilities	909	348
Operating Lease Cost	136,010	136,010
Total Lease Cost	\$ 142,901	\$ 138,352

Other Information:

Cash Paid for Amounts Included in the Measurement of Lease Liabilities

Operating Cash Flows from Financing Leases	\$ 909	\$ 348
Operating Cash Flows from Operating Leases	158,487	154,113
Financing Cash Flows from Financing Leases	5,623	1,829
Right-of-Use Assets Obtained in Exchange for New Financing Lease Liabilities	-	29,910
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities	-	503,557
Weighted-Average Remaining Leases Term - Financing Leases	3.6 years	4.6 years
Weighted Average Remaining Lease Term - Operating Leases	2.0 years	3.0 years
Weighted-Average Discount Rate - Financing Leases	3.64%	3.64%
Weighted-Average Discount Rate - Operating Leases	3.30%	3.30%

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NOTE 7 LEASES (CONTINUED)

A maturity analysis of annual undiscounted cash flows for lease liabilities as of August 31, 2024, is as follows:

<u>Year Ending August 31</u>	<u>Operating Leases</u>	<u>Finance Leases</u>
2025	\$ 163,017	\$ 6,532
2026	167,635	6,532
2027	-	6,532
2028	-	4,354
Total Lease Payments	<u>330,652</u>	<u>23,951</u>
Less: Imputed Interest	<u>(10,306)</u>	<u>(1,493)</u>
Present Value of Lease Liabilities	<u><u>\$ 320,346</u></u>	<u><u>\$ 22,458</u></u>

NOTE 8 NET ASSETS

Net assets with donor restrictions are available for the following purposes or periods as of August 31:

	<u>2024</u>	<u>2023</u>
Subject to Expenditure for Specified Purpose:		
Wish Granting	\$ 485,059	\$ 444,611
Subject to Passage of Time:		
Promises to Give that are Not Restricted by Donors, but Which are Unavailable for Expenditure Until Due	<u>721,499</u>	<u>391,937</u>
Total Donor-Restricted Net Assets	<u><u>\$ 1,206,558</u></u>	<u><u>\$ 836,548</u></u>

NOTE 9 RETIREMENT PLAN

The Foundation has a defined contribution retirement plan (the Plan). Employees are eligible for participation in the Plan after reaching 21 years of age and upon completion of one year of service. Under the provisions of the Plan, eligible employees may elect to defer a percentage of their salary subject to certain Internal Revenue Code limitations. The Foundation matches employee contributions up to 3% of the employee's salary. Foundation contributions to the Plan for the years ended August 31, 2024 and 2023, were \$59,024 and \$55,663, respectively.

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NOTE 10 CONCENTRATIONS

Financial instruments that potentially subject the Foundation to concentration of credit risk consist principally of cash, cash equivalents, and investments. The Foundation places its cash and investments with high credit quality financial institutions and generally limits the amount of credit exposure not to exceed the FDIC insurance coverage limit of \$250,000. From time to time throughout the year, the Foundation's cash balances may exceed the amount of the FDIC insurance coverage.

Contributions totaling \$2,520,979 and \$1,244,851 were received from two donors and from a single donor, respectively, for the years ended August 31, 2024 and 2023, which represents 30% and 12% of raised revenue which consists of total public support and gross internal special event revenue. Should these contribution levels decrease, the Foundation may be adversely affected.

NOTE 11 LITIGATION AND CLAIMS

The Foundation is periodically involved in litigation and claims arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Foundation's financial position, change in net assets, or liquidity.

NOTE 12 COMMITMENTS

The goal of the Foundation is to grant the wish of every eligible child. During the years ending August 31, 2024 and 2023, the Foundation granted 503 and 477 wishes, respectively. As of August 31, 2024 and 2023, respectively, there were approximately 763 and 834 wish children who are eligible for a wish. The average cost of a wish for the year ended August 31, 2024, was \$6,143 in cash and \$4,959 in in-kind for a total cost of \$11,102. The average cost of a wish for the year ended August 31, 2023, was \$6,460 in cash and \$6,239 in in-kind for a total cost of \$12,699.

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NOTE 13 RISKS AND UNCERTAINTIES

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) began. On March 10, 2020, in conjunction with the Make-A-Wish America National Medical Advisory Council (NMAC), Make-A-Wish America issued instructions to pause travel and large gathering wishes until deemed medically safe for our vulnerable population and their families. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic.

As of September 15, 2021, in consultation with the NMAC, the pause on domestic travel to large gatherings was lifted, if travel occurred by automobile. The pause on airline travel was lifted December 1, 2021 with a graduated approach with full domestic travel resuming June of 2022. Cruise wish travel resumed in June 2024 and international wish travel resumed effective September 1, 2024. Prior to fiscal year 2020, travel wishes have been approximately 81% of wishes granted and the number of granted wishes averaged approximately 372. The number of wishes granted during the years ended August 31, 2024 and 2023, was 503 and 477, respectively.

NOTE 14 SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events from the statement of financial position date through January 28, 2025, the date at which the financial statements were available to be issued.



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