

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



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**MAKE-A-WISH FOUNDATION® OF SOUTHERN NEVADA
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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 Southern Nevada
Las Vegas, Nevada

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Make-A-Wish Foundation® of Southern Nevada (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 Southern Nevada 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 Southern Nevada 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 Southern Nevada'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 Southern Nevada'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 Southern Nevada'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

Phoenix, Arizona
February 20, 2025

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

	2024	2023
ASSETS		
Cash and Cash Equivalents	\$ 164,667	\$ 346,757
Investments	5,892,182	4,543,387
Due from Related Entities	138,573	103,115
Prepaid Expenses	146,150	109,078
Contributions Receivable, Net	191,711	258,254
In-Kind Rent Receivable, Net of Discount	384,879	537,640
Other Assets	26,132	3,071
Split Interest Agreements	71,243	-
Right-of-Use Assets - Operating	25,882	5,316
Right-of-Use Assets - Financing	-	296
Property and Equipment, Net	41,121	42,249
	\$ 7,082,540	\$ 5,949,163
Total Assets	\$ 7,082,540	\$ 5,949,163
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 482,446	\$ 320,818
Due to Related Entities	40,945	33,629
Deferred Revenue, Internal Events	9,600	9,100
Lease Liability - Operating	25,341	5,316
Lease Liability - Financing	-	713
Total Liabilities	558,332	369,576
NET ASSETS		
Without Donor Restrictions	5,876,375	4,788,693
With Donor Restrictions	647,833	790,894
Total Net Assets	6,524,208	5,579,587
Total Liabilities and Net Assets	\$ 7,082,540	\$ 5,949,163

See accompanying Notes to Financial Statements.

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

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT			
Public Support:			
Contributions, Cash	\$ 2,654,876	\$ 71,243	\$ 2,726,119
Contributions, Donated Goods and Services	923,743	191,711	1,115,454
Grants	473,980	-	473,980
Total Public Support	4,052,599	262,954	4,315,553
Internal Special Events	1,181,284	-	1,181,284
Internal Special Events, Donated Goods and Services	195,981	-	195,981
Less Costs of Direct Benefits to Donors	(288,328)	-	(288,328)
Total Internal Special Events	1,088,937	-	1,088,937
Investment Income, Net	782,320	-	782,320
Other Income	25,650	-	25,650
Net Assets Released from Restrictions	406,015	(406,015)	-
	6,355,521	(143,061)	6,212,460
EXPENSES			
Program Services:			
Wish Granting	3,852,427	-	3,852,427
Support Services:			
Fundraising	621,155	-	621,155
Management and General	792,053	-	792,053
Total Support Services	1,413,208	-	1,413,208
Total Expenses	5,265,635	-	5,265,635
OTHER LOSSES			
Loss on Disposal of Property and Equipment	(2,204)	-	(2,204)
CHANGE IN NET ASSETS	1,087,682	(143,061)	944,621
Net Assets - Beginning of Year	4,788,693	790,894	5,579,587
NET ASSETS - END OF YEAR	\$ 5,876,375	\$ 647,833	\$ 6,524,208

See accompanying Notes to Financial Statements.

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

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT			
Public Support:			
Contributions, Cash	\$ 2,460,914	\$ -	\$ 2,460,914
Contributions, Donated Goods and Services	756,747	253,254	1,010,001
Grants	424,308	-	424,308
Total Public Support	3,641,969	253,254	3,895,223
Internal Special Events, Cash	1,061,131	-	1,061,131
Internal Special Events, Donated Goods and Services	113,512	-	113,512
Less Costs of Direct Benefits to Donors	(204,143)	-	(204,143)
Total Internal Special Events	970,500	-	970,500
Investment Income, Net	339,819	-	339,819
Other Income	12,450	-	12,450
Net Assets Released from Restrictions	364,446	(364,446)	-
	5,329,184	(111,192)	5,217,992
EXPENSES			
Program Services:			
Wish Granting	3,758,467	-	3,758,467
Support Services:			
Fundraising	530,309	-	530,309
Management and General	597,672	-	597,672
Total Support Services	1,127,981	-	1,127,981
Total Expenses	4,886,448	-	4,886,448
CHANGE IN NET ASSETS	442,736	(111,192)	331,544
Net Assets - Beginning of Year	4,345,957	902,086	5,248,043
NET ASSETS - END OF YEAR	\$ 4,788,693	\$ 790,894	\$ 5,579,587

See accompanying Notes to Financial Statements.

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

	Program	Support Services			Direct Donor	Total
	Services			Total		
	Wish	Fundraising	Management	Support	Benefits	
	Granting		and General	Services		
Direct Costs of Wishes	\$ 2,430,952	\$ -	\$ -	\$ -	\$ -	\$ 2,430,952
Salaries, Taxes, and Benefits	943,917	264,959	448,704	713,663	-	1,657,580
Printing, Subscriptions, and Publications	20,395	34,101	7,437	41,538	-	61,933
Professional Fees	15,866	13,134	154,135	167,269	-	183,135
Rent and Utilities	96,890	27,197	48,077	75,274	-	172,164
Postage and Delivery	3,113	1,736	654	2,390	-	5,503
Travel	-	1,108	4,454	5,562	-	5,562
Meetings and Conferences	1,755	10,257	16,825	27,082	-	28,837
Office Supplies	29,690	3,077	4,526	7,603	-	37,293
Communications	6,706	2,010	2,818	4,828	-	11,534
Advertising and Media (Cash)	-	35,361	284	35,645	-	35,645
Advertising and Media (In-Kind)	6,550	119,868	-	119,868	-	126,418
Membership Dues	-	-	681	681	-	681
National Partnership Dues	246,529	56,350	49,305	105,655	-	352,184
Miscellaneous	38,158	48,655	48,512	97,167	-	135,325
Depreciation and Amortization	11,906	3,342	5,641	8,983	-	20,889
Special Event - Direct Donor Benefits	-	-	-	-	288,328	288,328
Total	<u>3,852,427</u>	<u>621,155</u>	<u>792,053</u>	<u>1,413,208</u>	<u>288,328</u>	<u>5,553,963</u>
Less: Expenses Netted Against Revenues on the Statement of Activities:						
Special Event Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(288,328)</u>	<u>(288,328)</u>
 Total Expenses Included in the Expense Section of the Statement of Activities	<u><u>\$ 3,852,427</u></u>	<u><u>\$ 621,155</u></u>	<u><u>\$ 792,053</u></u>	<u><u>\$ 1,413,208</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 5,265,635</u></u>

See accompanying Notes to Financial Statements.

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

	Program	Support Services			Direct Donor	Total
	Services			Total		
	Wish	Fundraising	Management	Support	Benefits	
	Granting		and General	Services		
Direct Costs of Wishes	\$ 2,275,807	\$ -	\$ -	\$ -	\$ -	\$ 2,275,807
Salaries, Taxes, and Benefits	972,670	288,320	308,066	596,386	-	1,569,056
Printing, Subscriptions, and Publications	15,527	34,762	4,911	39,673	-	55,200
Professional Fees	57,497	52,036	118,334	170,370	-	227,867
Rent and Utilities	107,241	22,737	41,724	64,461	-	171,702
Postage and Delivery	3,616	3,374	522	3,896	-	7,512
Travel	8,624	2,477	17,784	20,261	-	28,885
Meetings and Conferences	1,211	5,886	24,373	30,259	-	31,470
Office Supplies	24,760	2,296	3,884	6,180	-	30,940
Communications	6,961	1,630	2,359	3,989	-	10,950
Advertising and Media (Cash)	20,950	19,676	-	19,676	-	40,626
Advertising and Media (In-Kind)	2,500	7,164	-	7,164	-	9,664
Membership Dues	978	211	885	1,096	-	2,074
National Partnership Dues	211,934	48,442	42,387	90,829	-	302,763
Miscellaneous	32,918	38,060	26,706	64,766	-	97,684
Depreciation and Amortization	15,273	3,238	5,737	8,975	-	24,248
Special Event - Direct Donor Benefits	-	-	-	-	204,143	204,143
Total	<u>3,758,467</u>	<u>530,309</u>	<u>597,672</u>	<u>1,127,981</u>	<u>204,143</u>	<u>5,090,591</u>
Less: Expenses Netted Against Revenues on the Statement of Activities:						
Special Event Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(204,143)</u>	<u>(204,143)</u>
 Total Expenses Included in the Expense Section of the Statement of Activities	<u><u>\$ 3,758,467</u></u>	<u><u>\$ 530,309</u></u>	<u><u>\$ 597,672</u></u>	<u><u>\$ 1,127,981</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,886,448</u></u>

See accompanying Notes to Financial Statements.

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

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 944,621	\$ 331,544
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	20,593	20,697
Amortization of Right-of-Use Asset, Finance Lease	296	3,551
Loss on Disposal of Property and Equipment	2,204	-
Net Realized and Unrealized Gains on Investments	(655,735)	(263,993)
Contributed Property and Equipment and Other Assets	(6,654)	4,004
Contribution of Split Interest Agreements	(71,243)	-
Change in In-Kind Rent Receivable	169,901	150,413
Change in Discount of Present Value of Contributions Receivable	(17,140)	9,744
(Increase) Decrease in Assets:		
Contributions Receivable	66,543	(54,894)
Due from Related Entities	(35,458)	(26,980)
Prepaid Expenses	(37,072)	9,954
Other Assets	(23,061)	(3,571)
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	161,628	(138,512)
Due to Related Entities	7,316	(10,504)
Other Liabilities	500	9,100
Net Cash Provided by Operating Activities	526,698	40,553
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(2,386,103)	(818,814)
Proceeds from Sales of Investments	1,693,043	843,136
Purchases of Property and Equipment	(15,015)	(1,299)
Net Cash Provided (Used) by Investing Activities	(708,075)	23,023
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Payments on Finance Lease Obligations	(713)	(4,712)
Net Cash Used by Financing Activities	(713)	(4,712)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(182,090)	58,864
Cash and Cash Equivalents - Beginning of Year	346,757	287,893
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 164,667	\$ 346,757
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash Paid for Interest	\$ 5	\$ 263
Contributed Property and Equipment and Other Assets	\$ 6,654	\$ -
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities	\$ 30,839	\$ 6,487

See accompanying Notes to Financial Statements.

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

NOTE 1 ORGANIZATION

Make-A-Wish Foundation® of Southern Nevada (the Foundation) is a Nevada 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. In addition, 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.

Investments

Investments are recorded at fair value. Investment income, including gains and losses on investments, is recorded as increases or decreases in net assets without donor restrictions unless its use is limited by donor-imposed restrictions or law.

The Foundation's investments are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that those changes in the values of investments will occur in the near term and that such changes could be material to the amounts reported in the statements of financial position.

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.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 3 to 5 years. Leasehold improvements are amortized over the shorter of the estimated useful lives of the assets 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.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements

Fair value measurements of financial assets and financial liabilities and fair value measurements of nonfinancial items are recognized or disclosed at fair value in the financial statements on a recurring basis. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Foundation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Foundation determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

Level 1 – Unadjusted quoted prices in active markets for identical assets (or liabilities) that the reporting entity has the ability to access at the measurement date.

Level 2 – Prices for a similar asset (or liability), other than quoted prices included in Level 1 inputs, that are observable for the asset (or liability), either directly or indirectly. If the asset (or liability) has a specified term, a Level 2 input must be observable for substantially the full term of the asset (or liability).

Level 3 – Unobservable inputs for the asset (or liability) used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset (or liability) at measurement date.

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 SOUTHERN NEVADA
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 \$288,000 and \$204,000 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 \$105,000 and \$114,011, respectively.

Donated advertising and media is reported as contribution revenue and expense when received and the reporting of such contributions is unaffected by whether the Foundation could afford to purchase or would have purchased the assets at their fair value.

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.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

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.

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:

	2024	2023
Wish Related Travel, Goods, and Services	\$ 921,033	\$ 972,753
Professional Services	450	280
Advertising and Media	126,418	9,664
Special Events	195,981	113,512
Property and Equipment	6,654	-
Other	60,899	27,304
Total Contributed Nonfinancial Assets and Services	\$ 1,311,435	\$ 1,123,513

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 training services, and are valued and reported at the estimated fair value based on current rates for similar services.

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.

Donated advertising and media is reported at the estimated fair value as provided by the donor based on rates charged for similar advertising or media. Advertising and media is used for both program and supporting services. Advertising and media is used to help the Foundation communicate its message or mission and includes fund raising materials, informational material, or advertising, and may be in the form of an audio or video tape of a public service announcement, a layout for a newspaper, media time or space for public service announcements, or other purposes.

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 equipments for the Wishing Place's Volunteer Hangar and were valued using and reported at the estimated fair value based on current rates for similar goods.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions: Donated Goods and Services (Continued)

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 Nevada taxes under the provisions of Internal Revenue Code (IRC) Section 501(c)(3) and the Nevada Revised Statutes. 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 applicable state jurisdictions.

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 specific programs or fundraising activities, 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.

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Management Estimates

The preparation of financial statements in conformity with GAAP 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.

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 to 24 months of liquidity is considered excellent based off the enterprise-wide published scale.

	2024	2023
Total Financial Assets	\$ 6,387,133	\$ 5,251,513
Donor-Imposed Restrictions:		
Restricted Funds	<u>(191,711)</u>	<u>(253,254)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 6,195,422</u>	<u>\$ 4,998,259</u>

Financial assets include cash and cash equivalents, investments, due from related entities, and contributions receivable. 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.

MAKE-A-WISH FOUNDATION® OF SOUTHERN NEVADA
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NOTE 4 FAIR VALUE MEASUREMENTS

Fair Value of Financial Instruments

Fair value is defined as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair values of the financial instruments shown in the following tables as of August 31, 2024 and 2023 represent the amounts that would be received to sell those assets or that would be paid to transfer those liabilities in an orderly transaction between market participants at that date. Those fair value measurements maximize the use of observable inputs. However, in situations where there is little, if any, market activity for the asset or liability at the measurement date, the fair value measurement reflects the Foundation's own judgments about the assumptions that market participants would use in pricing the asset or liability. Those judgments are developed by the Foundation based on the best information available in the circumstances, including expected cash flows and appropriately risk-adjusted discount rates, and available observable and unobservable inputs.

Overall Investment Objective

The overall investment objective of the Foundation is to invest its assets in a prudent manner that will achieve a long-term rate of return sufficient to fund a portion of its annual operating activities and increase investment value after inflation. The Foundation diversifies its investments among various asset classes incorporating multiple strategies and managers. Major investment decisions are authorized by the board's audit and finance committee which oversees the Foundation's investment program in accordance with established guidelines.

Fair Value Hierarchy

The following table presents the fair value hierarchy of assets that are measured at fair value on a recurring basis at August 31:

	(Level 1)	(Level 2)	(Level 3)	Assets Not Held at Fair Value	Total
<u>August 31, 2024</u>					
Investments:					
Mutual Funds	\$ 2,062,854	\$ -	\$ -	\$ -	\$ 2,062,854
Equity Securities	2,575,281	-	-	-	2,575,281
Debt Securities	-	393,258	-	-	393,258
Cash	-	-	-	860,789	860,789
Total Investments	4,638,135	393,258	-	860,789	5,892,182
Split Interest Agreements	-	-	71,243	-	71,243
	<u>\$ 4,638,135</u>	<u>\$ 393,258</u>	<u>\$ 71,243</u>	<u>\$ 860,789</u>	<u>\$ 5,963,425</u>

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

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

Fair Value Hierarchy (Continued)

<u>August 31, 2023</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Assets Not Held at Fair Value</u>	<u>Total</u>
Investments:					
Mutual Funds	\$ 1,904,244	\$ -	\$ -	\$ -	\$ 1,904,244
Exchange-Traded Funds	1,458,867	-	-	-	1,458,867
Debt Securities	-	778,340	-	-	778,340
Cash	-	-	-	401,936	401,936
Total Investments	<u>3,363,111</u>	<u>778,340</u>	<u>-</u>	<u>401,936</u>	<u>4,543,387</u>
Split Interest Agreements	-	-	-	-	-
	<u>\$ 3,363,111</u>	<u>\$ 778,340</u>	<u>\$ -</u>	<u>\$ 401,936</u>	<u>\$ 4,543,387</u>

For the valuation of certificates of deposit at August 31, 2024 and 2023, the Foundation used significant other observable inputs, particularly dealer market prices for comparable investments as of the valuation date (Level 2).

Purchases, sales, transfers in and transfers out of Level 3 investments consist of the following for the years ended August 31, 2024 and 2023.

	<u>2024</u>	<u>2023</u>
Purchases	\$ -	\$ -
Sales	-	-
Transfers In	71,243	-
Transfers Out	-	-

The following table describes the valuation techniques used to calculate fair value for assets in Level 3. There were no changes in valuation techniques and related inputs from the prior year.

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NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

Fair Value Hierarchy (Continued)

Quantitative Information About Level 3 Fair Value Measurements			
Type of Assets	Fair Value at August 31, 2024	Principal Valuation Technique	Unobservable Inputs
Split-Interest Agreements	\$ 71,243	Fair Market Value of Investments	Value of Underlying Assets
Total	<u>\$ 71,243</u>		
Type of Assets	Fair Value at August 31, 2023	Principal Valuation Technique	Unobservable Inputs
Split-Interest Agreements	<u>\$ -</u>	Fair Market Value of Investments	Value of Underlying Assets

NOTE 5 CONTRIBUTIONS AND IN-KIND RENT RECEIVABLE

During the year-end August 31, 2022, the Foundation received an unconditional promise to give in January 2022 for in-kind rent through December 2026 with an estimated fair market value of \$811,056. This unconditional promise to give was recorded at present value of the estimated fair value of the rents using a discount rate of 4.20%.

The following is a summary of the Foundation's contributions and in-kind rent receivable August 31:

	Contribution Receivable	In-Kind Rent Receivable	Totals
<u>August 31, 2024</u>			
Total Amounts Due in:			
One Year	\$ 191,711	\$ 166,902	\$ 358,613
Two to Five Years	-	229,536	229,536
Gross Contributions Receivable	191,711	396,438	588,149
Less: Discount to Present Value	-	(11,559)	(11,559)
Contributions Receivable, Net	<u>\$ 191,711</u>	<u>\$ 384,879</u>	<u>\$ 576,590</u>
<u>August 31, 2023</u>			
Total Amounts Due in:			
One Year	\$ 258,254	\$ 169,902	\$ 428,156
Two to Five Years	-	396,437	396,437
Gross Contributions Receivable	258,254	566,339	824,593
Less: Discount to Present Value	-	(28,699)	(28,699)
Contributions Receivable, Net	<u>\$ 258,254</u>	<u>\$ 537,640</u>	<u>\$ 795,894</u>

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NOTES TO FINANCIAL STATEMENTS
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NOTE 5 CONTRIBUTIONS AND IN-KIND RENT RECEIVABLE (CONTINUED)

The Foundation's contributions and in-kind rent receivable as of August 31, 2024 and 2023 were \$576,590 and \$795,894, respectively. Two donors make up 98% and 99%, respectively, of contributions and in-kind rent receivables as of August 31, 2024 and 2023. Management determined that all contributions receivable are fully collectible; therefore, no allowance for uncollectible accounts is considered necessary at August 31, 2024 and 2023.

NOTE 6 SPLIT-INTEREST AGREEMENTS

Split-Interest Agreements

The Foundation has been designated as an irrevocable beneficiary of various charitable remainder trusts, held and administered by an independent trustee. Under these arrangements, the Foundation has the right to receive a distribution of the underlying trust assets. These trusts are expected to be realized over approximately between the next 12 and 25 years at their present value, using a discount rate of 4.19%, and an expected date of distribution based on the trust stipulations and mortality tables. Subsequent changes in the value of the underlying assets are recorded in the accompanying statements of activities as a change in the value of the split-interest agreements.

The Foundation's beneficial interest under the split-interest agreements totaled \$71,243 and \$-0- at August 31, 2024 and 2023, respectively.

NOTE 7 TRANSACTIONS WITH RELATED ENTITIES

The National Organization conducts national fundraising efforts for which cash and in-kind donations are received and shared with the Foundation. These funds represent revenues associated with distributions from national partners, individual donation amounts collected via online and white mail donations, amounts for internal grants and other miscellaneous revenues. During the years ended August 31, 2024 and 2023, respectively, the Foundation received \$365,421 and \$497,029 from these national revenue streams.

Conversely, the Foundation pays amounts to the National Organization for chapter dues, insurance, and other miscellaneous ancillary expenses that National Organization pays on behalf of the Foundation and for services provided by the National Organization. Amounts totaling \$385,191 and \$379,757 were paid from the Foundation to the National Organization during the years ended August 31, 2024 and 2023, respectively.

Chapters who assist with the organization and granting of wishes from other chapters are paid a "fee for service" called the wish assist 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 \$25,650 and \$12,450, respectively, for the years ended August 31, 2024 and 2023, which is recorded in the accompanying statements of activities as other income.

MAKE-A-WISH FOUNDATION® OF SOUTHERN NEVADA
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NOTE 7 TRANSACTIONS WITH RELATED ENTITIES (CONTINUED)

Chapters with capacity can grant wishes for peer chapters who are facing limitations to meet their local wish granting demand. These chapters providing the wish relief are paid an amount equivalent to the average cost of a wish. Under this program, the Foundation received \$90,000 and \$0- during the years ended August 31, 2024 and 2023, respectively.

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

	2024	2023
Due from National Organization	\$ 105,137	\$ 77,205
Due from Other Chapters	33,436	25,910
Total Due from Related Entities	\$ 138,573	\$ 103,115
Due to National Organization	\$ 19,171	\$ 4,650
Due to Other Chapters	21,774	28,979
Total Due to Related Entities	\$ 40,945	\$ 33,629

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 \$43,570 and \$173,168, respectively.

NOTE 8 PROPERTY AND EQUIPMENT, NET

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

	2024	2023
Computer Equipment and Software	\$ 58,150	\$ 67,554
Office Furniture and Other Equipment	138,725	127,130
Total	196,875	194,684
Less: Accumulated Depreciation and Amortization	(155,754)	(152,435)
Property and Equipment, Net	\$ 41,121	\$ 42,249

Depreciation expense totaled \$20,593 and \$20,697 respectively for the years ended August 31, 2024 and 2023.

MAKE-A-WISH FOUNDATION® OF SOUTHERN NEVADA
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NOTE 9 LINE OF CREDIT

The Foundation has a secured line of credit with a financial institution totaling \$850,000, bearing interest at the Bloomberg Short Term Bank Yield Index (BSBY) daily floating rate plus 2.375% and is payable immediately upon demand by the bank. The line of credit is secured by all investments of the Foundation and has no stated expiration date. There was no outstanding balance on this line of credit as of August 31, 2024 and 2023.

NOTE 10 LEASES

The Foundation leases equipment for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through fiscal year 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	\$ 296	\$ 3,551
Interest on Lease Liabilities	5	263
Operating Lease Cost	11,547	1,364
Total Lease Cost	\$ 11,848	\$ 5,178
Other Information:		
Cash Paid for Amounts Included in the Measurement of Lease Liabilities		
Operating Cash Flows from Financing Leases	\$ 5	\$ 263
Operating Cash Flows from Operating Leases	11,088	1,364
Financing Cash Flows from Financing Leases	713	4,712
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities	30,839	6,487
Weighted-Average Remaining Lease Term - Financing Leases	0.0 years	0.2 years
Weighted Average Remaining Lease Term - Operating Leases	2.2 years	4.2 years
Weighted-Average Discount Rate - Financing Leases	N/A	8.00%
Weighted-Average Discount Rate - Operating Leases	4.60%	3.30%

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

NOTE 10 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>
2025	\$ 12,057
2026	12,057
2027	2,255
2028	227
Total Lease Payments	<u>26,596</u>
Less: Imputed Interest	<u>(1,255)</u>
Present Value of Lease Liabilities	<u><u>\$ 25,341</u></u>

NOTE 11 NET ASSETS

Net Assets With Donor Restrictions

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	\$ 183,161	\$ 253,254
Donated Legal Services	8,550	-
In-Kind Rent	<u>384,879</u>	<u>537,640</u>
Total	576,590	790,894
Subject to Future Use:		
Split Interest Agreements	<u>71,243</u>	-
Total	<u>71,243</u>	-
Total Donor Restricted Net Assets	<u><u>\$ 647,833</u></u>	<u><u>\$ 790,894</u></u>

NOTE 12 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 three months of service. Under the provisions of the Plan, eligible employees may elect to defer a percentage of their salary subject to certain IRC limitations. The Foundation matches 100% of employee contributions up to the first 3% of compensation and 50% of the next 2% of compensation. Foundation contributions to the Plan for the years ended August 31, 2024 and 2023 were \$38,327 and \$35,443, respectively.

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

NOTE 13 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 Federal Deposit Insurance Corporation (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 \$600,000 were received from a single donor for the year ended August 31, 2024, which represents 11% of raised revenue which consists of total public support and gross internal special event revenue. No donors gave contributions totaling more than 10% of total raised revenue during the year ended August 31, 2023. Should these contribution levels decrease, the Foundation may be adversely affected.

NOTE 14 COMMITMENTS

The goal of the Foundation is to grant the wish of every eligible child. During the years ended August 31, 2024 and 2023, the Foundation granted 187 and 174 wishes, respectively. As of August 31, 2024 and 2023, respectively, there were approximately 225 and 260 wish children who are eligible for a wish. The average cost of a wish for the year ended August 31, 2024 was \$7,668 in cash and \$5,181 in in-kind for a total cost of \$12,849. The average cost of a wish for the year ended August 31, 2023 was \$7,761 in cash and \$5,290 in in-kind for a total cost of \$13,051.

NOTE 15 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 71% of wishes granted and the number of granted wishes averaged approximately 139. The number of wishes granted during the years ended August 31, 2024 and 2023 was 187 and 174, respectively.

**MAKE-A-WISH FOUNDATION® OF SOUTHERN NEVADA
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NOTE 16 SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events from the statement of financial position date through February 20, 2025, the date at which the financial statements were available to be issued.

Subsequent to year-end, the Foundation changed their name to Make-A-Wish Foundation® Nevada and integrated additional counties to its territory.



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