

**MAKE-A-WISH FOUNDATION® OF CENTRAL COAST  
AND SOUTHERN CENTRAL VALLEY**

**FINANCIAL STATEMENTS**

**YEARS ENDED AUGUST 31, 2024 AND 2023**



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**MAKE-A-WISH FOUNDATION® OF CENTRAL COAST AND SOUTHERN CENTRAL VALLEY  
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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Make-A-Wish Foundation® of Central Coast and Southern Central Valley  
Camarillo, California

### Report on the Audit of the Financial Statements

#### ***Opinion***

We have audited the accompanying financial statements of Make-A-Wish Foundation® of Central Coast and Southern Central Valley (a nonprofit organization), 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 Central Coast and Southern Central Valley 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 Central Coast and Southern Central Valley 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 (GAAS), 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 Central Coast and Southern Central Valley'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 Central Coast and Southern Central Valley'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 Central Coast and Southern Central Valley'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  
May 1, 2025

**MAKE-A-WISH FOUNDATION® OF CENTRAL COAST AND SOUTHERN CENTRAL VALLEY**  
**STATEMENTS OF FINANCIAL POSITION**  
**AUGUST 31, 2024 AND 2023**

	2024	2023
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 646,990	\$ 303,925
Investments	2,474,801	2,258,173
Due from Related Entities	224,438	218,500
Prepaid Expenses	74,628	36,508
Contributions Receivable, Net	124,551	26,992
Right-of-Use Assets - Operating	200,009	257,305
Right-of-Use Assets - Finance	4,816	6,378
Other Assets	13,109	12,633
Property and Equipment, Net	13,368	13,358
Total Assets	\$ 3,776,710	\$ 3,133,772
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 109,927	\$ 90,529
Due to Related Entities	40,063	49,129
Deferred Revenue, Internal Events	22,620	30,313
Lease Liability - Operating	202,856	260,571
Lease Liability - Financing	4,993	6,489
Total Liabilities	380,459	437,031
<b>NET ASSETS</b>		
Without Donor Restrictions	3,271,700	2,669,749
With Donor Restrictions	124,551	26,992
Total Net Assets	3,396,251	2,696,741
Total Liabilities and Net Assets	\$ 3,776,710	\$ 3,133,772

See accompanying Notes to Financial Statements.

**MAKE-A-WISH FOUNDATION® OF CENTRAL COAST AND SOUTHERN CENTRAL VALLEY**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED AUGUST 31, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>			
Public Support:			
Contributions, Cash	\$ 1,043,263	\$ -	\$ 1,043,263
Contributions, Donated Goods and Services	529,055	124,551	653,606
Grants	589,880	-	589,880
Total Public Support	2,162,198	124,551	2,286,749
Internal Special Events, Cash	1,148,841	-	1,148,841
Internal Special Events, Donated Goods and Services	6,258	-	6,258
Less: Costs of Direct Benefits to Donors	(518,501)	-	(518,501)
Total Internal Special Events	636,598	-	636,598
Investment Income, Net	216,968	-	216,968
Other Income	2,114	-	2,114
Net Assets Released from Restrictions	26,992	(26,992)	-
Total Revenues, Gains, and Other Support	3,044,870	97,559	3,142,429
<b>EXPENSES</b>			
Program Services:			
Wish Granting	1,872,249	-	1,872,249
Support Services:			
Fundraising	207,887	-	207,887
Management and General	362,783	-	362,783
Total Support Services	570,670	-	570,670
Total Expenses	2,442,919	-	2,442,919
<b>CHANGE IN NET ASSETS</b>	601,951	97,559	699,510
Net Assets - Beginning of Year	2,669,749	26,992	2,696,741
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 3,271,700</b>	<b>\$ 124,551</b>	<b>\$ 3,396,251</b>

See accompanying Notes to Financial Statements.

**MAKE-A-WISH FOUNDATION® OF CENTRAL COAST AND SOUTHERN CENTRAL VALLEY**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED AUGUST 31, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>			
Public Support:			
Contributions, Cash	\$ 593,342	\$ -	\$ 593,342
Contributions, Donated Goods and Services	350,631	26,992	377,623
Grants	351,950	-	351,950
Total Public Support	1,295,923	26,992	1,322,915
Internal Special Events	1,016,621	-	1,016,621
Internal Special Events, Donated Goods and Services	70,793	-	70,793
Less: Costs of Direct Benefits to Donors	(668,495)	-	(668,495)
Total Internal Special Events	418,919	-	418,919
Investment Income, Net	120,587	-	120,587
Other Income	9,180	-	9,180
Net Assets Released from Restrictions	11,227	(11,227)	-
Total Revenues, Gains, and Other Support	1,855,836	15,765	1,871,601
<b>EXPENSES</b>			
Program Services:			
Wish Granting	1,516,643	-	1,516,643
Support Services:			
Fundraising	180,143	-	180,143
Management and General	319,763	-	319,763
Total Support Services	499,906	-	499,906
Total Expenses	2,016,549	-	2,016,549
<b>CHANGE IN NET ASSETS</b>	(160,713)	15,765	(144,948)
Net Assets - Beginning of Year	2,830,462	11,227	2,841,689
<b>NET ASSETS - END OF YEAR</b>	\$ 2,669,749	\$ 26,992	\$ 2,696,741

See accompanying Notes to Financial Statements.

**MAKE-A-WISH FOUNDATION® OF CENTRAL COAST AND SOUTHERN CENTRAL VALLEY**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED AUGUST 31, 2024**

	Program Services	Support Services				Total
	Wish Granting	Fundraising	Management and General	Total Support Services	Direct Donor Benefits	
Direct Costs of Wishes	\$ 1,224,442	\$ -	\$ -	\$ -	\$ -	\$ 1,224,442
Salaries, Taxes, and Benefits	415,095	77,292	184,847	262,139	-	677,234
Printing, Subscriptions, and Publications	12,746	10,536	5,937	16,473	-	29,219
Professional Fees	36,470	35,446	102,616	138,062	-	174,532
Rent and Utilities	43,882	8,145	19,362	27,507	-	71,389
Postage and Delivery	6,070	2,035	1,513	3,548	-	9,618
Travel	8,116	2,090	7,142	9,232	-	17,348
Meetings and Conferences	1,653	4,326	1,237	5,563	-	7,216
Office Supplies	28,517	3,402	2,835	6,237	-	34,754
Communications	3,787	627	4,666	5,293	-	9,080
Advertising and Media (Cash)	-	825	-	825	-	825
Advertising and Media (In-Kind)	-	7,946	-	7,946	-	7,946
Repairs and Maintenance	1,866	335	753	1,088	-	2,954
Insurance	-	50	-	50	-	50
Membership Dues	634	114	527	641	-	1,275
National Partnership Dues	79,790	18,238	15,958	34,196	-	113,986
Miscellaneous	6,274	35,937	14,097	50,034	-	56,308
Depreciation and Amortization	2,907	543	1,293	1,836	-	4,743
Special Event - Direct Donor Benefits	-	-	-	-	518,501	518,501
Total Expenses by Function	<u>1,872,249</u>	<u>207,887</u>	<u>362,783</u>	<u>570,670</u>	<u>518,501</u>	<u>2,961,420</u>
Less: Expenses Netted Against Revenues on the Statement of Activities:						
Special Event Expenses	-	-	-	-	(518,501)	(518,501)
Total Expenses Included in the Expense Section of the Statement of Activities	<u>\$ 1,872,249</u>	<u>\$ 207,887</u>	<u>\$ 362,783</u>	<u>\$ 570,670</u>	<u>\$ -</u>	<u>\$ 2,442,919</u>

See accompanying Notes to Financial Statements.



**MAKE-A-WISH FOUNDATION® OF CENTRAL COAST AND SOUTHERN CENTRAL VALLEY**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED AUGUST 31, 2023**

	Program Services	Support Services				Total
	Wish Granting	Fundraising	Management and General	Total Support Services	Direct Donor Benefits	
Direct Costs of Wishes	\$ 893,720	\$ -	\$ -	\$ -	\$ -	\$ 893,720
Salaries, Taxes, and Benefits	390,695	70,590	179,748	250,338	-	641,033
Printing, Subscriptions, and Publications	11,995	13,683	5,228	18,911	-	30,906
Professional Fees	31,536	6,345	54,615	60,960	-	92,496
Rent and Utilities	46,169	8,340	20,878	29,218	-	75,387
Postage and Delivery	3,430	1,285	1,401	2,686	-	6,116
Travel	6,062	2,529	12,253	14,782	-	20,844
Meetings and Conferences	4,521	6,839	5,423	12,262	-	16,783
Office Supplies	19,171	694	1,877	2,571	-	21,742
Communications	3,104	551	5,042	5,593	-	8,697
Advertising and Media (Cash)	(31)	359	186	545	-	514
Advertising and Media (In-Kind)	-	2,308	-	2,308	-	2,308
Repairs and Maintenance	782	141	1,017	1,158	-	1,940
Membership Dues	165	30	345	375	-	540
National Partnership Dues	94,561	22,372	18,781	41,153	-	135,714
Miscellaneous	5,404	43,109	10,549	53,658	-	59,062
Depreciation and Amortization	5,359	968	2,420	3,388	-	8,747
Special Event - Direct Donor Benefits	-	-	-	-	668,495	668,495
Total Expenses by Function	<u>1,516,643</u>	<u>180,143</u>	<u>319,763</u>	<u>499,906</u>	<u>668,495</u>	<u>2,685,044</u>
Less: Expenses Netted Against Revenues on the Statement of Activities:						
Special Event Expenses	-	-	-	-	(668,495)	(668,495)
Total Expenses Included in the Expense Section of the Statement of Activities	<u>\$ 1,516,643</u>	<u>\$ 180,143</u>	<u>\$ 319,763</u>	<u>\$ 499,906</u>	<u>\$ -</u>	<u>\$ 2,016,549</u>

See accompanying Notes to Financial Statements.

**MAKE-A-WISH FOUNDATION® OF CENTRAL COAST AND SOUTHERN CENTRAL VALLEY**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED AUGUST 31, 2024 AND 2023**

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 699,510	\$ (144,948)
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided (Used) by Operating Activities:		
Depreciation	4,483	7,315
Amortization of Right-of-Use Asset, Finance Lease	260	1,432
Net Realized and Unrealized Gains on Investments	(200,260)	(82,359)
Contributed Other Assets	-	(790)
Change in Operating Right-of-Use Assets and Lease Liabilities	883	3,266
(Increase) Decrease in Assets:		
Contributions Receivable	(97,559)	(15,765)
Due from Related Entities	(5,938)	(194,611)
Prepaid Expenses	(38,120)	24,453
Other Assets	(476)	16,938
Increase in Liabilities:		
Accounts Payable and Accrued Expenses	19,398	(1,936)
Due to Related Entities	(9,066)	(5,822)
Deferred Revenue	(7,693)	(126,187)
Deferred Rent	-	(613)
Net Cash Provided (Used) by Operating Activities	365,422	(519,627)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Investments	(2,106,233)	(94,080)
Proceeds from Sales of Investments	2,089,865	406,059
Purchases of Property and Equipment	(4,493)	(1,416)
Net Cash Provided (Used) by Investing Activities	(20,861)	310,563
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal Payments on Finance Lease Obligations	(1,496)	(1,321)
Net Cash Used by Financing Activities	(1,496)	(1,321)
<b>NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS</b>	343,065	(210,385)
Cash and Cash Equivalents - Beginning of Year	303,925	514,310
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 646,990	\$ 303,925
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>		
Cash Paid for Interest Expense	\$ 220	\$ 251
Contributed Other Assets	\$ -	\$ 790
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities	\$ -	\$ 312,758
Right-of-Use Assets Obtained in Exchange for New Finance Lease Liabilities	\$ -	\$ 7,810

See accompanying Notes to Financial Statements.

**MAKE-A-WISH FOUNDATION® OF CENTRAL COAST AND SOUTHERN CENTRAL VALLEY**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2024 AND 2023**

**NOTE 1 ORGANIZATION**

Make-A-Wish Foundation® of Central Coast and Southern Central Valley (the Foundation) is a California nonprofit corporation, organized for the purpose of creating life changing wishes to 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.

Effective September 1, 2023, Make-A-Wish Foundation of America reassigned four California counties, Kern, Kings, Tulare, and Inyo, to Make-A-Wish Foundation of the Tri-Counties and changed the name of the Foundation to Make-A-Wish Foundation of Central Coast and Southern Central Valley. An Amendment to the Articles of Incorporation for the Foundation to register the name to change was filed with the State of California on March 4, 2024, and certified by the State.

**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 CENTRAL COAST AND SOUTHERN CENTRAL VALLEY**  
**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 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 three to five 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.

**MAKE-A-WISH FOUNDATION® OF CENTRAL COAST AND SOUTHERN CENTRAL VALLEY**  
**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 restrictions 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 CENTRAL COAST AND SOUTHERN CENTRAL VALLEY**  
**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 \$519,000 and \$668,000 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 statements of activities. The amount of auction items received and sold during the years ended August 31, 2024 and 2023 totaled \$227,004 and \$268,681, 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 CENTRAL COAST AND SOUTHERN CENTRAL VALLEY**  
**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:

	<u>2024</u>	<u>2023</u>
Wish Related Travel, Goods, and Services	\$ 644,810	\$ 359,852
Professional Services	850	-
Contributed Office Space	-	5,400
Advertising and Media	7,946	2,308
Special Events	6,258	70,793
Other	-	10,063
Total Contributed Nonfinancial Assets and Services	<u>\$ 659,864</u>	<u>\$ 448,416</u>

Wish related travel, goods and 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 consulting services used for support services, and are valued and reported at the estimated fair value based on current rates for similar services.

Contributed office space is valued and reported at the estimated fair value on the basis of comparable lease agreements in the Foundation's market. Contributed office space is used for both program and supporting 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.

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**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 California income taxes under the provisions of Internal Revenue Code (IRC) Section 501(c)(3); 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. During the fiscal years ended August 31, 2024 and 2023, the Foundation incurred no joint costs.

**Management and General**

All costs not identifiable with the 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.



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**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Management Estimates**

The preparation of financial statements in conformity with U.S. 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 months to 24 months of liquidity is considered excellent based off the enterprise-wide published scale.

	2024	2023
Total Financial Assets	\$ 3,470,780	\$ 2,807,590
Donor-Imposed Restrictions:		
Restricted Funds	(124,551)	(26,992)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	\$ 3,346,229	\$ 2,780,598

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

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**NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)**

The fair values of the financial instruments shown in the following table 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>					
Assets					
Investments:					
Exchange-Traded Funds	\$ 191,003	\$ -	\$ -	\$ -	\$ 191,003
Equity Securities	1,521,615	-	-	-	1,521,615
Debt Securities	548,818	-	-	-	548,818
Cash	-	-	-	213,365	213,365
Total Investments	<u>\$ 2,261,436</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 213,365</u>	<u>\$ 2,474,801</u>
<u>August 31, 2023</u>					
Investments:					
Exchange-Traded Funds	\$ 1,898,719	\$ -	\$ -	\$ -	\$ 1,898,719
Cash	-	-	-	359,454	359,454
Total Investments	<u>\$ 1,898,719</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 359,454</u>	<u>\$ 2,258,173</u>

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**NOTE 5 CONTRIBUTIONS RECEIVABLE**

The Foundation's contributions receivable as of August 31, 2024 and 2023 were \$124,551 and \$26,992, respectively. As of August 31, 2024 and 2023, 80% and 100% of the contributions receivable are due from one donor, respectively. All contributions receivable are due within the next 12 months. 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 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 \$267,574 and \$380,459 from these national revenue streams.

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 \$180,000 and \$40,000 to this program during the years ended August 31, 2024 and 2023, respectively.

Conversely, the Foundation pays amounts to the National Organization for chapter dues, insurance, and other miscellaneous ancillary expenses that the National Organization pays on behalf of the Foundation and for services provided by the National Organization. Amounts totaling \$178,791 and \$181,225 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 \$800 and \$1,700, respectively, for the years ended August 31, 2024 and 2023, which is recorded in the accompanying statements of activities as Other Income.

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 wish. Under this program, the Foundation received \$198,000 and \$54,000 during the years ended August 31, 2024 and 2023, respectively.

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**NOTE 6 TRANSACTIONS WITH RELATED ENTITIES (CONTINUED)**

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

	2024	2023
Due from National Organization	\$ 222,516	\$ 186,255
Due from Other Chapters	1,922	32,245
Total Due from Related Entities	<u>\$ 224,438</u>	<u>\$ 218,500</u>
Due to National Organization	\$ 14,437	\$ 5,378
Due to Other Chapters	25,626	43,751
Total Due to Related Entities	<u>\$ 40,063</u>	<u>\$ 49,129</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 \$237,341 and \$158,810, respectively.

**NOTE 7 PROPERTY AND EQUIPMENT, NET**

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

	2024	2023
Computer Equipment and Software	\$ 57,389	\$ 52,896
Other Equipment	38,291	40,000
Leasehold Improvements	368	368
Total	96,048	93,264
Less: Accumulated Depreciation and Amortization	(82,680)	(79,906)
Property and Equipment, Net	<u>\$ 13,368</u>	<u>\$ 13,358</u>

Depreciation expense totaled \$4,483 and \$7,315, respectively, for the years ended August 31, 2024 and 2023.

**NOTE 8 LEASES**

The Foundation leases equipment as well as office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through the fiscal year 2028.

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**NOTE 8 LEASES (CONTINUED)**

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

	2024	2023
Lease Cost:		
Finance Lease Cost:		
Amortization of Right-of-Use Assets	\$ 260	\$ 1,432
Interest on Lease Liabilities	220	251
Operating Lease Cost	64,853	64,853
Total Lease Cost	\$ 65,333	\$ 66,536
Other Information:		
Cash Paid for Amounts Included in the Measurement of Lease Liabilities:		
Operating Cash Flows from Financing Leases	\$ 220	\$ 251
Operating Cash Flows from Operating Leases	65,271	62,200
Financing Cash Flows from Financing Leases	1,495	1,321
Right-of-Use Assets Obtained in Exchange for New Financing Lease Liabilities	-	7,810
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities	-	312,758
Weighted-Average Remaining Lease Term - Financing Leases	3.0 Years	4.0 Years
Weighted Average Remaining Lease Term - Operating Leases	3.2 Years	4.2 Years
Weighted-Average Discount Rate - Financing Leases	3.88%	3.88%
Weighted-Average Discount Rate - Operating Leases	3.30%	3.30%

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>	Operating Leases	Finance Leases
2025	\$ 65,729	\$ 1,715
2026	65,729	1,715
2027	65,729	1,715
2028	16,433	143
Total Lease Payments	213,620	5,288
Less: Imputed Interest	(10,764)	(295)
Present Value of Lease Liabilities	\$ 202,856	\$ 4,993

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**NOTE 9 NET ASSETS**

**Net Assets With Donor Restrictions**

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

	2024	2023
Subject to Expenditure for Specified Purpose:		
Wish Granting	\$ 124,551	\$ 26,992
Total Donor Net Assets With Donor Restrictions	\$ 124,551	\$ 26,992

**NOTE 10 RETIREMENT PLAN**

The Foundation has a Simple IRA retirement plan (the Plan). All employees are eligible for participation in the Plan. Under the provisions of the Plan, employees may elect to defer a percentage of their salary subject to certain IRC 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 \$11,079 and \$10,849, respectively.

**NOTE 11 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 \$474,521 were received from a single donor for the year ended August 31, 2024, which represents 14% 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. No donors gave contributions totaling more than 10% of total raised revenue during the year ended August 31, 2023.

**NOTE 12 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.

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**NOTE 13 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 131 and 92 wishes, respectively. As of August 31, 2024 and 2023, respectively, there were approximately 215 and 160 wish children who are eligible for a wish. The average cost of a wish for the year ended August 31, 2024 was \$5,224 in cash and \$4,058 in in-kind for a total cost of \$9,282. The average cost of a wish for the year ended August 31, 2023 was \$5,976 in cash and \$3,756 in in-kind for a total cost of \$9,732.

**NOTE 14 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 78% of wishes granted and the number of granted wishes averaged approximately 80. The number of wishes granted during the years ended August 31, 2024 and 2023 was 131 and 92, respectively.

**NOTE 15 SUBSEQUENT EVENTS**

The Foundation has evaluated subsequent events from the statements of financial position date through May 1, 2025, the date at which the financial statements were available to be issued.



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