

MAKE-A-WISH FOUNDATION® OF CONNECTICUT
FINANCIAL STATEMENTS
YEARS ENDED AUGUST 31, 2025 AND 2024



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**MAKE-A-WISH FOUNDATION® OF CONNECTICUT
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YEARS ENDED AUGUST 31, 2025 AND 2024**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Make-A-Wish Foundation® of Connecticut
Trumbull, Connecticut

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Make-A-Wish Foundation® of Connecticut (a nonprofit organization), which comprise the statements of financial position as of August 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Make-A-Wish Foundation® of Connecticut as of August 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (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 Connecticut 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 Connecticut'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 Connecticut'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 Connecticut'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
December 16, 2025

MAKE-A-WISH FOUNDATION® OF CONNECTICUT
STATEMENTS OF FINANCIAL POSITION
AUGUST 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash and Cash Equivalents	\$ 193,580	\$ 144,212
Investments	4,453,122	4,271,012
Due from Related Entities	107,049	89,466
Prepaid Expenses	188,243	234,299
Contributions Receivable, Net	393,906	746,379
Other Assets	1,949	22,368
Split-Interest Agreement	186,646	181,063
Investments Held for Long-Term Purposes	579,180	535,431
Right-of-Use Assets - Operating	39,770	53,055
Property and Equipment, Net	7,699,806	7,659,792
Beneficial Interest in Assets Held by National	<u>193,425</u>	<u>182,945</u>
Total Assets	<u><u>\$ 14,036,676</u></u>	<u><u>\$ 14,120,022</u></u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 428,605	\$ 467,404
Due to Related Entities	73,480	79,374
Lease Liability - Operating	32,632	39,868
Deferred Revenue, Internal Events	6,200	17,791
Note Payable	<u>1,884,466</u>	<u>1,984,419</u>
Total Liabilities	2,425,383	2,588,856
NET ASSETS		
Without Donor Restrictions	10,324,909	9,966,048
With Donor Restrictions	<u>1,286,384</u>	<u>1,565,118</u>
Total Net Assets	<u>11,611,293</u>	<u>11,531,166</u>
Total Liabilities and Net Assets	<u><u>\$ 14,036,676</u></u>	<u><u>\$ 14,120,022</u></u>

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF CONNECTICUT
STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT			
Public Support:			
Contributions, Cash	\$ 3,860,293	\$ -	\$ 3,860,293
Contributions, Donated Goods and Services	1,413,454	202,133	1,615,587
Grants	111,562	-	111,562
Total Public Support	<u>5,385,309</u>	<u>202,133</u>	<u>5,587,442</u>
Internal Special Events, Cash	1,649,060	-	1,649,060
Internal Special Events, Donated Goods and Services	21,690	-	21,690
Less: Costs of Direct Benefits to Donors	<u>(389,491)</u>	<u>-</u>	<u>(389,491)</u>
Total Internal Special Events	1,281,259	-	1,281,259
Investment Income, Net	316,539	43,749	360,288
Other Income, Net	2,336	-	2,336
Net Assets Released from Restrictions	<u>547,549</u>	<u>(547,549)</u>	<u>-</u>
Total Revenues, Gains, and Other Support	7,532,992	(301,667)	7,231,325
EXPENSES			
Program Services:			
Wish Granting	<u>4,925,093</u>	<u>-</u>	<u>4,925,093</u>
Total Program Services	4,925,093	-	4,925,093
Support Services:			
Fundraising	1,477,443	-	1,477,443
Management and General	771,595	-	771,595
Total Support Services	<u>2,249,038</u>	<u>-</u>	<u>2,249,038</u>
Total Expenses	7,174,131	-	7,174,131
OTHER GAINS			
Change in Value of Split Interest Agreements	-	(5,583)	(5,583)
Change in Value of Beneficial Interest	<u>-</u>	<u>(17,350)</u>	<u>(17,350)</u>
Total Other Gains	<u>-</u>	<u>(22,933)</u>	<u>(22,933)</u>
CHANGE IN NET ASSETS	358,861	(278,734)	80,127
Net Assets - Beginning of Year	<u>9,966,048</u>	<u>1,565,118</u>	<u>11,531,166</u>
NET ASSETS - END OF YEAR	<u><u>\$ 10,324,909</u></u>	<u><u>\$ 1,286,384</u></u>	<u><u>\$ 11,611,293</u></u>

See accompanying Notes to Financial Statements.

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

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT			
Public Support:			
Contributions, Cash	\$ 3,342,891	\$ 241,139	\$ 3,584,030
Contributions, Donated Goods and Services	1,767,583	279,820	2,047,403
Grants	329,069	105,000	434,069
Total Public Support	5,439,543	625,959	6,065,502
Internal Special Events, Cash	1,420,555	-	1,420,555
Internal Special Events, Donated Goods and Services	550	-	550
Less: Costs of Direct Benefits to Donors	(343,848)	-	(343,848)
Total Internal Special Events	1,077,257	-	1,077,257
Investment Income, Net	561,454	66,140	627,594
Other Income, Net	3,938	-	3,938
Net Assets Released from Restrictions	516,512	(516,512)	-
Total Revenues, Gains, and Other Support	7,598,704	175,587	7,774,291
EXPENSES			
Program Services:			
Wish Granting	5,407,076	-	5,407,076
Total Program Services	5,407,076	-	5,407,076
Support Services:			
Fundraising	1,635,045	-	1,635,045
Management and General	631,270	-	631,270
Total Support Services	2,266,315	-	2,266,315
Total Expenses	7,673,391	-	7,673,391
OTHER (GAINS) LOSSES			
Change in Value of Beneficial Interest	-	(28,317)	(28,317)
Flood Casualty Loss			
Flood Casualty Loss	10,750	-	10,750
Flood Casualty Loss, Net	10,750	-	10,750
Total Other (Gains) Losses	10,750	(28,317)	(17,567)
CHANGE IN NET ASSETS	(85,437)	203,904	118,467
Net Assets - Beginning of Year	10,051,485	1,361,214	11,412,699
NET ASSETS - END OF YEAR	<u>\$ 9,966,048</u>	<u>\$ 1,565,118</u>	<u>\$ 11,531,166</u>

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF CONNECTICUT
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2025

	Program Services	Support Services			Direct	
	Wish Granting	Fundraising	Management and General	Total Support Services	Donor Benefits	Total
Direct Costs of Wishes	\$ 2,998,145	\$ -	\$ -	\$ -	\$ -	\$ 2,998,145
Salaries, Taxes, and Benefits	1,136,872	757,915	334,373	1,092,288	-	2,229,160
Printing, Subscriptions, and Publications	9,798	24,895	543	25,438	-	35,236
Professional Fees	24,361	60,424	207,717	268,141	-	292,502
Rent and Utilities	70,250	46,834	20,662	67,496	-	137,746
Postage and Delivery	23,291	4,064	1,721	5,785	-	29,076
Travel	6,370	5,263	4,911	10,174	-	16,544
Meetings and Conferences	14,861	28,964	5,887	34,851	-	49,712
Office Supplies	146,034	40,556	3,483	44,039	-	190,073
Communications	10,848	7,232	3,190	10,422	-	21,270
Advertising and Media (Cash)	-	23,826	-	23,826	-	23,826
Advertising and Media (In-Kind)	-	235,294	-	235,294	-	235,294
Repairs and Maintenance	14,030	9,553	4,126	13,679	-	27,709
Insurance	468	50	15,139	15,189	-	15,657
Bad Debt Expense	-	3,998	-	3,998	-	3,998
Membership Dues	175	690	-	690	-	865
National Partnership Dues	314,118	71,798	62,824	134,622	-	448,740
Miscellaneous	50,736	86,263	76,214	162,477	-	213,213
Depreciation and Amortization	104,736	69,824	30,805	100,629	-	205,365
Special Event - Direct Donor Benefits	-	-	-	-	389,491	389,491
Total	4,925,093	1,477,443	771,595	2,249,038	389,491	7,563,622
Less: Expenses Netted Against Revenues on the Statement of Activities:						
Special Event Expenses	-	-	-	-	(389,491)	(389,491)
Total Expenses Included in the Expense Section of the Statement of Activities	<u>\$ 4,925,093</u>	<u>\$ 1,477,443</u>	<u>\$ 771,595</u>	<u>\$ 2,249,038</u>	<u>\$ -</u>	<u>\$ 7,174,131</u>

See accompanying Notes to Financial Statements.

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

	Program Services	Support Services			Direct	
	Wish Granting	Fundraising	Management and General	Total Support Services	Donor Benefits	Total
Direct Costs of Wishes	\$ 3,531,579	\$ -	\$ -	\$ -	\$ -	\$ 3,531,579
Salaries, Taxes, and Benefits	1,083,078	722,053	318,553	1,040,606	-	2,123,684
Printing, Subscriptions, and Publications	12,454	38,988	1,667	40,655	-	53,109
Professional Fees	96,137	55,125	140,692	195,817	-	291,954
Rent and Utilities	58,964	39,309	17,342	56,651	-	115,615
Postage and Delivery	29,946	5,838	2,180	8,018	-	37,964
Travel	3,497	5,329	4,325	9,654	-	13,151
Meetings and Conferences	12,518	32,121	8,334	40,455	-	52,973
Office Supplies	101,515	42,489	4,344	46,833	-	148,348
Communications	12,407	8,271	3,649	11,920	-	24,327
Advertising and Media (Cash)	-	1,868	-	1,868	-	1,868
Advertising and Media (In-Kind)	-	394,927	-	394,927	-	394,927
Repairs and Maintenance	13,349	8,899	3,997	12,896	-	26,245
Insurance	36	24	14,141	14,165	-	14,201
Bad Debt Expense	-	50,000	-	50,000	-	50,000
Membership Dues	175	1,672	-	1,672	-	1,847
National Partnership Dues	289,586	66,191	57,917	124,108	-	413,694
Miscellaneous	61,299	94,917	24,560	119,477	-	180,776
Depreciation and Amortization	100,536	67,024	29,569	96,593	-	197,129
Special Event - Direct Donor Benefits	-	-	-	-	343,848	343,848
Total	5,407,076	1,635,045	631,270	2,266,315	343,848	8,017,239
Less: Expenses Netted Against Revenues on the Statement of Activities:						
Special Event Expenses	-	-	-	-	(343,848)	(343,848)
Total Expenses Included in the Expense Section of the Statement of Activities	<u>\$ 5,407,076</u>	<u>\$ 1,635,045</u>	<u>\$ 631,270</u>	<u>\$ 2,266,315</u>	<u>\$ -</u>	<u>\$ 7,673,391</u>

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF CONNECTICUT
STATEMENTS OF CASH FLOWS
YEARS ENDED AUGUST 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 80,127	\$ 118,467
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	205,365	195,317
Amortization of Right-of-Use Asset, Finance Lease	-	1,812
Bad Debt Expense	3,998	50,000
Contribution of Split-Interest Agreements	-	(181,063)
Net Realized and Unrealized Gains on Investments	48,017	(460,293)
Contributed Property and Equipment	(72,130)	(39,075)
Distribution of Beneficial Interest in Assets Held by National	6,870	14,071
Change in Beneficial Interest in Assets Held by National	(17,350)	(28,317)
Change in Split-Interest Agreements	(5,583)	-
Change in Discount to Present Value of Contributions Receivable	(4,837)	(7,970)
Change in Operating Right-of-Use Assets and Lease Liabilities	6,049	5,813
(Increase) Decrease in Assets:		
Contributions Receivable	353,312	47,609
Due from Related Entities	(17,583)	(16,174)
Prepaid Expenses	46,056	(19,692)
Other Assets	20,419	(21,559)
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	(38,799)	83,249
Due to Related Entities	(5,894)	(8,864)
Deferred Revenue	(11,591)	(36,371)
Net Cash Provided (Used) by Operating Activities	<u>596,446</u>	<u>(303,040)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(5,442,996)	(2,433,181)
Proceeds from Sales of Investments	5,169,120	3,252,987
Purchases of Property and Equipment	(173,249)	(486,971)
Net Cash Provided (Used) by Investing Activities	<u>(447,125)</u>	<u>332,835</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Payments on Financing Lease Obligations	-	(2,036)
Principal Payments on Notes Payable	(99,953)	(96,641)
Net Cash Used by Financing Activities	<u>(99,953)</u>	<u>(98,677)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	49,368	(68,882)
Cash and Cash Equivalents - Beginning of Year	<u>144,212</u>	<u>213,094</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 193,580</u>	<u>\$ 144,212</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid for Interest Expense	<u>\$ 61,924</u>	<u>\$ 65,271</u>
Contributed Property and Equipment	<u>\$ 72,130</u>	<u>\$ 39,075</u>
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities	<u>\$ 16,110</u>	<u>\$ 18,162</u>

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

NOTE 1 ORGANIZATION

Make-A-Wish Foundation® of Connecticut (the Foundation) is a Connecticut 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 CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

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 \$1,000 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 40 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 CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

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 CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

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 \$389,000 and \$344,000 for the years ended August 31, 2025 and 2024, 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, 2025 and 2024 totaled approximately \$306,000 and \$401,000, respectively.

Donated advertising and media is reported as contribution revenue and fundraising 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. Conditional promises outstanding for the years ended August 31, 2025 and 2024 was approximately \$-0- and \$13,500, respectively.

MAKE-A-WISH FOUNDATION® OF CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

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:

	2025	2024
Wish Related Travel, Goods, and Services	\$ 1,283,063	\$ 1,587,826
Professional Services	25,100	-
Advertising and Media	235,294	394,927
Special Events	21,690	550
Property and Equipment	72,130	39,075
Other	-	25,575
Total Contributed Nonfinancial Assets and Services	<u>\$ 1,637,277</u>	<u>\$ 2,047,953</u>

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

Professional services relate to the Wishing Place enhancement installation 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.

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NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions: Donated Goods and Services (Continued)

Property and equipment items donated consist of building improvements and furniture and were valued using based on the current market rates for similar items in the Foundation's market.

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 Connecticut 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, 2025 and 2024. The Foundation files income tax returns in the U.S. federal jurisdiction and Connecticut jurisdiction.

Functional Expenses

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

Wish Granting

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

Fundraising

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

Management and General

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

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

MAKE-A-WISH FOUNDATION® OF CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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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.

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.

	2025	2024
Total Financial Assets	\$ 5,726,837	\$ 5,786,500
Donor-Imposed Restrictions:		
Restricted Funds	(327,133)	(665,679)
Endowments	(579,180)	(535,431)
Net Financial Assets after Donor-Imposed Restrictions	4,820,524	4,585,390
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 4,820,524</u>	<u>\$ 4,585,390</u>

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

Endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

MAKE-A-WISH FOUNDATION® OF CONNECTICUT
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AUGUST 31, 2025 AND 2024

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 table as of August 31, 2025 and 2024 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.

Allocation of Investment Strategies

In addition to traditional stocks and fixed income securities, the Foundation may also hold shares or units in traditional institutional funds as well as in alternative investment funds involving hedged strategies, private equity, and real asset strategies.

MAKE-A-WISH FOUNDATION® OF CONNECTICUT
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NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

Fair Value Hierarchy

The following tables present the placement in the fair value hierarchy of assets that are measured at fair value at August 31:

August 31, 2025					
	(Level 1)	(Level 2)	(Level 3)	Assets Not Held at Fair Value	Total
Assets:					
Investments:					
Mutual Funds	\$ 1,342,520	\$ -	\$ -	\$ -	\$ 1,342,520
Exchange-Traded Funds	3,430,253	-	-	-	3,430,253
Certificates of Deposit	-	2,567	-	-	2,567
Debt Securities	230,804	-	-	-	230,804
Cash	-	-	-	26,158	26,158
Total Investments	5,003,577	2,567	-	26,158	5,032,302
Split Interest Agreements	-	-	186,646	-	186,646
Beneficial Interest in Assets Held by National	-	-	193,425	-	193,425
Total Assets	<u>\$ 5,003,577</u>	<u>\$ 2,567</u>	<u>\$ 380,071</u>	<u>\$ 26,158</u>	<u>\$ 5,412,373</u>
August 31, 2024					
	(Level 1)	(Level 2)	(Level 3)	Assets Not Held at Fair Value	Total
Assets:					
Investments:					
Mutual Funds	\$ 2,356,268	\$ -	\$ -	\$ -	\$ 2,356,268
Exchange-Traded Funds	429,000	-	-	-	429,000
Certificates of Deposit	-	151,007	-	-	151,007
Debt Securities	-	1,863,545	-	-	1,863,545
Cash	-	-	-	6,623	6,623
Total Investments	2,785,268	2,014,552	-	6,623	4,806,443
Split Interest Agreements	-	-	181,063	-	181,063
Beneficial Interest in Assets Held by National	-	-	182,945	-	182,945
Total Assets	<u>\$ 2,785,268</u>	<u>\$ 2,014,552</u>	<u>\$ 364,008</u>	<u>\$ 6,623</u>	<u>\$ 5,170,451</u>

For the valuation of certificates of deposit at August 31, 2025 and 2024, the Foundation used significant other observable inputs, particularly dealer market prices for comparable investments as of the valuation date (Level 2).

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NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

Purchases, sales, transfers in and transfers out of Level 3 investments consist of the following for the years ended August 31, 2025 and 2024.

	2025	2024
Purchases	\$ -	\$ -
Sales	-	-
Transfers In	-	181,063
Transfers Out	6,870	14,071

The basis for determining Level 3 is as follows:

Beneficial Interest in Assets Held by National is based on the portfolio managed by Make-A-Wish Foundation of America's Investment Committee. Underlying assets held by National as of August 31, 2025 include 7% cash alternative and 93% equities. The assets held by National are valued using Level 1 inputs.

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.

Quantitative Information About Level 3 Fair Value Measurements			
Type of Assets	Fair Value at August 31, 2025	Principal Valuation Technique	Unobservable Inputs
Beneficial Interests in Trust Held by National	\$ 193,425	Fair Market	Value of
Split-Interest Agreements	186,646	Value of	Underlying
Total	<u>\$ 380,071</u>	Investments	Assets
Type of Assets	Fair Value at August 31, 2024	Principal Valuation Technique	Unobservable Inputs
Beneficial Interests in Trust Held by National	\$ 182,945	Fair Market	Value of
Split-Interest Agreements	181,063	Value of	Underlying
Total	<u>\$ 364,008</u>	Investments	Assets

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NOTE 5 CONTRIBUTIONS RECEIVABLE

Contributions receivable include pledges that have been discounted at a rate of 4.92% and 4.20% at August 31, 2025 and 2024, respectively. The following is a summary of the Foundation's contributions receivable at August 31:

	2025	2024
Total Amounts Due in:		
Within One Year	\$ 393,906	\$ 631,216
One to Five Years	-	120,000
Gross Contributions Receivable	393,906	751,216
Less: Discount to Present Value	-	(4,837)
Contributions Receivable, Net	<u>\$ 393,906</u>	<u>\$ 746,379</u>

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 the next 20 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 \$186,646 and \$181,063 at August 31, 2025 and 2024, respectively.

Beneficial Interest in Assets Held by National

The Foundation had received a gift for an endowment which was transferred by the Foundation to the Wishes Forever Endowment Fund at the National Organization. The original corpus is not redeemable by the Foundation at any time. Distributions from earnings will be made by the National Organization to the Foundation according to the National Organization's Endowment Spending Policy. The Foundation's beneficial interest in this endowment being held by the National Organization is \$193,425 and \$182,945, respectively, as of August 31, 2025 and 2024.

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, 2025 and 2024, respectively, the Foundation received \$956,285 and \$762,695 from these national revenue streams.

MAKE-A-WISH FOUNDATION® OF CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

NOTE 7 TRANSACTIONS WITH RELATED ENTITIES (CONTINUED)

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 \$477,074 and \$525,734 were paid from the Foundation to the National Organization during the years ended August 31, 2025 and 2024, 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 Foundation received \$1,800 and \$3,000 for the years ended August 31, 2025 and 2024, respectively, which is recorded in the accompanying statements of activities as other income.

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

	2025	2024
Due from National Organization	\$ 105,533	\$ 84,435
Due from Other Chapters	1,516	5,031
Total Due from Related Entities	<u>\$ 107,049</u>	<u>\$ 89,466</u>
Due to National Organization	\$ 42,113	\$ 12,155
Due to Other Chapters	31,367	67,219
Total Due to Related Entities	<u>\$ 73,480</u>	<u>\$ 79,374</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, 2025 and 2024, the Foundation received contributions, both cash and in-kind, from board members totaling \$392,528 and \$113,804, respectively. At August 31, 2025 and 2024, amounts due from board members totaling \$40,000 and \$80,998, respectively, and are included in contributions receivable in the accompanying statements of financial position.

MAKE-A-WISH FOUNDATION® OF CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

NOTE 8 PROPERTY AND EQUIPMENT, NET

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

	<u>2025</u>	<u>2024</u>
Land	\$ 1,367,449	\$ 1,367,449
Buildings and Building Improvements	6,891,789	6,711,304
Computer Equipment and Software	98,222	84,711
Office Furniture and Other Equipment	250,700	167,149
Construction in Progress	2,260	34,429
Total	<u>8,610,420</u>	<u>8,365,042</u>
Less: Accumulated Depreciation and Amortization	<u>(910,614)</u>	<u>(705,250)</u>
Property and Equipment, Net	<u><u>\$ 7,699,806</u></u>	<u><u>\$ 7,659,792</u></u>

Depreciation expense totaled \$205,365 and \$191,693, respectively, for the years ended August 31, 2025 and 2024.

NOTE 9 NOTE PAYABLE

On February 1, 2021, the Foundation entered into a note payable with a financial institution totaling \$2,800,000. The note bears interest at 3.15%, requires principal payments in equal monthly installments of \$13,490, and matures on October 8, 2029. The note payable is subject to various financial and nonfinancial covenants. The remaining principal payments subsequent to August 31, 2025 are as follows:

<u>Year Ending August 31,</u>	<u>Amount</u>
2026	\$ 104,093
2027	107,419
2028	110,852
2029	114,395
2030	1,447,707
Total	<u><u>\$ 1,884,466</u></u>

NOTE 10 LEASES

The Foundation leases equipment and vehicles under long-term, noncancelable lease agreements. The leases expire at various dates through December 2027.

MAKE-A-WISH FOUNDATION® OF CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

NOTE 10 LEASES (CONTINUED)

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

	<u>2025</u>	<u>2024</u>
Lease Cost:		
Finance Lease Cost:		
Amortization of Right-of-Use Assets	\$ -	\$ 1,812
Interest on Lease Liability	-	34
Operating Lease Cost	<u>31,391</u>	<u>21,759</u>
Total Lease Cost	<u><u>\$ 31,391</u></u>	<u><u>\$ 23,605</u></u>
Other Information:		
Cash Paid for Amounts Included in the Measurement of Lease Liabilities		
Operating Cash Flows from Financing Leases	\$ -	\$ 34
Operating Cash Flows from Operating Leases	\$ 24,550	\$ 15,756
Financing Cash Flows from Financing Leases	\$ -	\$ 2,036
Right-of-Use Assets Obtained in Exchange for New		
Operating Lease Liabilities	\$ 16,110	\$ 18,162
Weighted-Average Remaining Leases Term - Financing Leases	0.0 Years	0.0 Years
Weighted-Average Remaining Leases Term - Operating Leases	1.5 Years	2.1 Years
Weighted-Average Discount Rate - Financing Leases	0.00%	0.00%
Weighted-Average Discount Rate - Operating Leases	4.44%	4.50%

A maturity analysis of annual undiscounted cash flows for lease liabilities as of August 31, 2025, is as follows:

<u>Year Ending August 31,</u>	<u>Operating Leases</u>
2026	\$ 26,708
2027	6,119
2028	<u>852</u>
Total Lease Payments	33,679
Less: Imputed Interest	<u>(1,047)</u>
Present Value of Lease Payments	<u><u>\$ 32,632</u></u>

MAKE-A-WISH FOUNDATION® OF CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2025 AND 2024

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>2025</u>	<u>2024</u>
Subject to Expenditure for Specified Purpose:		
Wish Granting	\$ 202,133	\$ 279,820
Alumni Hall Station Upgrades	-	100,000
Pollinator Garden	5,000	5,000
Total	<u>207,133</u>	<u>384,820</u>
Subject to Passage of Time:		
Promises to Give that are Not Restricted by Donors, but Which are Unavailable for Expenditure Until Due	<u>120,000</u>	<u>280,859</u>
Total	<u>120,000</u>	<u>280,859</u>
Endowments:		
Subject to Endowment Spending Policy and Appropriation:		
Earnings on Endowment Funds	278,811	237,063
Original Donor-Restricted Gift Amount to be Maintained in Perpetuity:		
Wilson Endowment Fund	150,000	150,000
Ortense Endowment Fund	<u>150,369</u>	<u>148,368</u>
Total	<u>579,180</u>	<u>535,431</u>
Not Subject to Spending Policy or Appropriation:		
Beneficial Interest in Assets Held by National Split Interest Agreements	<u>193,425</u>	<u>182,945</u>
Total	<u>186,646</u>	<u>181,063</u>
Total	<u>380,071</u>	<u>364,008</u>
Total Donor-Restricted Net Assets	<u><u>\$ 1,286,384</u></u>	<u><u>\$ 1,565,118</u></u>

NOTE 12 ENDOWMENTS

The Foundation is subject to the enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) and is required to make disclosures about endowment funds, both donor-restricted endowment funds and board-designated endowment funds.

The Foundation's endowment consists of two donor-restricted funds. Net assets associated with endowment funds, including funds designated by the board of directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. Endowment assets, both donor-restricted and board-designated, are reflected as investments held for long-term purposes on the statements of financial position.

MAKE-A-WISH FOUNDATION® OF CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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NOTE 12 ENDOWMENTS (CONTINUED)

Interpretation of Relevant Law

The Board of Directors of the Foundation has interpreted the Connecticut UPMIFA as requiring preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as donor-restricted net assets: (a) the original value of gifts donated to the donor-restricted endowment, (b) the original value of subsequent gifts to the donor-restricted endowment, and (c) accumulated earnings on the donor-restricted endowment funds. The accumulated earnings on the endowment funds remain treated as donor-restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

Endowment fund composition by type of fund as of August 31 is as follows:

August 31, 2025			
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-Restricted Endowment Funds	\$ -	\$ 579,180	\$ 579,180
August 31, 2024			
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-Restricted Endowment Funds	\$ -	\$ 535,431	\$ 535,431

MAKE-A-WISH FOUNDATION® OF CONNECTICUT
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AUGUST 31, 2025 AND 2024

NOTE 12 ENDOWMENTS (CONTINUED)

Interpretation of Relevant Law (Continued)

Changes in endowment funds are as follows for the years ended August 31:

	August 31, 2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Funds - Beginning of Year	\$ -	\$ 535,431	\$ 535,431
Investment Return:			
Investment Income	-	52,477	52,477
Net Appreciation (Realized and Unrealized)	-	(8,728)	(8,728)
Total Investment Return	-	43,749	43,749
Contributions	-	-	-
Appropriation of Endowment Asset for Expenditure	-	-	-
Endowment Funds - End of Year	<u>\$ -</u>	<u>\$ 579,180</u>	<u>\$ 579,180</u>
	August 31, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Funds - Beginning of Year	\$ -	\$ 469,291	\$ 469,291
Investment Return:			
Investment Income	-	15,755	15,755
Net Appreciation (Realized and Unrealized)	-	50,385	50,385
Total Investment Return	-	66,140	66,140
Appropriation of Endowment Asset for Expenditure	-	-	-
Endowment Funds - End of Year	<u>\$ -</u>	<u>\$ 535,431</u>	<u>\$ 535,431</u>

Fund Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. There were no such deficiencies as of August 31, 2025 and 2024.

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NOTES TO FINANCIAL STATEMENTS
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NOTE 12 ENDOWMENTS (CONTINUED)

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. The Foundation expects its endowment funds, over time, to provide an average rate of return of approximately 5% annually. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent constraints.

NOTE 13 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. 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 employee contributions up to 4% of the employee's salary. Foundation contributions to the Plan for the years ended August 31, 2025 and 2024 were \$62,979 and \$57,346, respectively.

NOTE 14 CONCENTRATIONS

Financial instruments that potentially subject the Foundation to concentration of credit risk consist principally of cash, cash equivalents, and investments. Deposits at each financial institution are insured in limited amounts by the Federal Deposit Insurance Corporation (FDIC). The Foundation's cash and investments are placed with high credit quality financial institutions, and accordingly, the Foundation does not expect to experience nonperformance.

No single donor was greater than 10% of raised revenue for the years ended August 31, 2025 and 2024.

For both of the years ended August 31, 2025 and 2024 three donors represent 83% and 62% of the contributions receivable balance, respectively. Should these contribution levels decrease, the Foundation may be adversely affected.

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NOTES TO FINANCIAL STATEMENTS
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NOTE 15 COMMITMENTS

The goal of the Foundation is to grant the wish of every eligible child. During the years ended August 31, 2025 and 2024, the Foundation granted 227 and 272 wishes, respectively. As of August 31, 2025 and 2024, respectively, there were approximately 320 and 310 wish children who are eligible for a wish. The average cost of a wish for the fiscal year ended August 31, 2025 was \$7,431 in cash and \$5,713 in in-kind for a total cost of \$13,144. The average cost of a wish for the year ended August 31, 2024 was \$7,544 in cash and \$5,484 in in-kind for a total cost of \$13,028.

NOTE 16 SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events from the statement of financial position date through December 16, 2025, the date at which the financial statements were available to be issued.

