

**MAKE-A-WISH FOUNDATION® OF  
SOUTHERN FLORIDA**

**FINANCIAL STATEMENTS**

**YEARS ENDED AUGUST 31, 2025 AND 2024**



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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Make-A-Wish Foundation® of Southern Florida  
Miami, Florida

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of Make-A-Wish Foundation® of Southern Florida (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 accompanying financial statements present fairly, in all material respects, the financial position of Make-A-Wish Foundation® of Southern Florida 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 Southern Florida and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Make-A-Wish Foundation® of Southern Florida's ability to continue as a going concern for one year after the date the financial statements are available to be issued.


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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Make-A-Wish Foundation® of Southern Florida's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Make-A-Wish Foundation® of Southern Florida's ability to continue as a going concern for a reasonable period of time.

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



**CliftonLarsonAllen LLP**

Lakeland, Florida  
February 17, 2026

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

	2025	2024
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 9,800,291	\$ 9,032,665
Investments	24,692,244	21,615,076
Due from Related Entities	755,302	895,446
Prepaid Expenses	767,872	773,299
Contributions Receivable, Net	6,062,385	6,466,626
Other Assets	59,873	63,087
Restricted Cash	126,914	80,294
Investments Held for Long-Term Purposes	4,289,537	4,264,537
Right-of-Use Assets - Operating	557,685	646,809
Property and Equipment, Net	33,840,892	33,690,118
Beneficial Interest in Assets Held by Others	830,144	789,147
	<b>\$ 81,783,139</b>	<b>\$ 78,317,104</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 1,042,815	\$ 1,667,267
Due to Related Entities	92,196	205,107
Deferred Revenue	2,050,000	50,000
Lease Liability - Operating	571,777	638,090
Notes Payable	2,193,856	4,080,279
Total Liabilities	5,950,644	6,640,743
<b>NET ASSETS</b>		
Without Donor Restrictions	64,478,835	51,152,232
With Donor Restrictions	11,353,660	20,524,129
Total Net Assets	75,832,495	71,676,361
Total Liabilities and Net Assets	<b>\$ 81,783,139</b>	<b>\$ 78,317,104</b>

See accompanying Notes to Financial Statements.

**MAKE-A-WISH FOUNDATION® OF SOUTHERN FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED AUGUST 31, 2025**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>			
Public Support:			
Contributions, Cash	\$ 4,475,115	\$ 139,180	\$ 4,614,295
Contributions, Donated Goods and Services	1,819,467	214,658	2,034,125
Grants	1,289,769	-	1,289,769
Total Public Support	7,584,351	353,838	7,938,189
Internal Special Events, Cash	12,677,806	1,025,000	13,702,806
Internal Special Events, Donated Goods and Services	1,046,954	-	1,046,954
Less: Costs of Direct Benefits to Donors	(5,526,106)	-	(5,526,106)
Total Internal Special Events	8,198,654	1,025,000	9,223,654
Investment Income, Net	2,912,365	46,146	2,958,511
Other Income	147,057	-	147,057
Net Assets Released from Restrictions	10,595,453	(10,595,453)	-
Total Revenues, Gains, and Other Support	29,437,880	(9,170,469)	20,267,411
<b>EXPENSES</b>			
Program Services:			
Wish Granting	10,506,675	-	10,506,675
Total Program Services	10,506,675	-	10,506,675
Support Services:			
Fundraising	3,610,094	-	3,610,094
Management and General	1,994,508	-	1,994,508
Total Support Services	5,604,602	-	5,604,602
Total Expenses	16,111,277	-	16,111,277
<b>CHANGE IN NET ASSETS</b>	13,326,603	(9,170,469)	4,156,134
Net Assets - Beginning of Year	51,152,232	20,524,129	71,676,361
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 64,478,835</b>	<b>\$ 11,353,660</b>	<b>\$ 75,832,495</b>

See accompanying Notes to Financial Statements.

**MAKE-A-WISH FOUNDATION® OF SOUTHERN FLORIDA**  
**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	\$ 7,927,812	\$ 3,513,441	\$ 11,441,253
Contributions, Donated Goods and Services	2,419,145	265,022	2,684,167
Grants	1,029,716	200,068	1,229,784
Total Public Support	11,376,673	3,978,531	15,355,204
Internal Special Events, Cash	10,270,536	858	10,271,394
Internal Special Events, Donated Goods and Services	584,933	-	584,933
Less: Costs of Direct Benefits to Donors	(4,207,318)	-	(4,207,318)
Total Internal Special Events	6,648,151	858	6,649,009
Investment Income, Net	3,557,779	83,917	3,641,696
Other Income	93,862	-	93,862
Net Assets Released from Restrictions	7,299,142	(7,299,142)	-
Total Revenues, Gains, and Other Support	28,975,607	(3,235,836)	25,739,771
<b>EXPENSES</b>			
Program Services:			
Wish Granting	10,237,249	-	10,237,249
Total Program Services	10,237,249	-	10,237,249
Support Services:			
Fundraising	2,839,726	-	2,839,726
Management and General	1,825,927	-	1,825,927
Total Support Services	4,665,653	-	4,665,653
Total Expenses	14,902,902	-	14,902,902
<b>NONOPERATING ACTIVITY</b>			
Gains (Losses) on Sale of Property	(4,170)	-	(4,170)
Total Other Gains (Losses)	(4,170)	-	(4,170)
<b>CHANGE IN NET ASSETS</b>	14,068,535	(3,235,836)	10,832,699
Net Assets - Beginning of Year	37,083,697	23,759,965	60,843,662
<b>NET ASSETS - END OF YEAR</b>	\$ 51,152,232	\$ 20,524,129	\$ 71,676,361

See accompanying Notes to Financial Statements.

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

	Program Services		Support Services		Direct Donor Benefits	Total
	Wish Granting	Fundraising	Management and General	Total Support Services		
Direct Costs of Wishes	\$ 5,924,243	\$ -	\$ -	\$ -	\$ -	\$ 5,924,243
Salaries, Taxes, and Benefits	1,852,366	1,882,559	1,191,447	3,074,006	-	4,926,372
Printing, Subscriptions, and Publications	21,576	31,708	7,786	39,494	-	61,070
Professional Fees	54,720	168,840	12,877	181,717	-	236,437
Rent and Utilities	191,902	222,486	98,939	321,425	-	513,327
Postage and Delivery	9,094	17,162	4,041	21,203	-	30,297
Travel	19,505	63,258	32,668	95,926	-	115,431
Meetings and Conferences	106,764	95,199	109,232	204,431	-	311,195
Office Supplies	90,256	75,751	28,391	104,142	-	194,398
Communications	21,396	18,244	8,727	26,971	-	48,367
Advertising and Media (Cash)	11,494	12,144	2,463	14,607	-	26,101
Repairs and Maintenance	8,876	23,387	7,025	30,412	-	39,288
Insurance	125,933	83,931	44,395	128,326	-	254,259
Bad Debt Recovery	-	227,035	-	227,035	-	227,035
Membership Dues	1,652	12,472	2,930	15,402	-	17,054
Grants and Scholarships	250,000	-	-	-	-	250,000
National Partnership Dues	1,081,958	247,305	216,392	463,697	-	1,545,655
Miscellaneous	146,034	140,532	79,468	220,000	-	366,034
Depreciation and Amortization	588,906	288,081	147,727	435,808	-	1,024,714
Special Event - Direct Donor Benefits	-	-	-	-	5,526,106	5,526,106
Total Expenses by Function	10,506,675	3,610,094	1,994,508	5,604,602	5,526,106	21,637,383
Less Expenses Netted Against Revenues on the Statement of Activities:						
Special Event Expenses	-	-	-	-	(5,526,106)	(5,526,106)
Total Expenses Included in the Expense Section of the Statement of Activities	<u>\$ 10,506,675</u>	<u>\$ 3,610,094</u>	<u>\$ 1,994,508</u>	<u>\$ 5,604,602</u>	<u>\$ -</u>	<u>\$ 16,111,277</u>

See accompanying Notes to Financial Statements.

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

	Program Services		Support Services		Direct Donor Benefits	Total
	Wish Granting	Fundraising	Management and General	Total Support Services		
Direct Costs of Wishes	\$ 6,849,294	\$ -	\$ -	\$ -	\$ -	\$ 6,849,294
Salaries, Taxes, and Benefits	1,737,398	1,706,676	1,024,626	2,731,302	-	4,468,700
Printing, Subscriptions, and Publications	12,710	26,847	7,345	34,192	-	46,902
Professional Fees	50,816	82,690	145,827	228,517	-	279,333
Rent and Utilities	155,151	183,416	125,929	309,345	-	464,496
Postage and Delivery	4,945	15,521	3,693	19,214	-	24,159
Travel	23,946	57,487	25,597	83,084	-	107,030
Meetings and Conferences	6,114	97,535	12,092	109,627	-	115,741
Office Supplies	61,036	82,023	38,019	120,042	-	181,078
Communications	20,410	19,540	8,765	28,305	-	48,715
Advertising and Media (Cash)	6,737	24,099	1,374	25,473	-	32,210
Repairs and Maintenance	7,508	18,713	6,438	25,151	-	32,659
Insurance	47,686	33,295	16,450	49,745	-	97,431
Bad Debt Recovery	-	85,023	-	85,023	-	85,023
Membership Dues	2,570	9,329	2,889	12,218	-	14,788
Grants and Scholarships	150,000	-	100,000	100,000	-	250,000
National Partnership Dues	943,487	215,654	188,697	404,351	-	1,347,838
Miscellaneous	60,155	112,863	83,556	196,419	-	256,574
Depreciation and Amortization	97,286	69,015	34,630	103,645	-	200,931
Special Event - Direct Donor Benefits	-	-	-	-	4,207,318	4,207,318
Total Expenses by Function	10,237,249	2,839,726	1,825,927	4,665,653	4,207,318	19,110,220
Less Expenses Netted Against Revenues on the Statement of Activities:						
Special Event Expenses	-	-	-	-	(4,207,318)	(4,207,318)
Total Expenses Included in the Expense Section of the Statement of Activities	<u>\$ 10,237,249</u>	<u>\$ 2,839,726</u>	<u>\$ 1,825,927</u>	<u>\$ 4,665,653</u>	<u>\$ -</u>	<u>\$ 14,902,902</u>

See accompanying Notes to Financial Statements.

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

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 4,156,134	\$ 10,832,699
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	1,024,714	200,931
Bad Debt Expense (Recovery)	227,035	85,023
Contributions Restricted for Long-Term Investment and Capital Campaign	(127,490)	(3,629,469)
Net Realized and Unrealized (Gains) Losses on Investments	(2,050,759)	(2,670,691)
(Gain) Loss on Sale of Property	-	4,170
Contributed Property and Equipment, Inventory and Investments	(282,281)	(204,447)
Change in Operating Right-of-Use Assets and Lease Liabilities	22,811	(1,180)
(Increase) Decrease in Assets:		
Contributions Receivable	1,474,946	4,077,172
Due from Related Entities	140,144	400,209
Prepaid Expenses	5,427	(228,776)
Other Assets	3,214	6,433
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	(624,452)	(1,079,959)
Due to Related Entities	(112,911)	(45,618)
Deferred Revenue	2,000,000	(25,000)
Net Cash Provided by Operating Activities	5,856,532	7,721,497
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Investments	(5,515,165)	(5,435,417)
Proceeds from Sales of Investments	4,705,040	4,950,022
Purchases of Property and Equipment	(1,175,488)	(7,447,902)
Net Cash Used by Investing Activities	(1,985,613)	(7,933,297)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Contributions Restricted for Long-Term Investment and Capital Campaign	(1,170,250)	(1,144,100)
Principal Payments on Line of Credit	(1,886,423)	(5,678,695)
Proceeds from Line of Credit	-	5,953,690
Net Cash Provided by Financing Activities	(3,056,673)	(869,105)
<b>NET CHANGE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH</b>	814,246	(1,080,905)
Cash, Cash Equivalents, and Restricted Cash - Beginning of Year	9,112,959	10,193,864
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR</b>	\$ 9,927,205	\$ 9,112,959
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>		
Cash Paid for Interest Expense	\$ 210,433	\$ 467,029
Contributed Property and Equipment, Inventory and Investments	\$ 282,281	\$ 204,447

See accompanying Notes to Financial Statements.

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

**NOTE 1 ORGANIZATION**

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

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

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

**Measure of Operations**

In the statement of activities, the Foundation includes in its definition of operations all resources and expenses that are an integral part of its program and supporting activities. Nonoperating activity consists of contributions that are restricted by donors for the construction of capital assets and related bad debt.

**Cash, Cash Equivalents, and Restricted Cash**

The Foundation considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Restricted cash represents monies that are donor-restricted to be used for the construction and funding of debt incurred to complete construction of the Foundation's headquarters.

**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 changes in the values of investments will occur in the near term and that such changes could be material to the amounts reported in the statements of financial position.

**Contributions Receivable**

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

**MAKE-A-WISH FOUNDATION® OF SOUTHERN FLORIDA**  
**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 the 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 statement of financial position.

ROU assets represent the Foundations 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 of greater than \$750 and a useful life of three or more years 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 SOUTHERN FLORIDA**  
**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 the measurement date.

**Deferred Revenue**

During the year ended August 31, 2025, the Foundation received a conditional contribution of \$2,000,000 from a donor to support the debt reduction of the construction of the new Wish house. The contribution agreement includes donor-imposed conditions that require the Foundation to remain in the building for fifteen years. The agreement also provides the donor with a right of return of the assets transferred if the conditions are not substantially met. Because these conditions had not been met as of August 31, 2025, the contribution has not been recognized as revenue in the accompanying statement of activities and is recorded as a deferred revenue in the statement of financial position. The deferred revenue related to this conditional contribution totaled \$2,000,000 at August 31, 2025. Revenue will be recognized in the period in which the Foundation substantially meets the donor-imposed conditions.

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

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

**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 restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowments.

*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.

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 the 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 \$5,526,106 and \$4,207,318 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.

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

**Revenue Recognition (Continued)**

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 \$955,506 and \$991,845, respectively.

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

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

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

**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>2025</u>	<u>2024</u>
Wish Related Travel, Goods, and Services	\$ 1,996,022	\$ 2,403,756
Professional Services	26,599	134,679
Special Events	1,046,954	584,933
Property and Equipment	9,000	98,299
Other	<u>2,504</u>	<u>47,433</u>
Total Contributed Nonfinancial Assets and Services	<u>\$ 3,081,079</u>	<u>\$ 3,269,100</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, such as legal fees, used for support services and are valued and reported at the estimated fair value based on current rates for similar services.

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

**Revenue Recognition (Continued)**

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

Property and equipment in-kind amounts include donated legal and architectural services related to the construction of the Foundation’s headquarters.

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

**Cash Flows**

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the statements of financial position that sum to the totals of the same such amounts shown in the statements of cash flows:

	<u>2025</u>	<u>2024</u>
Cash and Cash Equivalents	\$ 9,800,291	\$ 9,032,665
Restricted Cash	126,914	80,294
Total	<u>\$ 9,927,205</u>	<u>\$ 9,112,959</u>

**Income Taxes**

The Foundation is a nonprofit organization exempt from federal income and Florida income taxes under the provisions of Internal Revenue Code Section 501(c)(3) and Section 12-A of the Florida statutes, Chapter 212. 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 state of Florida jurisdiction.

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

**Functional Expenses**

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

**Wish Granting**

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

**Fundraising**

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

**Management and General**

All costs not identifiable with 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.

**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.

**Reclassifications**

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

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**NOTE 3 LIQUIDITY AND AVAILABILITY**

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

	<u>2025</u>	<u>2024</u>
Total Financial Assets	\$ 46,556,817	\$ 43,143,791
Donor-Imposed Restrictions:		
Restricted Funds	(7,064,123)	(16,259,592)
Endowments	<u>(4,289,537)</u>	<u>(4,264,537)</u>
Net Financial Assets after Donor-Imposed Restrictions	35,203,157	22,619,662
Internal Designations:		
Board-Designated Endowments	<u>(914,500)</u>	<u>(884,255)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 34,288,657</u>	<u>\$ 21,735,407</u>

Financial assets include cash and cash equivalents, investments, due from related entities, contributions receivable, restricted cash, investments held for long-term purposes, and beneficial interest in assets held by others. 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.

The Foundation's endowment funds consist of donor-restricted endowments and funds designated by the board. 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.

**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.

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

**Fair Value of Financial Instruments (Continued)**

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 of directors or the executive committee, which oversees the Foundation's investment program in accordance with established guidelines.

**Investments**

**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 and private equity strategies. Hedged strategies involve funds whose managers have the authority to invest in various asset classes at their discretion, including the ability to invest long and short. Funds with hedged strategies generally hold securities or other financial instruments for which a ready market exists and may include stocks, bonds, put or call options, swaps, currency hedges, and other instruments, and are valued accordingly. Private equity funds employ buy-out and venture capital strategies and focus on investments in turn-around situations. Private equity strategies often require the estimation of fair values by the fund managers in the absence of readily determinable market values. Because of the inherent uncertainties of valuation, these estimated fair values may differ significantly from values that would have been used had a ready market existed, and the differences could be material. Such valuations are determined by fund managers and generally consider variables such as operating results, comparable earnings multiples, projected cash flows, recent sales prices, and other pertinent information, and may reflect discounts for the illiquid nature of certain

investments held. Moreover, the fair values of the Foundation's interests in shares or units of these funds, because of liquidity and capital commitment terms that vary depending on the specific fund or partnership agreement, may differ from the fair value of the funds' underlying net assets.

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

**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:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Assets Not Held at Fair Value</u>	<u>Total</u>
<u>August 31, 2025</u>					
Assets					
Investments:					
Equity Securities	\$ 17,169,473	\$ -	\$ -	\$ -	\$ 17,169,473
Debt Securities	1,749,794	2,434,930	-	-	4,184,724
Hedge Funds	4,073,815	-	-	-	4,073,815
Private Equity	-	-	-	1,251,433	1,251,433
Tangible Assets	1,970,312	-	-	-	1,970,312
Real Estate Investment Trust	-	-	332,024	-	332,024
Total Investments	<u>24,963,394</u>	<u>2,434,930</u>	<u>332,024</u>	<u>1,251,433</u>	<u>28,981,781</u>
Beneficial Interest in Trusts	-	-	830,144	-	830,144
Total Assets	<u>\$ 24,963,394</u>	<u>\$ 2,434,930</u>	<u>\$ 1,162,168</u>	<u>\$ 1,251,433</u>	<u>\$ 29,811,925</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Assets Not Held at Fair Value</u>	<u>Total</u>
<u>August 31, 2024</u>					
Assets					
Investments:					
Equity Securities	\$ 14,926,176	\$ -	\$ -	\$ -	\$ 14,926,176
Debt Securities	1,491,336	3,064,411	-	-	4,555,747
Hedge Funds	3,768,608	-	-	-	3,768,608
Private Equity	-	-	-	564,595	564,595
Tangible Assets	1,727,669	-	-	-	1,727,669
Real Estate Investment Trust	-	-	336,818	-	336,818
Total Investments	<u>21,913,789</u>	<u>3,064,411</u>	<u>336,818</u>	<u>564,595</u>	<u>25,879,613</u>
Beneficial Interest in Trusts	-	-	789,147	-	789,147
Total Assets	<u>\$ 21,913,789</u>	<u>\$ 3,064,411</u>	<u>\$ 1,125,965</u>	<u>\$ 564,595</u>	<u>\$ 26,668,760</u>

For the valuation of debt securities 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).

The Foundation has investments in private equity funds that were valued at a combined total of \$1,251,433 and \$564,595 at August 31, 2025 and 2024, respectively. The original commitments by the Foundation to these private equity funds totaled \$1,250,000 and \$900,000, respectively, on a combined basis. As of August 31, 2025 and 2024, the Foundation has an unfunded commitment of \$339,329 and \$518,076, respectively. There is no option to redeem or liquidate the interest in these funds.

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

**Fair Value Hierarchy (Continued)**

The Foundation has a beneficial interest in perpetual trusts as described in Note 5. There were no transfers between investment levels during the years ended August 31, 2025 and 2024.

Purchases of Level 3 and NAV investments consist of the following for the years ended August 31:

	<u>2025</u>	<u>2024</u>
Purchases	<u>\$ 643,000</u>	<u>\$ 100,000</u>

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.

<u>Type of Assets</u>	<u>Fair Value at August 31, 2025</u>	<u>Principal Valuation Technique</u>	<u>Unobservable Inputs</u>
Beneficial Interests in Trusts Held by Others	\$ 830,144	Fair Value	Value of Underlying Assets
Real Estate Investment Trust	<u>332,024</u>	Fair Value	Value of Underlying Assets
Total	<u>\$ 1,162,168</u>		

<u>Type of Assets</u>	<u>Fair Value at August 31, 2024</u>	<u>Principal Valuation Technique</u>	<u>Unobservable Inputs</u>
Beneficial Interests in Trusts Held by Others	\$ 789,147	Fair Value	Value of Underlying Assets
Real Estate Investment Trust	<u>336,818</u>	Fair Value	Value of Underlying Assets
Total	<u>\$ 1,125,965</u>		

Investments in certain entities that are measured at fair value using NAV per share as a practical expedient are as follows at August 31:

<u>Investment Strategy</u>	<u>2025</u>			
	<u>NAV in Funds</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Private Equity Funds	\$ 1,251,433	\$ 339,329	Quarterly	60 Days
Total	<u>\$ 1,251,433</u>	<u>\$ 339,329</u>		
<u>Investment Strategy</u>	<u>2024</u>			
	<u>NAV in Funds</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Private Equity Funds	\$ 564,595	\$ 518,076	Quarterly	60 Days
Total	<u>\$ 564,595</u>	<u>\$ 518,076</u>		

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**NOTE 5 BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS**

The Foundation is a named income beneficiary on various perpetual trusts, the corpus of which is not controlled by management of the Foundation. Under these agreements, the Foundation has the irrevocable right to receive all or a portion of the income earned on the underlying assets held in perpetuity. Accordingly, donor restricted contribution revenue and the related assets are recognized at fair value in the period in which the Foundation receives notice that the trust agreement conveys an unconditional right to receive benefits.

Subsequent changes in value of the underlying assets have been recorded in the accompanying statement of activities as a component of net assets with restrictions and realized and unrealized gains and losses on investments.

The Foundation's beneficial interest in the trust is \$830,144 and \$789,147 as of August 31, 2025 and 2024, respectively. The Foundation used significant unobservable inputs including information from owner-to-owner transactions and the Foundation's own assumptions (Level 3) to determine fair value.

**NOTE 6 CONTRIBUTIONS RECEIVABLE**

Contributions receivable include pledges that have been discounted at rates ranging from 3.68% to 4.23% at August 31, 2025 and 3.71% to 3.91% at August 31, 2024. The following is a summary of the Foundation's contributions receivable at August 31:

	2025	2024
Total Amounts Due in:		
Within One Year	\$ 1,867,503	\$ 1,887,778
One to Five Years	3,381,709	3,519,575
More than Five Years	2,301,667	2,339,050
Gross Contributions Receivable	7,550,879	7,746,403
Less: Allowance for Doubtful Accounts	(57,548)	(9,651)
Less: Discount to Present Value	(1,430,946)	(1,270,126)
Contributions Receivable, Net	\$ 6,062,385	\$ 6,466,626

**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 \$2,688,248 and \$1,798,544 from these national revenue streams.

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**NOTE 7 TRANSACTIONS WITH RELATED ENTITIES (CONTINUED)**

As part of the National Organization’s Wish Fulfillment Fund, chapters may apply for funding that have been donated by other chapters to underwrite the cost of wishes. Under this program, the Foundation contributed \$250,000 during the years ended August 31, 2025 and 2024. As part of the National Organization’s Wish Fulfillment Fund, chapters may receive funds to assist other chapters in fulfilling wishes. The Foundation received \$36,500 and \$141,000 during the years ended August 31, 2025 and 2024, respectively, for this purpose.

Conversely, the Foundation pays amounts to the National Organization for annual 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 \$1,545,655 and \$1,347,838 were paid by 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 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 \$124,097 and \$93,862, respectively, during the years ended August 31, 2025 and 2024, 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:

	<u>2025</u>	<u>2024</u>
Due from National Organization	\$ 463,344	\$ 310,806
Due from Other Chapters	291,958	584,640
Total Due from Related Entities	<u>\$ 755,302</u>	<u>\$ 895,446</u>
Due to National Organization	\$ 37,133	\$ 114,753
Due to Other Chapters	55,063	90,354
Total Due to Related Entities	<u>\$ 92,196</u>	<u>\$ 205,107</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 \$4,255,182 and \$4,513,222 respectively. At August 31, 2025 and 2024, amounts due from board members totaled \$6,752,665 and \$6,884,582, respectively, primarily for pledged contributions in connection with the Foundation’s endowment and capital campaign and are included in contributions receivable in the accompanying statements of financial position.

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**NOTE 8 PROPERTY AND EQUIPMENT, NET**

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

	<u>2025</u>	<u>2024</u>
Land	\$ 4,544,334	\$ 4,544,334
Buildings and Building Improvements	27,948,392	18,189,342
Computer Equipment and Software	290,562	287,088
Office Furniture	<u>2,482,366</u>	<u>2,121,403</u>
Total	35,265,654	25,142,167
Less: Accumulated Depreciation and Amortization	(1,472,603)	(447,889)
Construction in Progress	<u>47,841</u>	<u>8,995,840</u>
Property and Equipment, Net	<u>\$ 33,840,892</u>	<u>\$ 33,690,118</u>

Depreciation and amortization expense totaled \$1,024,714 and \$200,931, respectively, for the years ended August 31, 2025 and 2024.

Construction in progress includes funds spent to date on the construction of the Foundation's headquarters.

**NOTE 9 LINE OF CREDIT**

In June 2022, the Foundation entered into a \$18,000,000 construction line of credit secured by investment property, bearing interest at the bank's default rate related to the construction of their headquarters. The line of credit is secured by the Foundation's capital campaign pledges receivables balance, with principal payments due monthly in the amount of collections on the capital campaign pledges. The outstanding balance for the years ended 2025 and 2024 totaled \$2,193,856 and \$4,080,279, respectively.

**NOTE 10 LEASES**

The Foundation is obligated under various operating leases for offices and equipment under long-term, noncancelable lease agreements. The leases expire at various dates through February 2027.

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**NOTE 10 LEASES (CONTINUED)**

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

	<u>2025</u>	<u>2024</u>
Lease Cost:		
Operating Lease Cost	\$ 184,174	\$ 153,849
Total Lease Cost	<u>\$ 184,174</u>	<u>\$ 153,849</u>
Other Information:		
Cash Paid for Amounts Included in the Measurement of Lease Liabilities		
Operating Cash Flows from Operating Leases	\$ 180,463	\$ 157,735
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities	-	243,821
Weighted Average Remaining Lease Term - Operating Leases	3.3 Years	4.2 Years
Weighted-Average Discount Rate - Operating Leases	2.54%	2.35%

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	\$ 183,942
2027	174,884
2028	158,714
2029	<u>77,181</u>
Total Lease Payments	594,721
Less: Imputed Interest	<u>(22,944)</u>
Present Value of Lease Liabilities	<u>\$ 571,777</u>

**NOTE 11 NET ASSETS**

**Net Assets Without Donor Restrictions**

As of August 31, 2025 and 2024, the governing board has designated \$914,500 and \$884,255, respectively, from net assets without donor restrictions, as unrestricted board designated net assets as endowed funds designated for the ongoing operation of the Foundation.

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**NOTE 11 NET ASSETS (CONTINUED)**

**Net Assets With Donor Restrictions**

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

	2025	2024
Subject to Expenditure for Specified Purpose:		
General Purpose	\$ 69,215	\$ 64,067
Capital Campaign Pledges to be Received in Future Years	-	5,810,406
Capital Campaign Restricted Cash	116,914	70,294
Construction in Process	-	8,897,541
Total	186,129	14,842,308
Subject to Passage of Time:		
General Time Restrictions	6,021,091	562,342
Total	6,021,091	562,342
Endowments:		
Original Donor-Restricted Gift Amount to be Maintained in Perpetuity:		
Investments in Perpetuity, the Income from which is Expendable to Support any Activities of the Foundation	4,289,537	4,264,537
Beneficial Interest in Assets Held by Others	830,144	789,147
Endowment Contributions Receivable	26,759	65,795
Total	5,146,440	5,119,479
Total Donor-Restricted Net Assets	\$ 11,353,660	\$ 20,524,129

**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 26 individual funds established for a variety of purposes including both donor-restricted endowment funds and funds designated by the board of directors to function as endowments. 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. Donor restricted endowment assets are reflected as investments held for long-term purposes on the statements of financial position.

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**NOTE 12 ENDOWMENTS (CONTINUED)**

**Interpretation of Relevant Law**

The board of directors of the Foundation has interpreted the Florida 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:

- 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:

	Without Donor Restrictions	With Donor Restrictions	Total
August 31, 2025			
Donor-Restricted Endowment Funds	\$ -	\$ 4,289,537	\$ 4,289,537
Board-Designated Endowment Funds	914,500	-	914,500
Total Funds	\$ 914,500	\$ 4,289,537	\$ 5,204,037
August 31, 2024			
Donor-Restricted Endowment Funds	\$ -	\$ 4,264,537	\$ 4,264,537
Board-Designated Endowment Funds	881,534	-	881,534
Total Funds	\$ 881,534	\$ 4,264,537	\$ 5,146,071

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**NOTES TO FINANCIAL STATEMENTS**  
**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:

<u>August 31, 2025</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment Funds - Beginning of Year	\$ 881,534	\$ 4,264,537	\$ 5,146,071
Investment Return:			
Investment Income	<u>52,966</u>	<u>383,387</u>	<u>436,353</u>
Total Investment Return	52,966	383,387	436,353
Contributions	-	25,000	25,000
Appropriation of Endowment Asset for Expenditure	<u>(20,000)</u>	<u>(383,387)</u>	<u>(403,387)</u>
Endowment Funds - End of Year	<u>\$ 914,500</u>	<u>\$ 4,289,537</u>	<u>\$ 5,204,037</u>

<u>August 31, 2024</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment Funds - Beginning of Year	\$ 884,255	\$ 4,059,537	\$ 4,943,792
Investment Return:			
Investment Income	<u>17,279</u>	<u>130,092</u>	<u>147,371</u>
Total Investment Return	17,279	130,092	147,371
Contributions	-	205,000	205,000
Appropriation of Endowment Asset for Expenditure	<u>(20,000)</u>	<u>(130,092)</u>	<u>(150,092)</u>
Endowment Funds - End of Year	<u>\$ 881,534</u>	<u>\$ 4,264,537</u>	<u>\$ 5,146,071</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 are no fund deficiencies as of August 31, 2025 and 2024.

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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 fund(s) 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 8.25% 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.

**Spending Policy and How the Investment Objectives Relate to Spending Policy**

The Foundation has a policy of spending all earnings on donor restricted endowments. All amounts were considered appropriated based on this policy. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity for a specified term as well as to provide additional real growth through new gifts and investment returns.

**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 and upon completion of one year of service. Under the provisions of the Plan, eligible employees may elect to defer a percentage of their salary subject to certain Internal Revenue Code (IRC) limitations. The Foundation matches employee contributions up to 4% of the employee's salary and incorporates a five-year graded vesting schedule. Foundation contributions to the Plan for the year ended August 31, 2025 and 2024 were \$93,970 and \$106,704, respectively.

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**NOTE 14 CONCENTRATIONS OF CREDIT RISK**

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.

For the year ended August 31, 2025, there were no concentrations of revenue. Contributions totaling \$4,000,000 were received from one donor for the year ended August 31, 2024, which represents 15% of raised revenue which consists of total public support and gross internal special event revenue. For the year ended August 31, 2025, contributions totaling \$127,940 were made to the capital campaign. For the year ended August 31, 2024, contributions totaling \$3,629,469 were made to the capital campaign and a one-time estate gift. These contributions did not affect ongoing operations.

**NOTE 15 LITIGATION AND CLAIMS**

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

**NOTE 16 COMMITMENTS**

The goal of the Foundation is to grant the wish of every eligible child. During the fiscal year ended August 31, 2025 and 2024, the Foundation granted 504 and 567 wishes, respectively. As of August 31 2025 and 2024, respectively, there were approximately 634 and 606 wish children who are eligible for a wish. The average cost of a wish for the year ended August 31, 2025 was \$7,683 in cash and \$4,048 in in-kind for a total cost of \$11,731. The average cost of a wish for the year ended August 31, 2024 was \$8,131 in cash and \$3,997 in in-kind for a total cost of \$12,128.

In March 2019, the Foundation entered into a contract for construction of a headquarters to be located on land they were purchasing in Miami, Florida. The original contracted price of approximately \$15,901,261, is due in installments as certain milestones are met. At August 31, 2025 the contract was billed in full. The project was completed in the spring of 2025.

**NOTE 17 SUBSEQUENT EVENTS**

The Foundation has evaluated subsequent events from the statement of financial position date through February 17, 2026, the date at which the financial statements were available to be issued.



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