MAKE-A-WISH FOUNDATION® OF GREATER VIRGINIA

FINANCIAL STATEMENTS

YEARS ENDED AUGUST 31, 2025 AND 2024

MAKE-A-WISH FOUNDATION® OF GREATER VIRGINIA
TABLE OF CONTENTS
YEARS ENDED AUGUST 31, 2025 AND 2024

INDEPENDENT AUDITORS' REPORT

Board of Directors
Make-A-Wish Foundation® of Greater Virginia
Richmond, Virginia

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Make-A-Wish Foundation® of Greater Virginia (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 Greater Virginia 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 Greater Virginia 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 Greater Virginia's ability to continue as a going concern within one year after the date that 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 Greater Virginia'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 Greater Virginia'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

CliftonLarsonAllen LLP

Tempe, Arizona
January 28, 2026

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

	2025	2024
ASSETS		
Cash and Cash Equivalents	$ 422,020	$ 217,592
Investments	461,812	224,434
Due from Related Entities	158,113	89,601
Prepaid Expenses	79,681	77,606
Contributions Receivable, Net	476,692	1,181,474
Other Assets	136,019	67,014
Investments Held for Long-Term Purposes	145,951	130,726
Right-of-Use Assets - Operating	242,782	303,574
Right-of-Use Assets - Financing	5,769	8,539
Property and Equipment, Net	15,564	10,398
Total Assets	$ 2,144,403	$ 2,310,958
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	$ 80,848	$ 159,167
Due to Related Entities	45,974	23,126
Lease Liability - Operating	247,964	305,886
Lease Liability - Financing	6,367	9,131
Deferred Revenue, Internal Events	54,974	30,900
Total Liabilities	436,127	528,210
NET ASSETS		
Without Donor Restrictions	1,036,753	927,150
With Donor Restrictions	671,523	855,598
Total Net Assets	1,708,276	1,782,748
Total Liabilities and Net Assets	$ 2,144,403	$ 2,310,958

See accompanying Notes to Financial Statements.

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

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT			
Public Support:			
Contributions, Cash	$ 1,575,851	$ 10,323	$ 1,586,174
Contributions, Donated Goods and Services	762,435	115,596	878,031
Grants	382,946	77,434	460,380
Total Public Support	2,721,232	203,353	2,924,585
Internal Special Events, Cash	550,366	37,525	587,891
Internal Special Events, Donated Goods and Services	64,647	-	64,647
Less: Costs of Direct Benefits to Donors	(128,064)	-	(128,064)
Total Internal Special Events	486,949	37,525	524,474
Investment Income, Net	49,366	15,225	64,591
Other Income	1,200	-	1,200
Net Assets Released from Restrictions	440,178	(440,178)	-
Total Revenues, Gains, and Other Support	3,698,925	(184,075)	3,514,850
EXPENSES			
Program Services:			
Wish Granting	2,443,705	-	2,443,705
Support Services:			
Fundraising	718,350	-	718,350
Management and General	426,836	-	426,836
Total Support Services	1,145,186	-	1,145,186
Total Expenses	3,588,891	-	3,588,891
OTHER LOSSES			
Loss on Disposal of Property and Equipment	431	-	431
CHANGE IN NET ASSETS	109,603	(184,075)	(74,472)
Net Assets - Beginning of Year	927,150	855,598	1,782,748
NET ASSETS - END OF YEAR	$ 1,036,753	$ 671,523	$ 1,708,276

See accompanying Notes to Financial Statements.

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

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT			
Public Support:			
Contributions, Cash	$ 1,843,047	$ 55,169	$ 1,898,216
Contributions, Donated Goods and Services	995,514	191,849	1,187,363
Grants	588,805	47,803	636,608
Total Public Support	3,427,366	294,821	3,722,187
Internal Special Events, Cash	578,249	8,200	586,449
Internal Special Events, Donated Goods and Services	25,909	3,065	28,974
Less: Costs of Direct Benefits to Donors	(131,434)	-	(131,434)
Total Special Events	472,724	11,265	483,989
Investment Income, Net	26,618	19,438	46,056
Net Assets Released from Restrictions	252,508	(252,508)	-
Total Revenues, Gains, and Other Support	4,179,216	73,016	4,252,232
EXPENSES			
Program Services:			
Wish Granting	2,824,000	-	2,824,000
Support Services:			
Fundraising	804,066	-	804,066
Management and General	390,767	-	390,767
Total Support Services	1,194,833	-	1,194,833
Total Expenses	4,018,833	-	4,018,833
CHANGE IN NET ASSETS	160,383	73,016	233,399
Net Assets - Beginning of Year	766,767	782,582	1,549,349
NET ASSETS - END OF YEAR	$ 927,150	$ 855,598	$ 1,782,748

See accompanying Notes to Financial Statements.

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

	Program Services	Support Services				
	Wish Granting	Fundraising	Management and General	Total Support Services	Direct Donor Benefits	Total
Direct Costs of Wishes	$ 1,755,701	$ -	$ -	$ -	$ -	$ 1,755,701
Salaries, Taxes, and Benefits	442,555	502,359	251,180	753,539	-	1,196,094
Printing, Subscriptions, and Publications	812	22,585	391	22,976	-	23,788
Professional Fees	1,070	578	108,326	108,904	-	109,974
Rent and Utilities	26,395	29,962	14,980	44,942	-	71,337
Postage and Delivery	6,567	6,286	967	7,253	-	13,820
Travel	2,145	7,329	153	7,482	-	9,627
Meetings and Conferences	709	5,842	1,074	6,916	-	7,625
Office Supplies	9,654	4,246	1,079	5,325	-	14,979
Communications	2,898	3,673	1,645	5,318	-	8,216
Advertising and Media (Cash)	-	7,892	-	7,892	-	7,892
Advertising and Media (In-Kind)	-	9,825	-	9,825	-	9,825
Repairs and Maintenance	368	417	208	625	-	993
Insurance	499	50	-	50	-	549
Bad Debt	-	36,520	-	36,520	-	36,520
Membership Dues	796	903	451	1,354	-	2,150
National Partnership Dues	183,622	41,971	36,724	78,695	-	262,317
Miscellaneous	6,772	34,345	7,875	42,220	-	48,992
Depreciation and Amortization	3,142	3,567	1,783	5,350	-	8,492
Special Event - Direct Donor Benefits	-	-	-	-	128,064	128,064
Total Expenses by Function	2,443,705	718,350	426,836	1,145,186	128,064	3,716,955
Less Expenses Netted Against Revenues on the Statement of Activities:						
Special Event Expenses	-	-	-	-	(128,064)	(128,064)
Total Expenses Included in the Expense Section of the Statement of Activities	$ 2,443,705	$ 718,350	$ 426,836	$ 1,145,186	$ -	$ 3,588,891

See accompanying Notes to Financial Statements.

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

	Program Services	Support Services				
	Wish Granting	Fundraising	Management and General	Total Support Services	Direct Donor Benefits	Total
Direct Costs of Wishes	$ 1,858,787	$ -	$ -	$ -	$ -	$ 1,858,787
Salaries, Taxes, and Benefits	537,142	449,700	262,326	712,026	-	1,249,168
Printing, Subscriptions, and Publications	1,078	18,465	1,097	19,562	-	20,640
Professional Fees	17,526	14,381	64,985	79,366	-	96,892
Rent and Utilities	31,565	26,427	15,416	41,843	-	73,408
Postage and Delivery	5,870	4,238	637	4,875	-	10,745
Travel	1,043	10,973	3,407	14,380	-	15,423
Meetings and Conferences	891	4,728	1,990	6,718	-	7,609
Office Supplies	22,347	3,140	1,072	4,212	-	26,559
Communications	3,780	4,101	1,936	6,037	-	9,817
Advertising and Media (Cash)	-	4,453	-	4,453		4,453
Advertising and Media (In-Kind)	-	186,252	-	186,252	-	186,252
Repairs and Maintenance	526	441	257	698	-	1,224
Insurance	131	160	64	224		355
Bad Debt	-	2,500	-	2,500	-	2,500
Membership Dues	1,172	1,146	572	1,718	-	2,890
Grants and Scholarships	180,000	-	-	-	-	180,000
National Partnership Dues	144,207	32,962	28,841	61,803	-	206,010
Miscellaneous	14,791	37,366	6,631	43,997	-	58,788
Depreciation and Amortization	3,144	2,633	1,536	4,169	-	7,313
Special Event - Direct Donor Benefits	-	-	-	-	131,434	131,434
Total Expenses by Function	2,824,000	804,066	390,767	1,194,833	131,434	4,150,267
Less Expenses Netted Against Revenues on the Statement of Activities:						
Special Event Expenses	-	-	-	-	(131,434)	(131,434)
Total Expenses Included in the Expense Section of the Statement of Activities	$ 2,824,000	$ 804,066	$ 390,767	$ 1,194,833	$ -	$ 4,018,833

See accompanying Notes to Financial Statements.

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

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ (74,472)	$ 233,399
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	5,722	4,544
Amortization of Right-of-Use Asset, Finance Lease	2,770	2,769
Bad Debt	36,520	2,500
Net Realized and Unrealized Gains on Investments	(20,490)	(31,871)
Loss on Disposal of Property and Equipment	431	-
Contributed Other Assets	(62,068)	(9,409)
Change in Discount to Present Value of Contributions Receivable	(11,487)	(12,319)
Change in Operating Right-of-Use Assets and Lease Liabilities	2,870	529
(Increase) Decrease in Assets:		
Contributions Receivable	679,749	(311,105)
Due from Related Entities	(68,512)	38,949
Prepaid Expenses	(2,075)	16,443
Other Assets	(6,937)	(424)
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	(78,319)	60,524
Due to Related Entities	22,848	(20,650)
Other Liabilities	24,074	(20,224)
Net Cash Provided (Used) by Operating Activities	450,624	(46,345)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(234,617)	(123,452)
Proceeds from Sales of Investments	2,504	208,574
Purchases of Property and Equipment	(11,319)	(5,774)
Net Cash Provided (Used) by Investing Activities	(243,432)	79,348
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Payments on Finance Lease Obligations	(2,764)	(2,590)
NET INCREASE IN CASH AND CASH EQUIVALENTS	204,428	30,413
Cash and Cash Equivalents - Beginning of Year	217,592	187,179
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 422,020	$ 217,592
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash Paid For Interest	$ 512	$ 686
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities	$ 5,674	$ 330,588
Contributed Other Assets	$ 62,068	$ 9,409

See accompanying Notes to Financial Statements.

NOTE 1 ORGANIZATION

Make-A-Wish Foundation® of Greater Virginia (the Foundation) is a Virginia nonprofit corporation, organized for the purpose of granting wishes to children with critical illnesses. The Foundation is an independently operating chapter of Make-A-Wish Foundation® of America (National Organization), which develops and implements national programs in public relations and fundraising for the benefit of all local chapters. 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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

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

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

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

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

Property and Equipment, Net

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

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements

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

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

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

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

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

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restrictions when the assets are place 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.

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 $128,000 and $131,000 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 $52,000 and $87,000, 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 are recorded as revenue and receivables until the conditions have been substantially met.

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	$ 851,398	$ 959,926
Professional Services	-	13,299
Advertising and Media	9,825	186,252
Special Events	64,647	28,974
Other	16,808	27,886
Total Contributed Nonfinancial Assets and Services	$ 942,678	$ 1,216,337

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 external staff education and training used for support services and wish granting program 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.

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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Foundation is a nonprofit organization exempt from federal income and Virginia taxes under the provisions of Internal Revenue Code Section 501(c)(3) and Section 58.1 of the Virginia code. However, the Foundation remains subject to income taxes on any net income that is derived from a trade or business, regularly carried on and not in furtherance of the purpose for which it was granted exemption. No income tax provision has been recorded as the net income, if any, from any unrelated trade or business, in the opinion of management, is not material to the financial statements taken as a whole.

Management believes that no uncertain tax positions exist for the Foundation at August 31, 2025 and 2024. The Foundation files income tax returns in the U.S. federal jurisdiction and applicable state jurisdictions.

Functional Expenses

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

Wish Granting

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

Fundraising

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

Management and General

All costs not identifiable with a specific program 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.

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	$ 1,664,588	$ 1,843,827
Donor-Imposed Restrictions:		
Restricted Funds	(525,572)	(724,872)
Endowments	(145,951)	(130,726)
Net Financial Assets after Donor-Imposed Restrictions	993,065	988,229
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	$ 993,065	$ 988,229

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

NOTE 4 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.

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

Investments

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. 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. Real estate funds generally hold interests in public real estate investment trusts (REITS) or commercial real estate through sole-member entities. Private equity and real asset strategies therefore 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.

NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)

Fair Value Hierarchy

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

	Level 1	Level 2	Level 3	Assets Not Held at Fair Value	Total
August 31, 2025					
Investments:					
Exchange-Traded Funds	$ 355,722	$ -	$ -	$ -	$ 355,722
Cash	-	-	-	252,041	252,041
Total Investments	$ 355,722	$ -	$ -	$ 252,041	$ 607,763
August 31, 2024					
Investments:					
Exchange-Traded Funds	$ 324,154	$ -	$ -	$ -	$ 324,154
Cash	-	-	-	31,006	31,006
Total Investments	$ 324,154	$ -	$ -	$ 31,006	$ 355,160

NOTE 5 CONTRIBUTIONS RECEIVABLE

Contributions receivable include pledges that have been discounted at 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	$ 338,908	$ 899,990
One to Five Years	145,461	300,648
Gross Contributions Receivable	484,369	1,200,638
Less: Discount to Present Value	(7,677)	(19,164)
Contributions Receivable, Net	$ 476,692	$ 1,181,474

NOTE 6 TRANSACTIONS WITH RELATED ENTITIES

The National Organization conducts national fundraising efforts for which cash and in-kind donations are received and shared with the Foundation. These funds represent revenues associated with distributions from national partners, individual donation amounts collected via online and white mail donations, amounts for internal grants, and other miscellaneous revenues. During the years ended August 31, 2025 and 2024, respectively, the Foundation received $946,433 and $598,470 from these national revenue streams.

NOTE 6 TRANSACTIONS WITH RELATED ENTITIES (CONTINUED)

As part of the National Organization's Wish Fulfillment Fund, chapters may apply for funds that have been donated by other chapters to underwrite the cost of wishes. Under this program, the Foundation received $-0- and $330,000 during the years ended August 31, 2025 and 2024, respectively.

Conversely, the Foundation pays amounts to the National Organization for chapter dues, insurance, and other miscellaneous ancillary expenses that the National Organization pays on behalf of the Foundation. Amounts totaling $331,895 and $273,109 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 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 $1,200 and $-0-, respectively, for the years ended August 31, 2025 and 2024, which is recorded in the accompanying statements of activities as other income.

Chapters with capacity can grant wishes for peer chapters who are facing limitations to meet their local wish granting demand. These chapters providing the wish relief are paid an amount equivalent to the average cost of a wish. Under this program, the Foundation paid $-0- and $180,000 during the years ended August 31, 2025 and 2024, respectively, to facilitate the granting of wishes on the Foundation's behalf.

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

	2025	2024
Due from National Organization	$ 156,266	$ 89,601
Due from Other Chapters	1,847	-
Total Due from Related Entities	$ 158,113	$ 89,601
Due to National Organization	$ 8,333	$ 9,461
Due to Other Chapters	37,641	13,665
Total Due to Related Entities	$ 45,974	$ 23,126

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.

NOTE 6 TRANSACTIONS WITH RELATED ENTITIES (CONTINUED)

During the years ended August 31, 2025 and 2024, the Foundation received contributions, both cash and in-kind, from board members totaling $89,715 and $157,395, respectively. At August 31, 2025 and 2024, amounts due from board members totaled $30,454 and $372,517, respectively, and are included in contributions receivable in the accompanying statements of financial position.

NOTE 7 PROPERTY AND EQUIPMENT, NET

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

	2025	2024
Computer Equipment and Software	$ 29,436	$ 29,507
Office Furniture and Other Equipment	6,721	7,006
Leasehold Improvements	4,688	5,255
Total	40,845	41,768
Less: Accumulated Depreciation and Amortization	(25,281)	(31,370)
Property and Equipment, Net	$ 15,564	$ 10,398

Depreciation expense totaled $5,722 and $4,544, respectively for the years ended August 31, 2025 and 2024.

NOTE 8 LEASES

The Foundation leases equipment as well as certain operating and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through fiscal year 2029.

NOTE 8 LEASES (CONTINUED)

The following tables provide quantitative information concerning the Foundation's leases at August 31.

	2025	2024
Lease Cost:		
Finance Lease Cost:		
Amortization of Right-of-Use Assets	$ 2,769	$ 2,769
Interest on Lease Liabilities	512	686
Operating Lease Cost	77,938	78,743
Total Lease Cost	$ 81,219	$ 82,198
Other Information:		
Cash Paid for Amounts Included in the Measurement of Lease Liabilities		
Operating Cash Flows from Financing Leases	$ 512	$ 686
Operating Cash Flows from Operating Leases	$ 75,068	$ 78,214
Financing Cash Flows from Financing Leases	$ 2,764	$ 2,590
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities	$ 5,674	$ 330,588
Weighted-Average Remaining Leases Term - Financing Leases	2.0 Years	3.0 Years
Weighted-Average Remaining Leases Term - Operating Leases	3.3 Years	4.3 Years
Weighted-Average Discount Rate - Financing Leases	6.50%	6.50%
Weighted-Average Discount Rate - Operating Leases	4.21%	4.22%

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

Year Ending August 31	Operating Leases	Financing Leases
2026	$ 77,592	$ 3,276
2027	76,988	3,276
2028	73,993	273
2029	37,512	-
Total Lease Payments	266,085	6,825
Less: Imputed Interest	(18,121)	(458)
Present Value of Lease Liabilities	$ 247,964	$ 6,367

NOTE 9 NET ASSETS

Net Assets With Donor Restrictions

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

	2025	2024
Subject to Expenditure for Specified Purpose:		
Wish Granting	$ 217,002	$ 283,624
Future Events	-	3,065
Total	217,002	286,689
Subject to Passage of Time:		
Cash Pledges Receivable	308,570	438,183
Endowments:		
Subject to Endowment Spending Policy and Appropriation:		
Earnings on Endowment Funds	61,015	45,790
Original Donor-Restricted Gift Amount to be Maintained in Perpetuity:		
Charles Schwab Endowment	84,936	84,936
Total	145,951	130,726
Total Donor-Restricted Net Assets	$ 671,523	$ 855,598

NOTE 10 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 one individual fund established for donor-restricted endowment funds. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. Endowment assets are reflected as investments held for long-term purposes on the statements of financial position.

NOTE 10 ENDOWMENTS (CONTINUED)

Interpretation of Relevant Law

The board of directors of the Foundation has interpreted the Virginia 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	$ -	$ 145,951	$ 145,951
August 31, 2024			
Donor-Restricted Endowment Funds	$ -	$ 130,726	$ 130,726

NOTE 10 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 Net Assets - Beginning of Year	$ -	$ 130,726	$ 130,726
Investment Return:			
Investment Income	-	3,366	3,366
Net Appreciation (Realized and Unrealized)	-	11,859	11,859
Total Investment Return	-	15,225	15,225
Other Changes:			
Appropriation of Endowment Earnings	-	-	-
Endowment Net Assets - End of Year	$ -	$ 145,951	$ 145,951
August 31, 2024			
Endowment Net Assets - Beginning of Year	$ -	$ 111,288	$ 111,288
Investment Return:			
Investment Income	-	3,178	3,178
Net Appreciation (Realized and Unrealized)	-	16,260	16,260
Total Investment Return	-	19,438	19,438
Other Changes:			
Appropriation of Endowment Earnings	-	-	-
Endowment Net Assets - End of Year	$ -	$ 130,726	$ 130,726

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.

NOTE 10 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 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 purpose. Under the investment policy, as approved by the board of directors, the endowment assets are invested in a manner that is intended to generate a level of current income (interest and dividends) consistent with the overriding investment goal of the Fund while avoiding excessive risk. The Foundation expects its endowment funds, over time, to achieve a total return in excess of the rate of inflation plus cash flow needs over the investment horizon in order to preserve purchasing power of Fund assets. The overriding investment goal of the Fund is to conserve and enhance the capital value of the Fund in real terms, through asset appreciation and income generation. Actual returns in any given year may vary from this goal.

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 has selected 65% MSCI All Country World Index and 35% Bloomberg U.S. Aggregate Bond Index to serve as a benchmark for investment selection and evaluation.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has a policy of appropriating for distribution each year between 3% and 5% of its endowment fund's average fair value over the prior three years through the calendar year-end preceding the fiscal year in which the distribution is planned. However, if the market value of the endowment, as defined in the Endowment Policy, is less than the fund's threshold level, the distribution will be less than the Targeted Distribution, as defined in the Endowment Policy. If the market value of the endowment is less than the fund's corpus but more than the threshold level, the distribution will be limited to the lower of its Targeted Distribution or Realized Increase, as defined in the Endowment Policy. The Endowment Policy also entitles the Foundation to receive from the Endowment Fund, a reasonable percentage, not to exceed 3% of the Fund's market value, for administering the Fund.

NOTE 11 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 Internal Revenue Code limitations. The Foundation matches employee contributions up to 5% of the employee's salary. Foundation contributions to the Plan for the years ended August 31, 2025 and 2024 were $51,053 and $47,605, respectively.

NOTE 12 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. The Foundation's cash and investments were placed with high credit quality financial institutions, and accordingly, the Foundation does not expect to experience nonperformance.

For the years ended August 31, 2025 and 2024, contributions totaling $568,086 and $600,908 were received from one donor, which represents 19% and 16% of total raised revenue, respectively. Should these contribution levels decrease, the Foundation may be adversely affected.

For the years ended August 31, 2025 and 2024, three and four donors represent 73% and 83% of the contributions receivable balance, respectively. Should these contribution levels decrease, the Foundation may be adversely affected.

NOTE 13 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 14 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 178 and 193 wishes, respectively. As of August 31, 2025 and 2024, respectively, there were approximately 235 and 230 wish children who are eligible for a wish. The average cost of a wish for the year ended August 31, 2025 was $4,884 in cash and $4,978 in in-kind for a total cost of $9,862. The average cost of a wish for the year ended August 31, 2024 was $5,115 in cash and $4,555 in in-kind for a total cost of $9,670.

NOTE 15 SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events from the statement of financial position date through January 28, 2026, the date at which the financial statements were available to be issued.