WISHES & MORE®

Financial Statements

December 31, 2022 and 2021

Wishes & More®

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CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Wishes & More®
Minneapolis, Minnesota

We have audited the accompanying financial statements of Wishes & More® (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wishes & More® as of December 31, 2022 and 2021, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Wishes & More® 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 Wishes & More's® ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

INDEPENDENT AUDITOR'S REPORT, continued

Auditor's 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 auditor's 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 generally accepted auditing standards 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, including omissions, 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 generally accepted auditing standards, 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 Wishes & More'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 Wishes & More'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.

May 9, 2023

Akins Henke and Company

Wishes & More®

Statements of Financial Position

December 31, 2022 and 2021

ASSETS		**2022**	**2021**
Current assets:			
Cash	$	284,852	648,582
Promises to give		114,293	75,549
Other receivable		-	3,238
Prepaid expenses		80,667	82,246
Total current assets		479,812	809,615
Investments		1,753,063	1,276,516
Right of use asset - operating lease		83,065	-
Furniture and equipment:			
Furniture and equipment		31,717	28,118
Less accumulated depreciation		(26,124)	(23,030)
Net furniture and equipment		5,593	5,088
Other assets:			
Trademark costs		6,878	6,878
Website		3,198	3,198
Total other assets		10,076	10,076
Less accumulated amortization		(10,076)	(10,065)
Net other assets		-	11
Total Assets	$	2,321,533	2,091,230
LIABILITIES AND NET ASSETS			
Current liabilities:			
Accounts payable	$	9,230	7,721
Wishes payable		8,492	22,944
Deferred revenue		38,775	34,165
Lease liability - operating lease		36,265	-
Accrued compensation		25,493	17,697
Total current liabilities		118,255	82,527
Lease liability - operating lease		49,965	-
Total liabilities		168,220	82,527
Net assets:			
Without donor restrictions:			
Undesignated		869,281	1,009,985
Board designated		1,057,034	772,457
Total without donor restrictions		1,926,315	1,782,442
With donor restrictions		226,998	226,261
Total net assets		2,153,313	2,008,703
Total Liabilities and Net Assets	$	2,321,533	2,091,230

See accompanying notes to the financial statements.

Wishes & More®

Statements of Activities

For the Years Ended December 31, 2022 and 2021

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES:						
Contributions	$ 361,713	14,500	376,213	410,717	2,000	412,717
Grants	121,050	-	121,050	52,200	18,500	70,700
Paycheck protection program loan forgiveness	-	-	-	60,265	-	60,265
Donated goods and services	493,487	-	493,487	392,413	-	392,413
Investment income (loss)	(105,784)	-	(105,784)	101,230	-	101,230
Total support	870,466	14,500	884,966	1,016,825	20,500	1,037,325
Special fundraising events	868,020	101,251	969,271	634,213	102,906	737,119
Less cost of direct benefits to donors	(126,125)	-	(126,125)	(81,111)	-	(81,111)
Net special events	741,895	101,251	843,146	553,102	102,906	656,008
Total Support and Revenues	1,612,361	115,751	1,728,112	1,569,927	123,406	1,693,333
NET ASSETS RELEASED FROM RESTRICTIONS:						
Restrictions satisfied by expenditures	115,014	(115,014)	-	84,761	(84,761)	-
EXPENSES:						
Program	1,389,804	-	1,389,804	1,138,043	-	1,138,043
Management and general	113,557	-	113,557	85,043	-	85,043
Fundraising	77,353	-	77,353	49,873	-	49,873
Total Expenses	1,580,714	-	1,580,714	1,272,959	-	1,272,959
CHANGE IN NET ASSETS	146,661	737	147,398	381,729	38,645	420,374
IMPLEMENTATION OF ASC 842	(2,788)	-	(2,788)	-	-	-
NET ASSETS - BEGINNING OF YEAR	1,782,442	226,261	2,008,703	1,400,713	187,616	1,588,329
NET ASSETS - END OF YEAR	$ 1,926,315	226,998	2,153,313	1,782,442	226,261	2,008,703

See accompanying notes to the financial statements.

Wishes & More®
Statements of Functional Expenses
For the Years Ended December 31, 2022 and 2021

	2022				2021			
	Program	**Management and General**	**Fundraising**	**Total**	**Program**	**Management and General**	**Fundraising**	**Total**
Salaries	$ 305,674	59,890	6,910	372,474	246,303	38,722	11,785	296,810
Payroll taxes	23,699	4,698	542	28,939	15,991	5,254	1,599	22,844
Employee benefits	21,119	5,181	598	26,898	14,222	4,673	1,422	20,317
Total personnel costs	350,492	69,769	8,050	428,311	276,516	48,649	14,806	339,971
Wish expense	902,675	-	-	902,675	716,168	-	-	716,168
Scholarship of Hope®	13,000	-	-	13,000	34,587	-	-	34,587
Occupancy	31,108	11,392	1,314	43,814	29,445	9,675	2,944	42,064
Office supplies	17,979	6,583	760	25,322	13,743	4,515	1,374	19,632
Professional services	26,578	9,733	36,481	72,792	30,086	9,885	3,009	42,980
Special fundraising events	-	-	155,017	155,017	-	-	105,102	105,102
Postage	12,731	4,661	538	17,930	10,093	3,316	1,009	14,418
Meetings	659	241	28	928	145	48	15	208
Insurance	4,888	1,790	207	6,885	4,681	1,538	468	6,687
Public relations	16,892	6,186	714	23,792	12,192	4,005	1,219	17,416
Bank and credit card charges	3,287	1,204	139	4,630	2,286	751	229	3,266
Volunteer expense	4,059	-	-	4,059	2,185	718	218	3,121
Telephone	3,251	1,191	137	4,579	2,734	898	273	3,905
Amortization	8	3	-	11	128	42	13	183
Depreciation	2,197	804	93	3,094	3,054	1,003	305	4,362
Total	1,389,804	113,557	203,478	1,706,839	1,138,043	85,043	130,984	1,354,070
Less: Expenses netted against revenues on the Statement of Activities:								
Special events expenses	-	-	(126,125)	(126,125)	-	-	(81,111)	(81,111)
Total expenses included in the expense section on the Statement of Activities	$ 1,389,804	113,557	77,353	1,580,714	1,138,043	85,043	49,873	1,272,959

See accompanying notes to the financial statements.

Wishes & More®

Statements of Cash Flows

For the Years Ended December 31, 2022 and 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 147,398	420,374
Adjustments to reconcile change in net assets to net cash provided from operating activities:		
Amortization and depreciation	3,105	4,545
Net realized and unrealized (gains) losses on investments	134,631	(92,459)
Paycheck protection program loan forgiveness	-	(60,265)
Change in asets and liabilities:		
Increase in promises to give	(38,744)	(11,956)
Increase (decrease) in other receivable	3,238	(3,238)
(Increase) decrease in prepaid expenses	1,579	(39,320)
Decrease in right of use asset - operating lease	35,558	-
Increase in accounts payable	1,509	5,727
Increase (decrease) in wishes payable	(14,452)	14,879
Increase in deferred revenue	4,610	12,715
Increase (decrease) in accrued compensation	7,796	(3,103)
Decrease in lease liability - operating lease	(35,181)	-
Net cash provided by operating activities	251,047	247,899
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(1,618,439)	(511,751)
Sales of investments	1,007,261	502,840
Purchase of furniture and equipment	(3,599)	-
Net cash used for investing activities	(614,777)	(8,911)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from paycheck protection program loan	-	60,265
Net cash provided by financing activities	-	60,265
NET INCREASE (DECREASE) IN CASH	(363,730)	299,253
CASH - BEGINNING OF YEAR	648,582	349,329
CASH - END OF YEAR	$ 284,852	648,582

See accompanying notes to the financial statements.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Wishes & More® (the Organization) is a nonprofit corporation organized to enhance the lives of children, nineteen years old and younger, fighting terminal or life-threatening conditions by providing extraordinary experiences. The Organization's support comes primarily from corporate and individual donor contributions.

The Organization also provides a Scholarship of Hope® which is presented to each wish child upon being granted their wish that will be a financial grant to apply to any higher institution of learning beyond high school. Memorials are provided for children who are unable to experience their wish.

Basis of Presentation

The accompanying financial statements are presented on the accrual basis in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Under U.S. GAAP, the Organization is required to report information regarding its financial position and activities according to two classes of net assets:

> *Without donor restrictions*- net assets over which the Board of Directors has discretionary control. Designated amounts represent those revenues which the Board has set aside for a particular purpose. At December 31, 2022, the Board has designated net assets of $702,588 for scholarships and $354,446 for future wishes. At December 31, 2021, the Board has designated net assets of $603,588 for scholarships and $168,869 for future wishes.

> *With Donor Restrictions*- represent the portion of net assets that are restricted by donors for specific purposes or time periods, or that will be maintained by the Organization in perpetuity.

Adoption of New Accounting Standards

During 2022, the Organization implemented FASB ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets.* This guidance increases the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure. The implementation of this standard resulted in no significant changes to the way the Organization recognizes contributed nonfinancial assets.

In February 2016, FASB issued ASU No. 2016-02, *Leases (Topic 842)*. FASB ASC 842 supersedes the lease requirements in FASB ASC 840. Under FASB ASC 842, lessees are required to recognize assets and liabilities on the statement of financial position for most leases and provide enhanced disclosures. The Organization adopted FASB ASC 842, with a date of initial application of January 1, 2022, by applying the modified retrospective transition approach. The Organization did not restate prior comparative periods as presented under FASB ASC 840

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Adoption of New Accounting Standards, (continued)

and instead evaluated whether a cumulative effect adjustment to net assets was necessary as of January 1, 2022. A cumulative effect adjustment was made to decrease net assets by $2,788.

The most significant effects of adopting FASB ASC 842 was the recognition of a $118,623 operating lease right of use asset and the recognition of current and long-term operating lease liability of $121,411 on the statement of financial position. FASB ASC 842 did not have a significant effect on the results of operations or cash flows for the year ended December 31, 2022 or 2021.

Revenue and Support

The Organization recognizes contributions when cash, securities, unconditional promises to give, or other assets are committed by the donor. The Organization records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place. Payments received in advance of the special event that are considered the ticket price are recorded as deferred revenue until the performance obligation is met. Conditional contributions - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

Contributions are recorded as support without donor restrictions or support with donor restrictions, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same reporting period are reported as contributions without donor restrictions.

Cash

Cash is defined as cash in checking, cash in UBS Bank deposit account, and cash on hand. The Organization maintains cash accounts at financial institutions located within Minnesota. The accounts are insured by the Federal Deposit Insurance Corporation (FDIC) for up to $250,000 at each institution. At December 31, 2022 and 2021, the Organization had no uninsured cash.

Investments

Investments in equities, mutual funds, corporate bonds, government and agency notes, and money market funds are recorded at fair value. Certificates of deposit and cash are recorded at cost, which approximates fair value. The investments are subject to certain market and trading fluctuations.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Investments, (continued)

The fair value of investments is based on quoted market prices, where available. Net investment income (loss) is reported in the statement of activities and consists of interest and dividend income, realized and unrealized gains and losses, less external and direct internal investment expenses. Interest and dividends are recorded when earned and unrealized gains and losses are recorded based on the fair value of the investment. Net investment income (loss), including gain 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 laws.

Promises to Give

Unconditional promises to give are recognized at net realizable value if due within one year, and at net present value if due over one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met. At December 31, 2022, 57% of the Organization's promises to give came from two donors. At December 31, 2021, 53% of the Organization's promises to give came from two donors.

Management performs periodic reviews of the collectability of promises to give and establishes allowances accordingly. No allowance for doubtful promises to give has been provided, as management believes all promises to give are collectible.

Concentrations of Credit Risk Due to Promises to Give

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of promises to give. Promises to give represent amounts due from various individuals and corporations. Management believes concentrations of credit risk with respect to these promises to give are limited due to the nature and dollar amounts. As of December 31, 2022 and 2021, management believes the Organization has no significant concentrations of credit risk.

Furniture and Equipment

Furniture and equipment are recorded at cost. Contributed furniture and equipment are recorded at fair value at the date of donation. Additions and betterments in excess of $1,000 are capitalized while replacements, maintenance, and repairs that do not improve or extend the life of the respective assets are expensed in the current period. Depreciation is provided through the use of the straight-line method over the estimated lives of the furniture and equipment of five years.

Trademark Costs

Trademark costs are capitalized and amortized using the straight-line method over fifteen years.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Website

Website development costs are capitalized and amortized using the straight-line method over five years.

Leases

The Organization accounts for leases in accordance with FASB ASC 842. The Organization determines if an arrangement is a lease, or contains a lease, at the inception of a contract and when terms of an existing contract are changed. The Organization determines if an arrangement conveys the right to use an identified asset and whether the Organization obtains substantially all of the economic benefits and has the ability to direct the use of the asset. The Organization recognizes a lease liability and right of use asset at the commencement date of the lease.

A lease liability is measured based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or rate and are measured using the index or rate at the commencement date. Lease payments are re-measured when any of the following occur: (1) the lease is modified (and the modification is not accounted for as a separate contract), (2) certain contingencies related to variable lease payments are resolved, or (3) there is a reassessment of any of the lease terms, purchase options, or amounts that are probable of being owed under a residual value guarantee. The discount rate is the rate implicit in the lease if it is readily determinable; otherwise, the Organization has elected to use the risk-free discount rate for a comparable lease term.

A right of use asset is measured at the commencement date at the amount of the initially measured lease liability plus any lease payments made to the lessor before commencement date, minus any lease incentives received, plus any initial direct costs. Unless impaired, the right of use asset is subsequently measured throughout the lease term at the amount of the lease liability less the unamortized balance of lease incentives received. Lease cost for lease payments is recognized on a straight-line basis over the lease term.

The Organization has elected for all underlying classes of leases, to not recognize right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement, and do not include an option to purchase the underlying asset that the Organization is reasonably certain to exercise.

Wishes Payable

The Organization’s wish policy is to recognize wish expense when the expense is incurred. The Organization believes this policy better reflects the wish expense as the wish expense is not known until the wish occurs.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Income Tax

The Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. U.S. GAAP requires management to evaluate tax positions taken by the Organization and recognize a tax liability if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Organization and has concluded that as of December 31, 2022 and 2021, there were no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

Donated Goods and Services

Donated services are recognized as contributions if they (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by the Organization. Donated goods are valued at fair value at the date of donation. Donated goods and services consist of various items and services relating to public relation services, printing services, and other donations for wishes.

A number of volunteers have made significant contributions of their time to the Organization to help with programs and activities. The value of this contributed time is not reflected in the financial statements since such time valuation does not conform to recognition standards under U.S. GAAP.

Special Fundraising Events

The Organization holds a variety of fundraising events during the year. For the years ended December 31, 2022 and 2021, fundraising events include the Golf Classic, the Winter Ball, Wine and Beer Tastings, and Breakfast with Santa.

Functional Allocation of Expense

The costs of providing programs and other activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses that are allocated include salaries, payroll taxes, employee benefits, occupancy, office supplies, professional services, meetings, insurance, bank and credit card charges, telephone, amortization and depreciation. Such expenses are allocated based on time studies and the best estimates of management.

Advertising

The Organization expenses advertising costs as they are incurred. Advertising expense was \$23,792 and \$17,416 for the years ended December 31, 2022 and 2021, respectively.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events for potential recognition or disclosure through May 9, 2023, the date which the financial statements were available for issue.

(2) LIQUIDITY AND FINANCIAL ASSETS

The Organization manages its liquidity by investing excess cash in short-term investments such as certificates of deposit and money market savings, and in longer-term investments which can be liquidated within two days.

At December 31, 2022 and 2021, the Organization had board designated net assets totaling $1,057,034 and $772,457, respectively, intended for scholarships and future wishes. These designations were mindfully placed, and as such, can mindfully be released by board action. The scholarship designated net assets have been reflected as a reduction in the financial assets available within one year as the Board of Directors does not presently intend to spend any significant portion of these funds in 2023. The Board of Directors does not consider the designated funds to be a significant constraint to the availability of financial assets for the Organization as they can be released by Board action, if necessary.

The following table reflects the Organization's financial assets as of December 31, 2022 and 2021, reduced by amounts that are not available to meet general expenditures within one year of the date of the statement of financial position.

	2022	2021
Cash	$ 284,852	648,582
Promises to give	114,293	75,549
Other receivable	-	3,238
Investments	1,753,063	1,276,516
Total financial assets	2,152,208	2,003,885
Less amounts not available to be used within one year:		
Board designated funds for scholarships	(702,588)	(603,588)
Donor restricted for use and time	(136,412)	(129,412)
Financial assets available within one year to meet cash needs for general expenditures	$ 1,313,208	1,270,885

(3) INVESTMENTS

Investments consisted of the following at December 31, 2022 and 2021:

	2022	2021
Cash and deposit accounts	$ 79,392	75,875
Certificates of deposit	435,230	590,379
Government and agency notes	142,471	12,113
Corporate bonds	339,208	121,752
U.S. equities	361,708	295,734
Mutual funds:		
Equity	302,044	134,824
Fixed income	64,690	11,408
Alternative	28,320	34,431
Total investments	$ 1,753,063	1,276,516

(4) FAIR VALUE MEASUREMENTS

U.S. GAAP establishes a three-tier fair value hierarchy that prioritizes the inputs of valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

- Level 1 assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets, such as the New York Stock Exchange.

- Level 2 assets and liabilities are valued using inputs other than unadjusted quoted prices included in Level 1 that are observable either directly or indirectly for the assets or liability. Bonds and notes were valued based on inputs from brokers and dealers in secondary markets.

- Level 3 assets and liabilities are valued using pricing inputs which are unobservable for the asset or liability. There were no level 3 assets or liabilities.

(4) FAIR VALUE MEASUREMENTS, (continued)

The following summarizes the Organization's assets within the fair value hierarchy as of December 31, 2022:

	Level 1	Level 2	Level 3	Total
Investments:				
Government and agency notes	$ -	142,471	-	$ 142,471
Corporate bonds		339,208		339,208
Equities	361,708	-	-	361,708
Equity mutual funds	302,044	-	-	302,044
Fixed income mutual funds	64,690	-	-	64,690
Alternative mutual funds	28,320	-	-	28,320
	$ 756,762	481,679	-	1,238,441
			Cash and deposit accounts at cost	79,392
			Certificates of deposit at cost	435,230
			Total investments	$ 1,753,063

The following summarizes the Organization's assets within the fair value hierarchy as of December 31, 2021:

	Level 1	Level 2	Level 3	Total
Investments:				
Government and agency notes	$ -	12,113	-	$ 12,113
Corporate bonds	-	121,752	-	121,752
Equities	295,734	-	-	295,734
Equity mutual funds	134,824	-	-	134,824
Fixed income mutual funds	11,408	-	-	11,408
Alternative mutual funds	34,431	-	-	34,431
	$ 476,397	133,865	-	610,262
			Cash and deposit accounts at cost	75,875
			Certificates of deposit at cost	590,379
			Total investments	$ 1,276,516

(5) NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were available for the following purposes at December 31:

	2022	2021
Scholarship of Hope®	$ 151,412	129,412
Wish expenses	72,586	92,849
Memorials	3,000	4,000
	$ 226,998	226,261

(5) NET ASSETS WITH DONOR RESTRICTIONS, (continued)

Net assets were released from donor restrictions by incurring expenses that satisfy the restricted purpose or other events specified by the donors. Net assets released from restriction were comprised of the following at December 31, 2022 and 2021:

	2022	2021
Satisfaction of purpose restrictions:		
Scholarship of Hope®	$ 28,165	30,087
Wish expenses	82,849	54,674
Memorials	4,000	-
Total released from restrictions	$ 115,014	84,761

(6) OCCUPANCY

The Organization rents office space from a corporation whose shareholder is the spouse of a board member and has this obligation as a lessee for office space with initial noncancelable terms in excess of one year. The lease has a term of 5 years and expires in April 2025. The lease does not contain a renewal option. The Organization has classified this lease as an operating lease. The lease does not include termination options for either party to the lease, guaranteed residual values or restrictive financial or other covenants.

Payments due under these leases include fixed payments and include variable payments for the Organization's share of utilities. These variable lease payments are not included in lease payments used to determine lease liabilities and are recognized as variable lease costs when incurred. Lease payments are recorded in occupancy expense on the statement of functional expenses. The Organization used the risk-free discount rate for a comparable lease of 0.07% to determine the lease liability and related right of use asset.

Operating lease costs were $35,645 and $34,240 respectively, for 2022 and 2021, and are recorded in occupancy expense on the statement of functional expenses.

Maturities of operating lease liabilities as of December 31, 2022 were as follows:

2023	$ 36,325
2024	37,415
2025	12,594
Total lease payments	86,334
Less present value adjustment	(104)
Present value of lease liabilities	$ 86,230

The Organization also has month-to-month storage space lease. The storage space is rented for $200 per month on a demand basis and is recorded in occupancy expense on the statement of functional expenses.

(7) RETIREMENT PLAN

The Organization maintains a SIMPLE IRA plan which is available to employees who have earned at least $5,000 in the current year. The Organization matches 100% of the employee contributions up to a maximum of 3% of the employee's salary. The Organization's matching contributions for the years ended December 31, 2022 and 2021 was $11,036 and $8,946, respectively.

(8) DONATED GOODS AND SERVICES

For 2022 and 2021, the Organization received and recorded the following donated goods and services:

	2022	2021
Wish services and items	$ 467,198	377,582
Office supplies	6,861	3,090
Public relations	19,428	11,741
	$ 493,487	392,413

Wish services and items consist of donated travel, goods and other services used in the delivery of wishes. The Organization estimates the fair value of these contributions on the basis of estimates of the current market rates for similar travel, goods and other services.

Office supplies are used to help the Organization in the day-to-day operations. Supplies include envelopes and other miscellaneous office supplies. The Organization estimates the fair value of these supplies based on current market rates for similar products.

Public relations are used to help the Organization communicate its message or mission and includes fundraising materials. Materials include postcards, holiday cards and direct mail advertisements. The Organization estimates the fair value of these products and services based on current market rates for similar products and services.

In-kind contributions related to wish granting are restricted to be used in granting wishes. No other in-kind contributions were received with donor restrictions.