

**MAKE-A-WISH® FOUNDATION OF  
NORTHEAST NEW YORK**

**FINANCIAL STATEMENTS**

**YEARS ENDED AUGUST 31, 2015 AND 2014**

**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK  
TABLE OF CONTENTS  
YEARS ENDED AUGUST 31, 2015 AND 2014**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>FINANCIAL STATEMENTS</b>	
<b>STATEMENTS OF FINANCIAL POSITION</b>	<b>3</b>
<b>STATEMENTS OF ACTIVITIES</b>	<b>4</b>
<b>STATEMENTS OF CASH FLOWS</b>	<b>6</b>
<b>STATEMENTS OF FUNCTIONAL EXPENSES</b>	<b>7</b>
<b>NOTES TO FINANCIAL STATEMENTS</b>	<b>9</b>

## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Make-A-Wish® Foundation of Northeast New York  
Albany, New York

We have audited the accompanying financial statements of Make-A-Wish® Foundation of Northeast New York, which comprise the statements of financial position as of August 31, 2015 and 2014, and the related statements of activities, cash flows, and functional expenses, for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

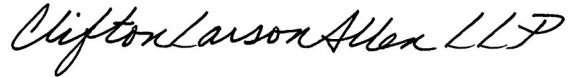
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors  
Make-A-Wish® Foundation of Northeast New York

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Make-A-Wish® Foundation of Northeast New York as of August 31, 2015 and 2014, and change 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.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Boston, Massachusetts  
January 27, 2016

**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK**  
**STATEMENTS OF FINANCIAL POSITION**  
**AUGUST 31, 2015 AND 2014**

	2015	2014
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 248,393	\$ 124,368
Investments	2,464,658	2,686,761
Endowment Assets Held by Related Entity	23,207	-
Due from Related Entities	18,341	4,938
Prepaid Expenses	14,542	15,897
Contributions Receivable, Net	702,596	222,920
Property and Equipment, Net	117,854	18,240
Total Assets	\$ 3,589,591	\$ 3,073,124
<b>LIABILITIES AND NET ASSETS</b>		
Accounts Payable and Accrued Expenses	\$ 70,820	\$ 105,093
Accrued Pending Wish Costs	346,818	207,311
Due to Related Entities	4,020	-
Other Liabilities	18,380	16,290
Total Liabilities	440,038	328,694
<b>NET ASSETS</b>		
Unrestricted	2,547,736	2,627,611
Temporarily Restricted	492,984	116,819
Permanently Restricted	108,833	-
Total Net Assets	3,149,553	2,744,430
Total Liabilities and Net Assets	\$ 3,589,591	\$ 3,073,124

See accompanying Notes to Financial Statements.

**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK  
STATEMENT OF ACTIVITIES  
YEAR ENDED AUGUST 31, 2015**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUES, GAINS AND OTHER SUPPORT</b>				
Public Support:				
Contributions, Net of Write-Offs	\$ 1,352,361	\$ 492,984	\$ 85,626	\$ 1,930,971
Grants	112,000	-	-	112,000
Total Public Support	1,464,361	492,984	85,626	2,042,971
Internal Special Events	454,968	-	-	454,968
Less Costs of Direct Benefits to Donors	(95,442)	-	-	(95,442)
Total Special Events	359,526	-	-	359,526
Investment Loss, Net	(11,934)	-	-	(11,934)
Reclassification of Net Assets	(23,207)	-	23,207	-
Other Income	45	-	-	45
Net Assets Released from Restrictions	116,819	(116,819)	-	-
Total Revenues, Gains, and Other Support	1,905,610	376,165	108,833	2,390,608
<b>EXPENSES</b>				
Program Services:				
Wish Granting	1,443,810	-	-	1,443,810
Total Program Services	1,443,810	-	-	1,443,810
Support Services:				
Fundraising	395,103	-	-	395,103
Management and General	146,572	-	-	146,572
Total Support Services	541,675	-	-	541,675
Total Program and Support Services Expense	1,985,485	-	-	1,985,485
<b>CHANGES IN NET ASSETS</b>	(79,875)	376,165	108,833	405,123
Net Assets - Beginning of Year	2,627,611	116,819	-	2,744,430
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 2,547,736</u>	<u>\$ 492,984</u>	<u>\$ 108,833</u>	<u>\$ 3,149,553</u>

See accompanying Notes to Financial Statements.

**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED AUGUST 31, 2014**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>REVENUES, GAINS AND OTHER SUPPORT</b>				
Public Support:				
Contributions, Net of Write-Offs	\$ 1,289,857	\$ 116,819	\$ -	\$ 1,406,676
Grants	106,671	-	-	106,671
Total Public Support	<u>1,396,528</u>	<u>116,819</u>	<u>-</u>	<u>1,513,347</u>
Internal Special Events	321,744	-	-	321,744
Less Costs of Direct Benefits to Donors	(108,165)	-	-	(108,165)
Total Special Events	<u>213,579</u>	<u>-</u>	<u>-</u>	<u>213,579</u>
Investment Income, Net	388,582	-	-	388,582
Other Income	151	-	-	151
Net Assets Released from Restrictions	116,759	(116,759)	-	-
Total Revenues, Gains, and Other Support	<u>2,115,599</u>	<u>60</u>	<u>-</u>	<u>2,115,659</u>
<b>EXPENSES</b>				
Program Services:				
Wish Granting	1,389,424	-	-	1,389,424
Total Program Services	<u>1,389,424</u>	<u>-</u>	<u>-</u>	<u>1,389,424</u>
Support Services:				
Fundraising	343,814	-	-	343,814
Management and General	134,041	-	-	134,041
Total Support Services	<u>477,855</u>	<u>-</u>	<u>-</u>	<u>477,855</u>
Total Program and Support Services Expense	<u>1,867,279</u>	<u>-</u>	<u>-</u>	<u>1,867,279</u>
<b>CHANGES IN NET ASSETS</b>	248,320	60	-	248,380
Net Assets - Beginning of Year	<u>2,379,291</u>	<u>116,759</u>	<u>-</u>	<u>2,496,050</u>
<b>NET ASSETS - END OF YEAR</b>	<u><u>\$ 2,627,611</u></u>	<u><u>\$ 116,819</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,744,430</u></u>

See accompanying Notes to Financial Statements.

**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK  
STATEMENTS OF CASH FLOWS  
YEARS ENDED AUGUST 31, 2015 AND 2014**

	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 405,123	\$ 248,380
Adjustments to Reconcile Change in Net Assets to Net Cash		
Provided (Used) by Operating Activities:		
Depreciation and Amortization	18,297	11,788
Bad Debt Expense	11,950	18,000
Net Realized and Unrealized (Gains) Losses on Investments	56,599	(338,284)
Changes in Assets and Liabilities:		
Contributions Receivable	(491,626)	(4,811)
Endowment Assets Held by Related Entity	(23,207)	-
Due from Related Entities	(13,403)	16,820
Prepaid Expenses	1,355	(9,017)
Other Assets	-	3,740
Accounts Payable and Accrued Expenses	(34,273)	30,180
Accrued Pending Wish Costs	139,507	(88,178)
Due to Related Entities	4,020	-
Other Liabilities	2,090	(2,260)
Net Cash Provided (Used) by Operating Activities	76,432	(113,642)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Investments	(958,648)	(136,088)
Proceeds from Sales of Investments	1,124,152	202,866
Purchases of Property and Equipment	(117,911)	(10,330)
Net Cash Provided by Investing Activities	47,593	56,448
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	124,025	(57,194)
Cash and Cash Equivalents - Beginning of Year	124,368	181,562
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 248,393	\$ 124,368

See accompanying Notes to Financial Statements.



**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED AUGUST 31, 2015**

	Program Services		Support Services		Total
	Wish Granting	Fundraising	Management and General	Support Services	
Direct Costs of Wishes	\$ 1,026,449	\$ -	\$ -	\$ -	\$ 1,026,449
Salaries, Taxes, and Benefits	287,786	194,814	70,996	265,810	553,596
Printing, Subscriptions, and Publications	14,992	16,015	715	16,730	31,722
Professional Fees	9,943	1,907	4,637	6,544	16,487
Rent and Utilities	30,224	23,840	10,614	34,454	64,678
Postage and Delivery	4,645	6,844	297	7,141	11,786
Travel	2,114	12,085	2,781	14,866	16,980
Meetings and Conferences	2,459	105,174	2,443	107,617	110,076
Office Supplies	3,538	1,663	1,727	3,390	6,928
Communications	10,806	2,916	1,846	4,762	15,568
Repairs and Maintenance	4,096	706	2,129	2,835	6,931
Membership Dues	431	600	1,025	1,625	2,056
National Partnership Dues	46,127	7,788	5,991	13,779	59,906
Miscellaneous	200	20,751	23,074	43,825	44,025
Depreciation and Amortization	-	-	18,297	18,297	18,297
<b>Total Expenses</b>	<b>\$ 1,443,810</b>	<b>\$ 395,103</b>	<b>\$ 146,572</b>	<b>\$ 541,675</b>	<b>\$ 1,985,485</b>

See accompanying Notes to Financial Statements.

**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED AUGUST 31, 2014**

	Program Services	Support Services			Total
	Wish Granting	Fundraising	Management and General	Total Support Services	
Direct Costs of Wishes	\$ 947,511	\$ -	\$ -	\$ -	\$ 947,511
Salaries, Taxes, and Benefits	313,933	192,378	75,336	267,714	581,647
Printing, Subscriptions, and Publications	10,119	11,535	2,736	14,271	24,390
Professional Fees	5,548	1,573	582	2,155	7,703
Rent and Utilities	38,467	4,808	4,808	9,616	48,083
Postage and Delivery	4,965	5,790	125	5,915	10,880
Travel	4,631	7,235	4,909	12,144	16,775
Meetings and Conferences	1,519	80,541	2,633	83,174	84,693
Office Supplies	4,029	1,274	1,383	2,657	6,686
Communications	6,497	1,282	1,150	2,432	8,929
Repairs and Maintenance	5,169	1,885	754	2,639	7,808
Bad Debt Expense	-	18,000	-	18,000	18,000
Membership Dues	135	515	565	1,080	1,215
National Partnership Dues	43,097	7,276	5,597	12,873	55,970
Miscellaneous	3,804	9,722	21,675	31,397	35,201
Depreciation and Amortization	-	-	11,788	11,788	11,788
Total Expenses	<u>\$ 1,389,424</u>	<u>\$ 343,814</u>	<u>\$ 134,041</u>	<u>\$ 477,855</u>	<u>\$ 1,867,279</u>

See accompanying Notes to Financial Statements.

**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2015 AND 2014**

**NOTE 1 ORGANIZATION**

Make-A-Wish® Foundation of Northeast New York (Foundation) is a New York nonprofit corporation, organized for the purpose of granting wishes to children with life-threatening medical conditions. The Foundation is an independently operating chapter of Make-A-Wish Foundation of America (National Organization), which operates to develop and implement 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 trustees.

**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 U.S. generally accepted accounting principles 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. Included in cash and cash equivalents at August 31, 2015 and 2014 is \$112,110 and \$26,704, respectively, of money market mutual funds.

**Investments**

Investments are recorded at fair value. Investment income, including gains and losses on investments, is recorded as increases or decreases in unrestricted net assets unless its use is limited by donor-imposed restrictions or law.

**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.

**Property and Equipment, Net**

Property and equipment having a unit cost greater than \$1,000 and a useful life of more than one year are capitalized at cost when purchased. Donated assets are capitalized at the estimated fair value at the date of receipt and restrictions are released once the asset has been placed into service. Property and equipment under capital leases are stated at the present value of future minimum lease payments at the time of acquisition. 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 lease.

**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2015 AND 2014**

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

**Property and Equipment, Net (Continued)**

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.

**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 Inputs: 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 Inputs: 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 Inputs: 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.

See additional information in Note 3.

**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2015 AND 2014**

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

**Net Assets**

The Foundation's net assets and changes therein are classified and reported as follows:

**Permanently restricted net assets**

Net assets subject to donor-imposed restrictions that the principal be maintained in perpetuity. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on related investments for unrestricted purposes.

**Temporarily restricted net assets**

Net assets subject to restrictions imposed by donor or law that may be met either by actions of the Foundation or the passage of time.

**Unrestricted net assets**

Net assets that are not subject to donor-imposed restrictions or law.

**Revenue Recognition**

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 contribution revenue. Conditional promises are recorded as revenue once the conditions are substantially met. Contributions, grants, and bequests are recognized as either temporarily or permanently restricted if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. When restrictions are met in the same period as the contribution is received, the Foundation records the contribution and the expense as unrestricted. 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.

The Foundation received in-kind contributions of assets and services that are included in the accompanying statements of activities as follows:

	<u>2015</u>	<u>2014</u>
Contributions:		
Wish Related	\$ 411,403	\$ 376,454
Special Event Revenue	9,435	10,836
Total	<u>\$ 420,838</u>	<u>\$ 387,290</u>

**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2015 AND 2014**

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

**Revenue Recognition (Continued)**

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. Internal special event in-kind amounts 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.

**Income Taxes**

The Foundation is a nonprofit organization exempt from federal income and New York State taxes under the provisions of Internal Revenue Code Section 501(c)(3) and of the New York State tax 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, 2015 and 2014.

**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 that grant wishes to children with life-threatening medical conditions.

**Fundraising**

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

During the fiscal years ended August 31, 2015 and 2014, the Foundation incurred no significant joint costs for activities that included fundraising appeals.

**Management and General**

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

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

**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2015 AND 2014**

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

**Management Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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. Significant items subject to such estimates and assumptions include the useful lives of property and equipment, valuation of investments and contributions receivable, accrued pending wish costs, net of attrition on pending wish costs and whether an allowance for uncollectible contributions receivable is required. The current economic environment continues to create a high degree of uncertainty in those estimates and assumptions.

**NOTE 3 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 tables as of August 31, 2015 and 2014 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.

**Investments**

**Overall Investment Objective**

The overall investment objective of the Foundation is to invest its assets in a prudent manner that will have growth of principal, preservation of purchasing power and sufficient liquidity to meet all expected and unexpected cash flow needs. The Foundation diversifies its investments among various asset classes incorporating multiple strategies and the use of an investment manager. 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.

**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2015 AND 2014**

**NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)**

**Fair Value Hierarchy**

The following table presents the placement in the fair value hierarchy of assets and liabilities that are measured at fair value on a recurring basis at August 31, 2015:

	Fair Value Measurements at August 31, 2015 Using			Total
	(Level 1)	(Level 2)	(Level 3)	
Assets:				
Recurring:				
Investments:				
Mutual Funds:				
Domestic Equity	\$ 1,330,920	\$ -	\$ -	\$ 1,330,920
Bonds	46,829	-	-	46,829
Exchange-Traded Funds:				
Domestic Equity	314,625	-	-	314,625
Certificates of Deposit	-	323,118	-	323,118
Debt Securities:				
U.S. Treasury	-	350,094	-	350,094
Corporate	-	99,072	-	99,072
Total	<u>\$ 1,692,374</u>	<u>\$ 772,284</u>	<u>\$ -</u>	<u>\$ 2,464,658</u>

The following table presents the placement in the fair value hierarchy of assets and liabilities that are measured at fair value on a recurring basis at August 31, 2014:

	Fair Value Measurements at August 31, 2014 Using			Total
	(Level 1)	(Level 2)	(Level 3)	
Investments:				
Mutual Funds:				
Domestic Equity	\$ 1,384,601	\$ -	\$ -	\$ 1,384,601
Bonds	225,683	-	-	225,683
Exchange-Traded Funds:				
Domestic Equity	419,784	-	-	419,784
Certificates of Deposit	-	457,204	-	457,204
Debt Securities:				
Corporate	-	199,489	-	199,489
Total	<u>\$ 2,030,068</u>	<u>\$ 656,693</u>	<u>\$ -</u>	<u>\$ 2,686,761</u>

For the valuation of Level 2 investments at August 31, 2015 and 2014, the Foundation used significant other observable inputs, particularly dealer market prices for comparable investments as of the valuation date (Level 2).



**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2015 AND 2014**

**NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)**

**Fair Value Hierarchy (Continued)**

Total investment income, gains, and losses for the years ended August 31, 2015 and 2014 consist of the following:

	2015	2014
Interest and Dividend Income	\$ 44,665	\$ 50,298
Realized and Unrealized Gains (Losses), Net	(56,599)	338,284
Less Investment Expenses	-	-
Investment Income (Loss), Net	\$ (11,934)	\$ 388,582

Investment expenses amounted to \$20,760 and \$20,029 for the years ended August 31, 2015 and 2014, respectively.

**NOTE 4 CONTRIBUTIONS RECEIVABLE**

Contributions receivable include pledges that have been discounted at a rate of 5% at August 31, 2015. The following is a summary of the Foundation's contributions receivable at August 31:

	2015	2014
Total Amounts Due in:		
One Year	\$ 330,217	\$ 222,920
Two to Five Years	288,314	-
More than Five Years	183,108	-
Gross Contributions Receivable	801,639	222,920
Less: Allowance for Doubtful Accounts	-	-
Less: Discount to Present Value	(99,043)	-
Contributions Receivable, Net	\$ 702,596	\$ 222,920

**NOTE 5 TRANSACTIONS WITH RELATED ENTITIES**

Amounts due from and to related entities are as follows:

	2015	2014
Balance at August 31:		
Due from National Organization	\$ 18,341	\$ 4,938
Endowment Assets Held By National	23,207	-
Total Due from Related Entities	\$ 41,548	\$ 4,938
Due to Other Chapters	\$ 4,020	\$ -
Total Due to Related Entities	\$ 4,020	\$ -

**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2015 AND 2014**

**NOTE 5 TRANSACTIONS WITH RELATED ENTITIES (CONTINUED)**

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 and the endowment fund. 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.

During 2015 and 2014 the Foundation received contributions, both cash and in-kind, from board members totaling \$49,954 and \$36,791, respectively. In 2015 and 2014, amounts due from board members totaled \$125 and \$3,000, respectively, and are included in contributions receivable in the accompanying statements of financial position. Amounts paid to related parties for goods and services used in the Foundation's operations totaled \$26,565 and \$3,586 in 2015 and 2014, respectively.

**NOTE 6 PROPERTY AND EQUIPMENT, NET**

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

	2015	2014
Computer Equipment and Software	\$ 97,684	\$ 68,579
Office Furniture	23,379	15,496
Leasehold Improvements	80,923	-
	201,986	84,075
Less: Accumulated Depreciation and Amortization	(84,132)	(65,835)
Property and Equipment, Net	\$ 117,854	\$ 18,240

Depreciation and amortization expense totaled \$18,297 and \$11,788 for the years ended August 31, 2015 and 2014, respectively.

**NOTE 7 ACCRUED PENDING WISH COSTS**

The Foundation accrues for estimated costs of reportable pending wishes as unconditional promises to give when five certain, measurable wish criteria are met. Prior to meeting these five criteria, the wish is considered a conditional promise to give due to the inherent uncertainties surrounding these criteria and is therefore not accrued as a pending wish liability. Reportable pending wish criteria include:

1. Receiving a referral,
2. Obtaining the required medical eligibility form,
3. Contact with the wish family has occurred to determine the prospective wish,
4. Determination that the wish falls within the National Organization's wish granting policy, and
5. The wish is expected to be granted within the next 12 months.

**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2015 AND 2014**

**NOTE 7 ACCRUED PENDING WISH COSTS (CONTINUED)**

Estimated cash and in-kind costs owed as of year end for all reportable pending wishes are accrued as pending wish liability. The in-kind portion of the pending wish liability represents the estimated in-kind outlay that is expected to be incurred in fulfilling each wish; note that the matching in-kind revenues are recognized when an unconditional promise is received for the required goods or services or in the future period when the wish is granted.

The Foundation, as part of its estimate of accrued pending wish costs, also considers attrition on pending wish costs. An attrition rate is calculated by the Foundation by analyzing the trend of wishes that have been accrued for using the five criteria discussed above that have not been able to be completed within the past twelve months due to factors outside of the control of the chapter, such as the death of a child, the move of the family out of the chapter's territory, or loss of contact with the family. As of August 31, 2015 and 2014, the Foundation had approximately 41 and 32 reportable pending wishes, respectively.

**NOTE 8 LEASES**

The Foundation is obligated under various capital and operating leases for offices and equipment, which expire at various dates through November 30, 2021. Total rent expense for all operating leases for the years ended August 31, 2015 and 2014 totaled \$55,800 and \$39,600, respectively.

Future minimum lease payments under capital and operating leases having remaining terms in excess of one year are as follows:

<u>Year Ending August 31.</u>	<u>Operating Leases</u>
2016	\$ 61,200
2017	61,200
2018	61,200
2019	61,200
2020	61,200
2021 and Thereafter	<u>76,500</u>
Total Minimum Lease Payments	<u>\$ 382,500</u>

**NOTE 9 ENDOWMENT**

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.

**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2015 AND 2014**

**NOTE 9 ENDOWMENTS (CONTINUED)**

The Foundation's endowment consists of approximately several individual funds established for a variety of purposes including both donor-restricted endowment funds and funds designated by the board of trustees to function as endowments. Net assets associated with endowment funds, including funds designated by the board of trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. Endowment assets, both donor-restricted and board-designated, are reflected as investments on the statements of financial position.

**Interpretation of Relevant Law**

The board of trustees of the Foundation has interpreted the New York 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 permanently restricted net assets: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily 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:

1. The duration and preservation of the fund
2. The purposes of the Foundation and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Foundation
7. The investment policies of the Foundation

The Foundation has a newly created endowment fund in 2015 in the amount of \$23,207 of which the entire amount is classified as permanently restricted. The endowment was created with a multi year pledge and accordingly no spending will occur until the full pledge is satisfied. The endowments funds are held by the National Foundation.

**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2015 AND 2014**

**NOTE 10 TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following purposes for the year ended August 31:

	2015	2014
Time Restrictions	\$ 358,831	\$ -
Purpose Restrictions	134,153	116,819
Total Temporarily Restricted Net Assets	\$ 492,984	\$ 116,819

For the year ended August 31, permanently restricted net assets are restricted to:

	2015	2014
Time Restrictions (Pledge)	\$ 85,626	\$ -
Investments in Perpetuity (Held by the National Foundation)	23,207	-
Total Permanently Restricted Net Assets	\$ 108,833	\$ -

**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 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 IRC limitations. The Foundation will contribute 2.0% of base salary that an employee contributes to his/her 403(b) account; the Foundation will contribute an additional 0.5% up to 1.0%. Thus, the Foundation will contribute a maximum of 3.0% of base salary to an employee's 403(b) account. Foundation contributions to the Plan for the year ended August 31, 2015 and 2014 were \$14,228 and \$13,138, respectively.

**NOTE 12 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 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.

In-kind contributions totaling \$202,640 and \$164,196 were received from a single donor for the years ended August 31, 2015 and 2014, respectively, which represents 10.0% and 8.8%, respectively, of total public support. Should these contribution levels decrease, the Foundation may be adversely affected.

**MAKE-A-WISH® FOUNDATION OF NORTHEAST NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**AUGUST 31, 2015 AND 2014**

**NOTE 13 LITIGATION AND CLAIMS**

The Foundation may be, from time-to-time, involved in litigation and claims arising in the ordinary course of business. In the opinion of management, there is no pending litigation that would have a material adverse effect on the Foundation's financial position, change in net assets, or liquidity.

**NOTE 14 SUBSEQUENT EVENTS**

The Foundation has evaluated subsequent events from the statement of financial position date through January 27, 2016, the date at which the financial statements were available to be issued.