

**MAKE-A-WISH FOUNDATION®
OF MISSISSIPPI CHARTERED**

FINANCIAL STATEMENTS

YEARS ENDED AUGUST 31, 2015 AND 2014

**MAKE-A-WISH FOUNDATION® OF MISSISSIPPI CHARTERED
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Make-A-Wish Foundation® of Mississippi Chartered
Ridgeland, Mississippi

We have audited the accompanying financial statements of Make-A-Wish Foundation® of Mississippi Chartered, 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 Mississippi Chartered

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 Mississippi Chartered 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Phoenix, Arizona
February 12, 2016

**MAKE-A-WISH FOUNDATION® OF MISSISSIPPI CHARTERED
STATEMENTS OF FINANCIAL POSITION
YEARS ENDED AUGUST 31, 2015 AND 2014**

	2015	2014
ASSETS		
Cash and Cash Equivalents	\$ 410,933	\$ 349,211
Due from Related Entities	8,176	64,659
Prepaid Expenses	14,819	2,483
Contributions Receivable, Net	105,428	71,809
Other Assets	930	-
Property and Equipment, Net	3,068	1,998
Total Assets	\$ 543,354	\$ 490,160
LIABILITIES AND NET ASSETS		
Accounts Payable and Accrued Expenses	\$ 176,279	\$ 67,111
Accrued Pending Wish Costs	773,985	370,296
Due to Related Entities	18,058	9,011
Total Liabilities	968,322	446,418
Net Assets (Deficit)		
Unrestricted	(602,753)	(112,432)
Temporarily Restricted	177,785	156,174
Total Net Assets (Deficit)	(424,968)	43,742
Total Liabilities and Net Assets	\$ 543,354	\$ 490,160

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF MISSISSIPPI CHARTERED
STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2015

	Unrestricted	Temporarily Restricted	Total
REVENUES, GAINS AND OTHER SUPPORT			
Public Support:			
Contributions, Net of Write-Offs	\$ 1,035,579	\$ 96,328	\$ 1,131,907
Grants	37,050	45,380	82,430
Total Public Support	1,072,629	141,708	1,214,337
Internal Special Events	511,310	22,428	533,738
Less Costs of Direct Benefits to Donors	(79,738)	-	(79,738)
Total Special Events	431,572	22,428	454,000
Investment Income	493	-	493
Other Income	16,295	-	16,295
Net Assets Released from Restrictions	142,525	(142,525)	-
Total Revenues, Gains, and Other Support	1,663,514	21,611	1,685,125
EXPENSES			
Program Services:			
Wish Granting	1,823,195	-	1,823,195
Total Program Services	1,823,195	-	1,823,195
Support Services:			
Fundraising	275,167	-	275,167
Management and General	55,473	-	55,473
Total Support Services	330,640	-	330,640
Total Program and Support Services Expense	2,153,835	-	2,153,835
Change in Net Assets	(490,321)	21,611	(468,710)
Net Assets (Deficit), Beginning of Year	(112,432)	156,174	43,742
NET ASSETS (DEFICIT), END OF YEAR	\$ (602,753)	\$ 177,785	\$ (424,968)

See accompanying Notes to Financial Statements.

**MAKE-A-WISH FOUNDATION® OF MISSISSIPPI CHARTERED
STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2014**

	Unrestricted	Temporarily Restricted	Total
REVENUES, GAINS AND OTHER SUPPORT			
Public Support:			
Contributions, Net of Write-Offs	\$ 974,003	\$ 71,809	\$ 1,045,812
Grants	169,445	85,000	254,445
Total Public Support	1,143,448	156,809	1,300,257
Internal Special Events	412,846	3,250	416,096
Less Costs of Direct Benefits to Donors	(64,632)	-	(64,632)
Total Special Events	348,214	3,250	351,464
Investment Income	407	-	407
Other Income	3,207	-	3,207
Net Assets Released from Restrictions	93,481	(93,481)	-
Total Revenues, Gains, and Other Support	1,588,757	66,578	1,655,335
EXPENSES			
Program Services:			
Wish Granting	1,457,085	-	1,457,085
Total Program Services	1,457,085	-	1,457,085
Support Services:			
Fundraising	184,712	-	184,712
Management and General	46,119	-	46,119
Total Support Services	230,831	-	230,831
Total Program and Support Services Expense	1,687,916	-	1,687,916
Change in Net Assets	(99,159)	66,578	(32,581)
Net Assets (Deficit), Beginning of Year	(13,273)	89,596	76,323
NET ASSETS (DEFICIT), END OF YEAR	\$ (112,432)	\$ 156,174	\$ 43,742

See accompanying Notes to Financial Statements.

**MAKE-A-WISH FOUNDATION® OF MISSISSIPPI CHARTERED
STATEMENTS OF CASH FLOWS
YEARS ENDED AUGUST 31, 2015 AND 2014**

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (468,710)	\$ (32,581)
Adjustments to Reconcile Change in Net Assets to Net Cash		
Provided by (Used in) Operating Activities:		
Depreciation and Amortization	927	1,401
Bad Debt Expense and Other	400	-
Loss on Sale of Property and Equipment	-	3,123
Contributed Property and Equipment	-	(1,998)
Change in Attrition on Accrued Pending Wish Costs	(9,248)	(9,876)
Changes in Assets and Liabilities:		
Contributions Receivable	(34,019)	3,630
Due from Related Entities	56,483	(58,316)
Prepaid Expenses	(12,336)	(1,157)
Other Assets	(930)	3,020
Accounts Payable and Accrued Expenses	109,168	15,472
Accrued Pending Wish Costs	412,937	42,586
Due to Related Entities	9,047	6,477
Net Cash Provided by (Used in) Operating Activities	63,719	(28,219)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(1,997)	-
Net Cash Used in Investing Activities	(1,997)	-
Net Increase (Decrease) in Cash and Cash Equivalents	61,722	(28,219)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	349,211	377,430
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 410,933	\$ 349,211
SUPPLEMENTAL CASH FLOW INFORMATION		
Donated Property and Equipment	\$ -	\$ 1,998

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF MISSISSIPPI CHARTERED
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2015

	Program Services	Support Services			Total
	Wish Granting	Fundraising	Management and General	Total Support Services	
Direct Costs of Wishes	\$ 1,281,429	\$ -	\$ -	\$ -	\$ 1,281,429
Salaries, Taxes, and Benefits	352,700	133,168	25,586	158,754	511,454
Printing, Subscriptions, and Publications	36,963	60,348	2,727	63,075	100,038
Professional Fees	21,598	8,129	2,184	10,313	31,911
Rent and Utilities	48,709	18,354	3,530	21,884	70,593
Postage and Delivery	2,710	1,349	243	1,592	4,302
Travel	4,642	17,757	5,464	23,221	27,863
Meetings and Conferences	5,723	18,507	5,806	24,313	30,036
Office Supplies	15,387	3,563	2,574	6,137	21,524
Communications	7,465	2,813	533	3,346	10,811
Repairs and Maintenance	4,805	1,810	348	2,158	6,963
Insurance	109	106	8	114	223
Membership Dues	732	1,267	1,335	2,602	3,334
National Partnership Dues	32,589	4,538	4,125	8,663	41,252
Bad Debt Expense	-	400	-	400	400
Miscellaneous	6,994	2,817	964	3,781	10,775
Depreciation and Amortization	640	241	46	287	927
	<u>\$ 1,823,195</u>	<u>\$ 275,167</u>	<u>\$ 55,473</u>	<u>\$ 330,640</u>	<u>\$ 2,153,835</u>

See accompanying Notes to Financial Statements.

MAKE-A-WISH FOUNDATION® OF MISSISSIPPI CHARTERED
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2014

	Program Services		Support Services		Total
	Wish Granting	Fundraising	Management and General	Support Services	
Direct Costs of Wishes	\$ 1,011,233	\$ -	\$ -	\$ -	\$ 1,011,233
Salaries, Taxes, and Benefits	295,602	108,835	21,515	130,350	425,952
Printing, Subscriptions, and Publications	9,427	16,943	703	17,646	27,073
Professional Fees	17,274	6,509	3,688	10,197	27,471
Rent and Utilities	35,676	13,443	2,585	16,028	51,704
Postage and Delivery	4,815	2,328	356	2,684	7,499
Travel	6,035	10,123	6,531	16,654	22,689
Meetings and Conferences	6,192	6,891	3,110	10,001	16,193
Office Supplies	11,430	3,295	660	3,955	15,385
Communications	7,345	2,730	525	3,255	10,600
Repairs and Maintenance	11,819	4,453	856	5,309	17,128
Membership Dues	825	311	295	606	1,431
National Partnership Dues	29,893	4,216	4,216	8,432	38,325
Miscellaneous	8,552	4,271	1,009	5,280	13,832
Depreciation and Amortization	967	364	70	434	1,401
	<u>\$ 1,457,085</u>	<u>\$ 184,712</u>	<u>\$ 46,119</u>	<u>\$ 230,831</u>	<u>\$ 1,687,916</u>

See accompanying Notes to Financial Statements.

**MAKE-A-WISH FOUNDATION® OF MISSISSIPPI CHARTERED
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED AUGUST 31, 2015 AND 2014**

NOTE 1 ORGANIZATION

Make-A-Wish Foundation® of Mississippi Chartered (the Foundation) is a Mississippi not-for-profit 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 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 U.S. generally accepted accounting principles (GAAP) applicable to not-for-profit 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.

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 \$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. 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 3 to 7 years. Leasehold improvements are amortized over the shorter of the estimated useful life of the asset or the remaining terms of the lease. 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.

**MAKE-A-WISH FOUNDATION® OF MISSISSIPPI CHARTERED
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED AUGUST 31, 2015 AND 2014**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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. The Chapter currently has no permanently restricted net assets.
- **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.

**MAKE-A-WISH FOUNDATION® OF MISSISSIPPI CHARTERED
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED AUGUST 31, 2015 AND 2014**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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	\$ 384,560	\$ 397,435
Property and Equipment	-	1,998
Other	8,960	2,248
Total	<u>\$ 393,520</u>	<u>\$ 401,681</u>
Special Event Revenue		
Internal Special Events	<u>\$ 6,048</u>	<u>\$ 14,579</u>

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.

Program or supporting services expenses were recorded at fair value totaling \$393,520 and \$399,683 in 2015 and 2014, respectively, with the difference recorded as contributed property and equipment.

Advertising and media is used to help the Foundation communicate its message or mission and includes fundraising 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. Advertising and media are reported as contribution revenue when received 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.

Income Taxes

The Foundation is a not-for-profit organization exempt from federal income and Mississippi taxes under the provisions of Internal Revenue Code Section 501(c)(3) and Mississippi tax provisions. 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.

**MAKE-A-WISH FOUNDATION® OF MISSISSIPPI CHARTERED
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED AUGUST 31, 2015 AND 2014**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Expenses

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

Wish Granting

Activities performed by the Foundation 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 include 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.

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.

**MAKE-A-WISH FOUNDATION® OF MISSISSIPPI CHARTERED
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED AUGUST 31, 2015 AND 2014**

NOTE 3 CONTRIBUTIONS RECEIVABLE

The Foundation's contributions receivable as of August 31, 2015 and 2014 were \$105,428 and \$71,809, respectively, of which 91% and 86%, respectively, is due from a single donor. All contributions receivable are due within the next twelve months. Management has determined that all contributions receivable are fully collectible; therefore, no allowance for uncollectible accounts is considered necessary at August 31, 2015 and 2014.

NOTE 4 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, travel and training scholarships, amounts to fund the Adopt-A-Wish® program, and other miscellaneous revenues. During the years ended August 31, 2015 and 2014, respectively, the Foundation received \$227,459 and \$362,034, respectively, from these national revenue streams.

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 \$25,000 and \$-0- during the years ended August 31, 2015 and 2014, respectively.

Conversely, the chapter pays amounts to the National Organization for annual dues, insurance, and other miscellaneous ancillary expenses that Make-A-Wish Foundation of America pays on behalf of the Foundation and for services provided to the Foundation and for services provided by the National Organization. Amounts totaling \$64,689 and \$60,176 were paid from the Foundation to the National Organization during the years ended August 31, 2015 and 2014, respectively.

Chapters who assist with the organization and granting of wishes from other chapters are paid a "fee for service" called the wish assist fee. Under this program, the Foundation received \$600 and \$-0- for the years ended August 31, 2015 and 2014, respectively, which is recorded in the accompanying statements of activities as other income.

MAKE-A-WISH FOUNDATION® OF MISSISSIPPI CHARTERED
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED AUGUST 31, 2015 AND 2014

NOTE 4 TRANSACTIONS WITH RELATED ENTITIES (CONTINUED)

Amounts due from and to related entities are as follows:

	<u>2015</u>	<u>2014</u>
Balance at August 31:		
Due from National Organization	\$ 8,176	\$ 64,659
Total Due from Related Entities	<u>\$ 8,176</u>	<u>\$ 64,659</u>
Due to National Organization	\$ 2,405	\$ 4,434
Due to Other Chapters	15,653	4,577
Total Due to Related Entities	<u>\$ 18,058</u>	<u>\$ 9,011</u>

Amounts due from the National Organization represent contributions remitted to the National Organization that are identified for the Foundation's use but were not yet transferred to the Foundation as of year-end. Amounts due from other chapters represent amounts paid in assisting other chapters with their wish granting. Amounts due to other chapters represent amounts owed to other chapters who have assisted in the granting of wishes for the Foundation.

During 2015 and 2014 the Foundation received contributions, both cash and in-kind, from board members totaling \$30,090 and \$35,104, respectively.

NOTE 5 PROPERTY AND EQUIPMENT, NET

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

	<u>2015</u>	<u>2014</u>
Computer Equipment and Software	\$ 18,545	\$ 18,545
Office Furniture	1,997	-
Less: Accumulated Depreciation and Amortization	<u>(17,474)</u>	<u>(16,547)</u>
Property and Equipment, Net	<u>\$ 3,068</u>	<u>\$ 1,998</u>

Depreciation and amortization expense totaled \$927 and \$1,401 for the years ended August 31, 2015 and 2014, respectively.

**MAKE-A-WISH FOUNDATION® OF MISSISSIPPI CHARTERED
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED AUGUST 31, 2015 AND 2014**

NOTE 6 ACCRUED PENDING WISH COSTS

The Foundation accrues the 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.

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 94 and 61 reportable pending wishes, respectively.

NOTE 7 LEASES

The Foundation is obligated under various operating leases for offices and equipment, which expire at various dates through July 31, 2018. Total rent expense for all operating leases for the years ended August 31, 2015 and 2014 totaled \$77,556 and \$50,360, respectively.

**MAKE-A-WISH FOUNDATION® OF MISSISSIPPI CHARTERED
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED AUGUST 31, 2015 AND 2014**

NOTE 7 LEASES (CONTINUED)

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

<u>Year Ending August 31:</u>	
2016	\$ 85,180
2017	81,190
2018	74,424
Total	<u>\$ 240,794</u>

NOTE 8 TEMPORARILY RESTRICTED NET ASSETS

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

	<u>2015</u>	<u>2014</u>
Time Restrictions	\$ 22,428	\$ 14,899
Purpose Restrictions	155,357	141,275
Total Temporarily Restricted Net Assets	<u>\$ 177,785</u>	<u>\$ 156,174</u>

NOTE 9 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 matches employee contributions up to 2% of the employee's salary. Foundation contributions to the Plan for the years ended August 31, 2015 and 2014 were \$8,748 and \$5,465, respectively.

NOTE 10 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 \$304,780 and \$241,234 were received from a single donor for the years ended August 31, 2015 and 2014, respectively, which represents 25% and 19%, respectively, of total public support. Should these contribution levels decrease, the Foundation may be adversely affected.

**MAKE-A-WISH FOUNDATION® OF MISSISSIPPI CHARTERED
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED AUGUST 31, 2015 AND 2014**

NOTE 11 SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events from the statement of financial position date through February 12, 2016 , the date at which the financial statements were available to be issued.