

**ONE SIMPLE WISH, INC.
(A NONPROFIT ORGANIZATION)**

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

ONE SIMPLE WISH, INC.
YEARS ENDED JUNE 30, 2025 AND 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
One Simple Wish, Inc.
Trenton, New Jersey

Opinion

We have audited the accompanying financial statements of One Simple Wish, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of One Simple Wish, Inc. as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of One Simple Wish, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 One Simple Wish, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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 One Simple Wish Inc.'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 One Simple Wish Inc.'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.

Klatzkin & Company, LLP

KLATZKIN & COMPANY_{LLP}

Hamilton, New Jersey
February 12, 2026

ONE SIMPLE WISH, INC.
STATEMENTS OF FINANCIAL POSITION

	June 30,	
	<u>2025</u>	<u>2024</u>
ASSETS		
<u>Current Assets</u>		
Cash and Cash Equivalents.....	\$ 1,794,166	\$ 1,823,628
Unconditional Promises to Give.....	<u>15,000</u>	<u>5,000</u>
Total Current Assets.....	<u>1,809,166</u>	<u>1,828,628</u>
Property and Equipment, Net of Accumulated		
Depreciation of \$209,851 and \$193,091.....	<u>126,010</u>	<u>37,290</u>
<u>Other Assets</u>		
Investments in Marketable Securities.....	947,927	622,913
Operating Lease Right-of-Use Assets.....	83,120	-
Security Deposit.....	15,000	-
Trademark, Net of Accumulated Amortization of \$668 and \$580.....	<u>1,307</u>	<u>745</u>
Total Other Assets.....	<u>1,047,354</u>	<u>623,658</u>
TOTAL ASSETS.....	<u>\$ 2,982,530</u>	<u>\$ 2,489,576</u>
LIABILITIES AND NET ASSETS		
<u>Current Liabilities</u>		
Accounts Payable.....	\$ 24,325	\$ 53,136
Operating Lease Liabilities.....	<u>27,543</u>	<u>-</u>
Total Current Liabilities.....	<u>51,868</u>	<u>53,136</u>
<u>Long Term Liabilities</u>		
Operating Lease Liabilities, Net of Current Liabilities.....	<u>55,577</u>	<u>-</u>
Total Long Term Liabilities.....	<u>55,577</u>	<u>-</u>
<u>Net Assets</u>		
Without Donor Restrictions:		
Board Designated for Operating Reserves.....	500,000	500,000
Undesignated.....	<u>2,328,306</u>	<u>1,884,676</u>
Total Without Donor Restrictions.....	2,828,306	2,384,676
With Donor Restrictions.....	<u>46,779</u>	<u>51,764</u>
Total Net Assets.....	<u>2,875,085</u>	<u>2,436,440</u>
TOTAL LIABILITIES AND NET ASSETS.....	<u>\$ 2,982,530</u>	<u>\$ 2,489,576</u>

The accompanying notes are an integral part of these financial statements.

ONE SIMPLE WISH, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>Support and Revenues</u>			
Donations.....	\$ 1,387,547	\$ 2,714,586	\$ 4,102,133
Miscellaneous Support.....	48,491	-	48,491
Net Investment Return.....	106,500	-	106,500
Net Assets Released from Restrictions.....	<u>2,719,571</u>	<u>(2,719,571)</u>	<u>-</u>
Total Support and Revenues.....	<u>4,262,109</u>	<u>(4,985)</u>	<u>4,257,124</u>
<u>Expenses</u>			
Program Services.....	3,452,102	-	3,452,102
Support Services:			
Management and General.....	319,497	-	319,497
Fundraising.....	<u>46,880</u>	<u>-</u>	<u>46,880</u>
Total Expenses.....	<u>3,818,479</u>	<u>-</u>	<u>3,818,479</u>
Change in Net Assets.....	443,630	(4,985)	438,645
Net Assets, Beginning of Year.....	<u>2,384,676</u>	<u>51,764</u>	<u>2,436,440</u>
Net Assets, End of Year.....	<u>\$ 2,828,306</u>	<u>\$ 46,779</u>	<u>\$ 2,875,085</u>

The accompanying notes are an integral part of these financial statements.

ONE SIMPLE WISH, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>Support and Revenues</u>			
Donations.....	\$ 1,235,714	\$ 3,199,286	4,435,000
Miscellaneous Support.....	37,367	-	37,367
Net Investment Return.....	132,339	-	132,339
Net Assets Released from Restrictions.....	<u>3,228,672</u>	<u>(3,228,672)</u>	<u>-</u>
Total Support and Revenues.....	<u>4,634,092</u>	<u>(29,386)</u>	<u>4,604,706</u>
<u>Expenses</u>			
Program Services.....	3,755,784	-	3,755,784
Support Services:			
Management and General.....	338,395	-	338,395
Fundraising.....	<u>75,977</u>	<u>-</u>	<u>75,977</u>
Total Expenses.....	<u>4,170,156</u>	<u>-</u>	<u>4,170,156</u>
Change in Net Assets.....	463,936	(29,386)	434,550
Net Assets, Beginning of Year.....	<u>1,920,740</u>	<u>81,150</u>	<u>2,001,890</u>
Net Assets, End of Year.....	<u>\$ 2,384,676</u>	<u>\$ 51,764</u>	<u>\$ 2,436,440</u>

The accompanying notes are an integral part of these financial statements.

ONE SIMPLE WISH, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2025

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund- Raising</u>	<u>Total</u>
<u>Expenses</u>				
Salaries.....	\$ 350,086	\$ 73,472	\$ 25,800	\$ 449,358
Payroll Taxes and Benefits.....	64,031	12,806	8,537	85,374
Wishes Granted.....	2,381,019	-	-	2,381,019
Community Partner Activities & Events.....	320,513	-	-	320,513
Technology Consultants.....	1,823	-	-	1,823
Bank and Credit Card Fees.....	54,336	12,762	424	67,522
Auto Expenses.....	8,847	-	-	8,847
Advertising and Promotion.....	22,314	4,463	2,975	29,752
Networking.....	569	113	76	758
Rent.....	1,875	375	250	2,500
Computer Software Maintenance.....	33,520	6,704	4,469	44,693
Insurance.....	2,165	433	289	2,887
Licenses.....	434	87	58	579
Memberships and Dues.....	1,081	127	84	1,292
Workshop and Training.....	5,290	1,058	705	7,053
Office Expense.....	20,146	21,511	2,674	44,331
Professional Services.....	163,165	184,778	-	347,943
Shipping and Postage.....	971	194	130	1,295
Depreciation Expense.....	16,760	-	-	16,760
Amortization Expense.....	88	-	-	88
Telephone.....	3,069	614	409	4,092
Total Functional Expenses.....	<u>\$ 3,452,102</u>	<u>\$ 319,497</u>	<u>\$ 46,880</u>	<u>\$ 3,818,479</u>

The accompanying notes are an integral part of these financial statements.

ONE SIMPLE WISH, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2024

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund- Raising</u>	<u>Total</u>
<u>Expenses</u>				
Salaries.....	\$ 347,292	\$ 82,407	\$ 60,158	\$ 489,857
Payroll Taxes and Benefits.....	57,753	11,551	7,701	77,005
Wishes, Non In-Kind.....	2,677,486	-	-	2,677,486
Community Partner Activities & Events.....	263,189	-	-	263,189
Scholarships.....	153,150	-	-	153,150
Technology Consultants.....	25,003	-	-	25,003
Bank and Credit Card Fees.....	60,498	9,834	163	70,495
Auto Expenses.....	2,289	-	-	2,289
Advertising and Promotion.....	21,611	4,322	2,881	28,814
Networking.....	149	30	20	199
Travel and Meals.....	4,953	991	660	6,604
Computer Software Maintenance.....	17,575	3,515	2,343	23,433
Insurance.....	2,551	510	340	3,401
Licenses.....	1,109	222	148	1,479
Memberships and Dues.....	948	105	70	1,123
Workshop and Training.....	3,035	607	405	4,046
Office Supplies.....	5,245	1,044	693	6,982
Professional Services.....	98,948	222,668	-	321,616
Shipping and Postage.....	1,103	203	136	1,442
Depreciation Expense.....	9,728	-	-	9,728
Amortization Expense.....	88	-	-	88
Telephone.....	<u>2,082</u>	<u>387</u>	<u>258</u>	<u>2,727</u>
Total Functional Expenses.....	<u>\$ 3,755,784</u>	<u>\$ 338,395</u>	<u>\$ 75,977</u>	<u>\$ 4,170,156</u>

The accompanying notes are an integral part of these financial statements.

ONE SIMPLE WISH, INC.
STATEMENTS OF CASH FLOWS

	Years Ended June 30,	
	<u>2025</u>	<u>2024</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities:		
Cash Received from Donors.....	\$ 4,140,624	\$ 4,477,367
Cash Paid to Vendors and Employees.....	(3,845,442)	(4,160,192)
Interest and Dividends Received.....	42,709	33,036
Interest Paid.....	-	-
Income Tax Paid.....	-	-
	-	-
Net Cash Provided by (Used in)		
Operating Activities.....	337,891	350,211
Cash Flows from Investing Activities:		
Proceeds from Sale of Marketable Securities.....	98,404	25,586
Purchase of Marketable Securities.....	(359,627)	(101,350)
Purchase of Property and Equipment.....	(105,480)	-
Purchase of Intangible Asset.....	(650)	-
	(650)	-
Net Cash Provided by (Used in)		
Investing Activities.....	(367,353)	(75,764)
Net (Decrease) Increase in Cash and Cash Equivalents.....	(29,462)	274,447
Cash and Cash Equivalents at Beginning of Year.....	1,823,628	1,549,181
Cash and Cash Equivalents at End of Year.....	\$ 1,794,166	\$ 1,823,628

The accompanying notes are an integral part of these financial statements.

ONE SIMPLE WISH, INC.
STATEMENTS OF CASH FLOWS

	Years Ended June 30,	
	<u>2025</u>	<u>2024</u>
Reconciliation of Change in Net Assets to Net Cash Provided by (Used in) Operating Activities		
Change in Net Assets.....	\$ 438,645	\$ 434,550
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities:		
Depreciation.....	16,760	9,728
Amortization.....	88	89
Unrealized (Gain) Loss on Investments.....	(47,516)	(94,105)
Realized (Gain) Loss on Investments.....	(16,275)	(5,198)
(Increase) Decrease in Unconditional Promises to Give.....	(10,000)	5,000
(Increase) Decrease in Security Deposit.....	(15,000)	-
Increase (Decrease) in Accounts Payable.....	<u>(28,811)</u>	<u>147</u>
Net Cash Provided by (Used in) Operating Activities.....	<u>\$ 337,891</u>	<u>\$ 350,211</u>

The accompanying notes are an integral part of these financial statements.

ONE SIMPLE WISH, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

Note 1. Summary of Significant Accounting Policies

Operations:

One Simple Wish, Inc. (the Organization) grants simple wishes to children who are impacted by abuse, neglect, and trauma and spend time in the foster care system. Through an innovative wish-granting platform, donors can contribute towards granting a wish for a unique child needing assistance. The Organization's programs are supported primarily by donations of cash, toys, and clothing from individuals, corporations, and foundations.

Management's Use of Estimates and Assumptions:

Management uses estimates and assumptions in preparing its financial statements in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Basis of Financial Statement Presentation:

The financial statements of the Organization have been prepared in accordance with U.S. GAAP, which requires the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and Board of Directors.

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

ONE SIMPLE WISH, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

Note 1. Summary of Significant Accounting Policies (Cont'd)

Cash and Cash Equivalents:

For purposes of the Statements of Cash Flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less, except bank certificates of deposit and treasury obligations, to be cash equivalents. Bank CDs and treasury obligations are considered to be temporary cash investments, not cash equivalents.

The Organization's cash and cash equivalent accounts and interest-bearing deposits in banks and other financial institutions may at times exceed the federally insured limits. The Organization has not experienced any losses in these accounts. Management believes that the Organization is not exposed to any significant risk on these deposits.

Investments:

Investments in marketable securities and debt securities are classified as available for sale and are carried at fair value with realized and unrealized gains and losses reported as a component of net investment return on the Statements of Activities. The Organization uses the average cost method to determine realized gains or losses on sales.

The Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurement and Disclosure*, defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. 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.

In accordance with ASC Topic 820-10-35-01, the Organization classifies investments reported at fair value into three levels based on the markets in which the investments are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1: Quoted market prices for identical instruments traded in active markets.

Level 2: Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.

Level 3: Model based techniques that use significant assumptions not observable in the market.

ONE SIMPLE WISH, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

Note 1. Summary of Significant Accounting Policies (Cont'd)

Investments (Cont'd):

The fair value for all of the Organization's investments is determined by the use of quoted market prices for identical instruments traded in active markets. Based on the nature of the investments, the fair value of investments is considered a Level 1 item within the Fair Value hierarchy.

Property and Equipment:

Donations of property and equipment are recorded as support, at their estimated fair value at the date of donation. Such donations are recorded as support without donor restrictions, unless the donor has restricted the donated assets to a specific purpose.

Property and equipment are stated at cost or fair value at the dates of donation. Expenditures for maintenance and repairs are charged to operating expenses. Additions to property and equipment or expenditures which increase the useful lives of the assets are capitalized. Additions with a cost or fair value of less than \$5,000 are expensed. Depreciation of property and equipment is calculated using the straight-line method over the estimated useful lives of the assets. When property and equipment are sold or otherwise disposed of, the asset account and related accumulated depreciation accounts are relieved, and any gain or loss is included in operations.

Compensated Absences:

Employees of the Organization are entitled to paid vacations, sick days, and other time off, depending on job classification, length of service, and other factors. Employees may not accrue or carry over unused time from year to year. Employees will not be paid for unused time upon separation. The Organization's policy is to recognize the costs of compensated absences when actually paid to employees. Accordingly, no liability has been recorded in the accompanying financial statements.

Public Support and Revenue Recognition:

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Unconditional promises to give due in the next year are reflected as current promises to give and are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at their net realizable value.

ONE SIMPLE WISH, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

Note 1. Summary of Significant Accounting Policies (Cont'd)

Public Support and Revenue Recognition (Cont'd):

Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are recognized when the conditions on which they are dependent are substantially satisfied.

Donor-restricted support 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 Statements of Activities as net assets released from restrictions.

Donated marketable securities and other noncash donations are recorded as contributions at their fair values at the date of donation.

The Organization does not recognize support, revenue, or expense from services contributed by volunteers. Unpaid volunteer officers and committees conduct a significant portion of the program and fundraising functions. The value of this contributed time is not reflected in the accompanying financial statements since the recognition criteria were not met.

The Organization has elected to omit the disclosures that are optional for nonpublic entities.

Advertising and Promotion Costs:

The Organization expenses the cost of advertising and promotion as incurred. Advertising costs charged to operations for the years ended June 30, 2025 and 2024 were \$29,752 and \$28,814, respectively.

Shipping and Handling Costs:

The value of the wish to be granted by a donor includes 15-20% to cover shipping, tax, program support, and merchant fees, and is recorded as a donation. The actual shipping costs are included in wish expenses for program services.

Functional Allocation of Expenses:

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statements of Activities and Statements of Functional Expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include salaries and benefits, which are allocated on the basis of estimates of time and effort. Other costs are allocated based on estimated usage.

ONE SIMPLE WISH, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

Note 1. Summary of Significant Accounting Policies (Cont'd)

Tax Status:

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization is also exempt from state income taxes and is registered with the State of New Jersey under the New Jersey Charitable Registration and Investigation Act (CRI) of 1994.

The Organization's federal exempt returns are subject to examination by the IRS, generally for three years after they were filed. The Organization's state informational returns are subject to examination up to four years after they were filed. The statute of limitations does not apply to unfiled returns. The Organization believes that all required returns have been filed.

The Organization has determined that there are no material uncertain tax positions that require disclosure in the financial statements.

Leases:

The Organization leases office space and equipment. The Organization determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use ("ROU") assets, current operating lease liabilities, and operating lease liabilities, net of current liabilities, on the Statements of Financial Position.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The Organization uses rates implicit in the lease, or if not readily available, the Organization uses a risk-free rate. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The Organization has elected the short-term lease recognition exemption for all applicable classes of underlying assets. Leases with an initial term of 12 months or less, that do not include an option to purchase the underlying asset that the Organization is reasonably certain to exercise, are not recorded on the Statements of Financial Position.

The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

ONE SIMPLE WISH, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

Note 1. Summary of Significant Accounting Policies (Cont'd)

Date of Management Evaluation of Subsequent Events:

Management has evaluated subsequent events through February 12, 2026, the date on which the financial statements were available to be issued.

Note 2. Available Resources and Liquidity

The following represents the Organization's financial assets at June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Financial assets at year-end:		
Cash and cash equivalents	\$1,794,166	\$1,823,628
Unconditional promises to give	15,000	5,000
Investments in marketable securities	<u>947,927</u>	<u>622,913</u>
Total financial assets	2,757,093	2,451,541
Less amounts not available to be used within one year:		
Investments held for long-term purposes	(947,927)	(622,913)
Board-designated for reserves	<u>(500,000)</u>	<u>(500,000)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$1,309,166</u>	<u>\$1,328,628</u>

ONE SIMPLE WISH, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

Note 2. Available Resources and Liquidity (Cont'd)

The Organization receives significant contributions and grants restricted by donors and grantors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves to maintain adequate liquid assets to fund near-term operating needs and to maintain sufficient reserves to provide reasonable assurance that long-term obligations will be met. This goal is achieved through the Organization's budgeting process and expenditure policies. The Board of Directors has also decided to maintain \$500,000 as a reserve. Investments in marketable securities are held with the goal of long-term growth; however, if needed, they are available to be sold and used to meet current obligations.

Note 3. Unconditional Promises to Give

The Organization received an unconditional promise to give during the years ended June 30, 2025 and 2024. Management does not estimate that any portion is uncollectible. Unconditional promises to give are as follows:

<u>June 30, 2025</u>	<u>Total</u>	<u>Current</u>	<u>Long term</u>
Receivable in less than one year	\$ 15,000	\$15,000	\$ -
Receivable in one to five years	<u>-</u>	<u>-</u>	<u>-</u>
Total unconditional promises to give	<u>\$15,000</u>	<u>\$ 15,000</u>	<u>\$ -</u>
<u>June 30, 2024</u>	<u>Total</u>	<u>Current</u>	<u>Long term</u>
Receivable in less than one year	\$ 5,000	\$ 5,000	\$ -
Receivable in one to five years	<u>-</u>	<u>-</u>	<u>-</u>
Total unconditional promises to give	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ -</u>

ONE SIMPLE WISH, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

Note 4. Property and Equipment

The following is a summary of property and equipment:

	<u>Estimated useful lives in years</u>	<u>2025</u>	<u>2024</u>
Equipment	3	\$ 3,929	\$ 3,929
Software and website	3	177,812	177,812
Automobile	5	<u>154,120</u>	<u>48,640</u>
		335,861	230,381
Accumulated depreciation		<u>209,851</u>	<u>193,091</u>
		<u>\$126,010</u>	<u>\$ 37,290</u>

Depreciation expense charged to operations was \$16,760 and \$9,728 for the years ended June 30, 2025 and 2024, respectively.

ONE SIMPLE WISH, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

Note 5. Investments

The fair value of marketable securities is based on quoted prices available on an active market (Level 1).

Cost and fair value of the investments at June 30, 2025 were as follows:

	<u>Cost</u>	<u>Fair value</u>	<u>Gross unrealized gains (losses)</u>
Equities	\$ 18,942	\$ 103,815	\$ 84,873
Exchange-traded funds.....	<u>707,110</u>	<u>844,112</u>	<u>137,002</u>
Total investments	<u>\$ 726,052</u>	<u>\$ 947,927</u>	<u>\$ 221,875</u>

Cost and fair value of the investments at June 30, 2024 were as follows:

	<u>Cost</u>	<u>Fair value</u>	<u>Gross unrealized gains (losses)</u>
Equities	\$ 17,032	\$ 106,158	\$ 89,126
Exchange-traded funds.....	<u>436,224</u>	<u>516,755</u>	<u>80,531</u>
Total investments	<u>\$ 453,256</u>	<u>\$ 622,913</u>	<u>\$ 169,657</u>

Net investment return for the years ended June 30, 2025 and 2024 was as follows:

	<u>2025</u>	<u>2024</u>
Interest income.....	\$ -	\$ 324
Dividend income.....	42,708	32,712
Net realized gains (losses).....	16,276	5,198
Net unrealized gains (losses).....	<u>47,516</u>	<u>94,105</u>
Total	<u>\$106,500</u>	<u>\$ 132,339</u>

ONE SIMPLE WISH, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

Note 5. Investments (Cont'd)

The Organization invests in various securities. Investment securities are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the uncertainty related to changes in the value of investment securities, it is reasonably possible that changes in risks in the near term would materially affect the investments and the amounts reported in the Statements of Financial Position. Users of these financial statements should be aware that the financial markets' volatility may significantly impact the subsequent valuation of the Organization's investments. Accordingly, the valuation of investments may not necessarily be indicative of amounts that could be realized in a current market exchange.

Note 6. Lease Agreements and Commitments

On May 1, 2025, the Organization signed a lease for administrative offices. The lease term began on May 1, 2025, and is for a three-year term through April 30, 2028. Monthly payments are \$2,500 for the first twelve months, with 3% annual increases thereafter.

The components of operating lease expense were as follows:

	<u>2025</u>	<u>2024</u>
Operating lease cost	\$ 2,500	\$ -
Short-term lease cost.....	<u>-</u>	<u>-</u>
	<u>\$ 2,500</u>	<u>\$ -</u>

Other information related to leases was as follows:

Supplemental Cash Flow Information –

Cash paid for amounts included in the measurement of lease liabilities:

	<u>2025</u>	<u>2024</u>
Operating cash flows from operating leases.....	\$ 2,500	\$ -

Right-of-use assets obtained in exchange for lease obligations:

	<u>2025</u>	<u>2024</u>
Operating leases.....	\$ 87,857	\$ -

ONE SIMPLE WISH, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

Note 6. Operating Lease Agreements and Commitments (Cont'd)

Weighted average remaining lease term (in months):

	<u>2025</u>	<u>2024</u>
Operating leases.....	34.00	-

Weighted average discount rate:

	<u>2025</u>	<u>2024</u>
Operating leases.....	3.69%	-

Minimum future rental payments under operating leases having remaining terms in excess of one year as of June 30, 2025 for each of the remaining years and in the aggregate are:

<u>Year ended June 30,</u>	<u>Amount</u>
2026.....	\$ 30,150
2027.....	31,055
2028.....	26,523
2029.....	-
2030 and thereafter	<u>-</u>
Total lease payments.....	87,728
Less: interest	<u>(4,608)</u>
Present value of lease liabilities	<u>\$ 83,120</u>

ONE SIMPLE WISH, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

Note 7. Net Assets

Net assets without donor restrictions are as follows:

	<u>2025</u>	<u>2024</u>
Board-designated for operating reserves.....	\$ 500,000	\$ 500,000
Undesignated	<u>2,328,306</u>	<u>1,884,676</u>
Total net assets without donor restrictions	<u>\$2,828,306</u>	<u>\$2,384,676</u>

Net assets with donor restrictions are restricted for the following purposes:

	<u>2025</u>	<u>2024</u>
Specific purpose:		
Wish Granting	\$ 45,024	\$ 51,764
Educational Wish Fund	<u>1,755</u>	<u>-</u>
Total net assets with donor restrictions	<u>\$ 46,779</u>	<u>\$ 51,764</u>

Net assets released from net assets with donor restrictions are as follows:

	<u>2025</u>	<u>2024</u>
Satisfaction of purpose restrictions:		
Scholarships.....	\$ -	\$ 121,209
Educational Wish Fund.....	48,245	-
Wish Granting	<u>2,671,326</u>	<u>3,107,463</u>
Total net assets released from restrictions.....	<u>\$ 2,719,571</u>	<u>\$3,228,672</u>

ONE SIMPLE WISH, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D)

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

Note 8. Contributed Nonfinancial Assets

Contributed assets are recognized as in-kind revenue with a corresponding increase to wish expense. Donated goods are valued at predetermined values per Organization policy, which approximate wholesale prices. There were no contributed nonfinancial assets for the years ending June 30, 2025 and 2024.

Note 9. Retirement Plan

The Organization sponsors a qualified defined contribution retirement plan under Internal Revenue Code Section 401(k). The Organization matches 100% of eligible employees' contributions, to a maximum of 4% of an individual employee's gross wages, with a match cap set at \$4,000 per year for eligible employees.

Total retirement plan expense for the years ended June 30, 2025 and 2024 was \$15,240 and \$11,109, respectively, which has been included in payroll taxes and benefits in the Statements of Functional Expenses in the financial statements.