

**SUNSHINE FOUNDATION
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025**



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**SUNSHINE FOUNDATION
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2025**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF ACTIVITIES	4
STATEMENT OF FUNCTIONAL EXPENSES	5
STATEMENT OF CASH FLOWS	6
NOTES TO FINANCIAL STATEMENTS	7



INDEPENDENT AUDITORS' REPORT

Board of Directors
Sunshine Foundation
Davenport, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Sunshine Foundation (a nonprofit corporation), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expense, and cash flows for the year 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 Sunshine Foundation as of June 30, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Sunshine Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Sunshine Foundation's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Sunshine Foundation'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 Sunshine Foundation ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

South Hampton, Pennsylvania
October 27, 2025

**SUNSHINE FOUNDATION
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025**

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 268,801
Investments	2,278,321
Grants Receivable	108,347
Other Assets	44,541
Total Current Assets	2,700,010

NON-CURRENT ASSETS

Beneficial Interest in Perpetual Trust	374,320
Grant Receivable, Non-Current	316,215
Total Non-Current Assets	690,535

FIXED ASSETS, NET

298,857

TOTAL ASSETS

\$ 3,689,402

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable	\$ 49,731
Accrued Expenses	12,691
Total Current Liabilities	62,422

TOTAL LIABILITIES

\$ 62,422

NET ASSETS

Without Donor Restrictions	\$ 1,835,476
With Donor Restrictions:	
Purpose Restrictions	469,267
Time Restrictions	447,920
Perpetual in Nature	874,317
Total with Donor Restrictions	1,791,504
Total Net Assets	3,626,980

Total Liabilities and Net Assets \$ 3,689,402

**SUNSHINE FOUNDATION
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025**

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUES			
Public Support:			
Contributions	\$ 633,461	\$ 163,884	\$ 797,345
In-Kind Donation	63,084	-	63,084
United Way, CFC	20,366	-	20,366
Special Event:			
Revenue	241,232	-	241,232
Less: Event Expense	(70,896)	-	(70,896)
Net Special Event	170,336	-	170,336
 Net Assets Released from Restrictions	 281,556	 (281,556)	 -
Total Public Support and Revenues	1,168,803	(117,672)	1,051,131
 EXPENSES			
Program	1,016,582	-	1,016,582
Management and General	80,407	-	80,407
Fundraising	129,672	-	129,672
Total Expenses	1,226,661	-	1,226,661
 CHANGE IN NET ASSETS BEFORE OTHER INCOME	 (57,858)	 (117,672)	 (175,530)
Other Income:			
Investment Income	242,016	-	242,016
Change in Value of Perpetual Trust	-	18,434	18,434
Total Other Income	242,016	18,434	260,450
 Change in net assets	 184,158	 (99,238)	 84,920
 Net Assets - Beginning of Year	 1,651,318	 1,890,742	 3,542,060
 NET ASSETS - END OF YEAR	 \$ 1,835,476	 \$ 1,791,504	 \$ 3,626,980

See accompanying Notes to Financial Statements.

**SUNSHINE FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Sub-Total</u>	<u>Special Event Direct Benefit to Donors</u>	<u>Total</u>
Personnel						
Salaries	\$ 313,534	\$ 39,552	\$ 79,794	\$ 432,880	\$ -	\$ 432,880
Payroll Taxes and Employee Benefits	47,025	7,128	8,245	62,398	-	62,398
Total Personnel	<u>360,559</u>	<u>46,680</u>	<u>88,039</u>	<u>495,278</u>	<u>-</u>	<u>495,278</u>
Operations						
Direct Program and Travel	386,627	1,692	1,346	389,665	-	389,665
Event Expense	-	-	-	-	70,896	70,896
Insurance	33,525	3,145	501	37,171	-	37,171
Outside Services	52,314	9,923	9,043	71,280	-	71,280
Postage	3,940	586	2,250	6,776	-	6,776
Printing	3,909	125	6,052	10,086	-	10,086
Professional Fees	18,831	5,380	2,690	26,901	-	26,901
Rent	14,070	4,020	2,010	20,100	-	20,100
Repairs and Occupancy	45,249	231	116	45,596	-	45,596
Supplies/Office	15,498	885	3,571	19,954	-	19,954
Telephone	4,577	870	435	5,882	-	5,882
Utilities	31,735	932	466	33,133	-	33,133
Travel and Meetings	4,779	1,072	632	6,483	-	6,483
Miscellaneous	28,674	4,634	12,405	45,713	-	45,713
Depreciation	12,295	232	116	12,643	-	12,643
Total Operating	<u>656,023</u>	<u>33,727</u>	<u>41,633</u>	<u>731,383</u>	<u>70,896</u>	<u>802,279</u>
Total Expenses	<u>\$ 1,016,582</u>	<u>\$ 80,407</u>	<u>\$ 129,672</u>	<u>\$ 1,226,661</u>	<u>\$ 70,896</u>	<u>\$ 1,297,557</u>

See accompanying Notes to Financial Statements.

**SUNSHINE FOUNDATION
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2025**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ 84,920
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation and Amortization	12,643
Realized and Unrealized Gain on Investments	(186,208)
Change in Assets and Liabilities:	
Pledges Receivable	122,393
Perpetual Trust	(18,437)
Prepaid Expenses and Other Assets	(5,984)
Accounts payable	8,975
Accrued expenses	(3,970)
Net Cash Provided by Operating Activities	14,332

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of Investments	(3,686,114)
Proceed from Sales of Operating Investment	3,619,467
Purchase of Fixed Assets	(39,355)
Net Cash Used by Investing Activities	(106,002)

NET CHANGE IN CASH AND CASH EQUIVALENTS

(91,670)

Cash and Cash Equivalents - Beginning of Year

360,471

CASH AND CASH EQUIVALENTS - END OF YEAR

\$ 268,801

See accompanying Notes to Financial Statements.

**SUNSHINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES

Organization

Sunshine Foundation (the Foundation) was incorporated on November 18, 1976, as a nonprofit corporation. The primary purpose of the Foundation is to fulfill the dreams and wishes of chronically ill, seriously ill, physically challenged, and abused children, ages three through eighteen, whose families cannot fulfill their requests due to financial strain the child's illness may cause. In addition, the Foundation's purpose is to educate the public and increase awareness of the children that the Foundation benefits.

The Foundation is supported by 9 active, all volunteer, chapters located throughout the United States. All chapters are operated by a slate of officers, all of whom are unpaid volunteers, under the guidelines and directions of the management of the Foundation. At various times throughout the year, each chapter has fundraising events for the benefit of the Foundation. Each Chapter submits a report and net proceeds to the Foundation. The chapters' gross proceeds and direct expenses are reported net by the Foundation as chapter income.

Basis of Accounting

The financial statements of the Organization have been prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results could differ from those estimates.

Net Assets

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

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

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**SUNSHINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets (Continued)

The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as Net Assets Released from Restrictions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make 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. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the purposes of the cash flow statement, the Organization considers as all cash and highly liquid financial instruments with an original maturity of three months or less when purchased, and which are neither held for nor restricted by donors for long-term purposes, are considered to be cash and cash equivalents.

Promises to Give

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Investments

Investments are recorded at fair value on a recurring basis on the consolidated statement of financial position. Fair value measurement is based upon quoted prices, if available. If quoted prices are not available, fair values are measured using independent pricing models or other model-based valuation techniques such as present value of future cash flows, adjusted for the security's credit rating, prepayment assumptions, and other factors such as credit loss assumptions.

Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

**SUNSHINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Beneficial Interest in Perpetual Trust

The Foundation has been named as an irrevocable beneficiary of a perpetual trust held and administered by an independent trustee. The trust provides for the distribution of the net income of the trust to the Organization; however, the Organization will not receive the assets of the trust. A beneficial interest in perpetual trusts is reported at the fair value of the trusts' assets in the statement of financial position, with trust distributions and changes in the value of the trust recognized in the statement of activities. During the year ended June 30, 2025, the Foundation received \$374,317, respectively, of distributions from trust.

Property, Plant, and Equipment

All capital expenditures in excess of \$5,000 and having estimated useful lives of more than one year are capitalized to property and equipment are recorded at cost and depreciated on a straight-line basis over the estimated useful lives of the related assets, ranging from 5 to 20 years. The cost of maintenance and repairs is charged to expense as incurred and the cost of significant replacements and improvements are capitalized and expensed over the periods benefitted.

Long-Lived Assets

Long-lived assets held and used by the Foundation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In the event that facts and circumstances indicate that the cost of any long-lived asset may be impaired, an evaluation of recoverability would be performed.

Revenue Recognition

Contract and Grant Revenue Recognition

Contract and grant revenue are recognized as earned when services have been rendered and the Organization fulfills the terms of the grant and or contract. Revenue received, but not earned, is classified as a liability or as with donor restriction on the financial statements.

Contributions

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restriction support.

Donated Goods and Services

The Organization records the value of donated goods and services at fair value at the date of the donation in accordance with accounting profession requirements. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. During the fiscal year donated goods and services totaled \$63,084.

**SUNSHINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements

Fair value measurement applies to reported balances that are required or permitted to be measured at fair value under an existing accounting standard. The Foundation emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability and establishes a fair value hierarchy. The fair value hierarchy consists of three levels of inputs that may be used to measure fair value.

Fair Value Hierarchy

The Foundation has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded on the consolidated statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that The Foundation has the ability to access (examples include active exchange-traded equity securities, listed derivatives, and most U.S. government and agency securities).

Level 2 – Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:

- quoted prices for similar assets or liabilities in active markets (for example, restricted stock);
- quoted prices for identical or similar assets or liabilities in nonactive markets (examples include corporate and municipal bonds, which trade infrequently);
- pricing models whose inputs are observable for substantially the full term of the asset or liability (examples include most over-the-counter derivatives, including interest rate and currency swaps); and pricing models whose inputs are derived principally from or corroborated by observable market data through correlation or other means for substantially the full term of the asset or liability (examples include certain residential and commercial mortgage related assets, including loans, securities, and derivatives).

**SUNSHINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurement

Fair Value Hierarchy

Level 3 – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management’s own assumptions about the assumptions a market participant would use in pricing the asset or liability (examples include certain private equity investments and split-interest agreements).

Advertising

The Organization follows the policy of charging the costs of advertising to expense as incurred. The Organization does not do direct-response advertising. Advertising and printing expenses for the year ended was \$7,951.

Functional Expense Allocation

Specifically identifiable costs are assigned 100% to applicable function. Salaries and payroll taxes and employee benefits are allocated based on each employee’s specific job tasks. Expenses that are incurred for more than one function are allocated among the program and supporting services benefited.

Income Taxes Status

The Organization has received tax-exempt status from the Internal Revenue Service under Section 501©(3), respectively.

Since the Organization is exempt from federal and state income tax liability, no provision is made for current or deferred income taxes. The Organization uses the same accounting methods for tax and financial reporting. Management has considered its tax positions and believes that all of the positions taken in its federal and state informational returns are more likely than not to be sustained upon examination. The Organization’s returns are subject to examination by federal and state taxing authorities, generally for three years and four years, respectively, after they are filed.

Subsequent Events

We have evaluated subsequent events through October 27, 2025, the date the consolidated financial statements were available to be issued.

**SUNSHINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 2 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

<u>Description of Financial Asset</u>	<u>Gross Amount</u>	<u>Less Amounts Unavailable for General Expenditures</u>	<u>Available to Meet Cash Needs Within One Year</u>
Cash and Cash Equivalents	\$ 268,801	\$ -	\$ 268,801
Operating Investments	2,278,321	500,000	1,778,321
Promises to Give	108,347	-	108,347
Total			<u>\$ 2,155,469</u>

The beneficial interest in perpetual trusts are not considered financial assets available for expenditure as these are held and administered by an independent trustee, and the trust only provides for the distribution of the net income of the trust to the Organization as the Organization will not receive the assets of the trusts.

NOTE 3 UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows, using three-year treasury rate, which was 3.79% as of June 30, 2025. These promises are due as follows:

Within One Year	\$ 100,000
In One to Five Years	<u>316,215</u>
Total	416,215
Less: Discount to net Present Value at Rates of 3.790%, Respectively	<u>(23,663)</u>
Total	<u>\$ 392,552</u>

SUNSHINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 4 INVESTMENTS

The Foundation carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the consolidated statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying consolidated statements of activities.

The Foundation's investments at June 30, 2025 are summarized below:

	Fair Value	Original Value	Unrealized Gain (Loss)
Money Market	\$ 37,619	\$ 37,619	\$ -
Mutual Funds - Equities	1,531,574	1,466,020	65,554
Mutual Funds - Fixed Income	709,130	696,727	12,403
Total	<u>\$ 2,278,323</u>	<u>\$ 2,200,366</u>	<u>\$ 77,957</u>

Fair Value Measurements

The Foundation uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how the Foundation measures fair value refer to Note 1 – Principal Activity and Summary of Significant Accounting Policies.

Assets Measured at Fair Value on a Recurring Basis as of June 30, 2025:

	Level 1	Level 2	Level 3	Total
Money Market	\$ 37,619	\$ -	\$ -	\$ 37,619
Mutual Funds - Equities	1,531,574	-	-	1,531,574
Mutual Funds - Fixed Income	709,130	-	-	709,130
Total	<u>2,278,323</u>	<u>-</u>	<u>-</u>	<u>2,278,323</u>
Beneficial Interest in Perpetual Trust	-	-	374,317	374,317
Total	<u>\$ 2,278,323</u>	<u>\$ -</u>	<u>\$ 374,317</u>	<u>\$ 2,652,640</u>

NOTE 5 PROPERTY, PLANT, AND EQUIPMENT

Property and equipment consists of the following as of June 30, 2025:

Land	\$ 125,006
Buildings and Improvements	2,096,092
Furniture and Equipment	119,824
Subtotal	<u>2,340,922</u>
Less: Accumulated Depreciation and Amortization	<u>(2,042,065)</u>
Total Property and Equipment	<u>\$ 298,857</u>

**SUNSHINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 6 ENDOWMENT

The Endowment has a donor-restricted endowment fund established for the purpose of providing income to support the Organization. As required by generally accepted accounting principles (GAAP), net assets of the endowment fund are classified and reported based on the existence or absence of donor-imposed restrictions. The Uniform Prudent Management of Institutional Funds Act (UPMIFA) requires the 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 Endowment classifies as endowment restricted net assets (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The Endowment considers all earnings on endowment funds to be restricted for operations of the Organization's programs.

The following is a summary of endowment funds subject to Uniform Prudent Management of Institutional Funds Act of (UPMIFA) for the year ended June 30, 2025:

Endowment Fund Balance - June 30, 2024	\$ 500,000
Contributions	-
Investment Earnings	31,705
Appropriated for Expenditures	<u>(31,705)</u>
Endowment Fund Balance - June 30, 2025	<u><u>\$ 500,000</u></u>

NOTE 7 BENEFICIAL INTEREST IN TRUST

The foundation is the sole beneficiary of a trust established as a result of the will of a donor. Fair value for bequest from the perpetual trust assets from the beneficial interest in a perpetual trust is measured using the fair value of the assets held in the trust as reported by the trustee as of June 30, 2025. The estimated value for this trust is a level 3 in the fair value hierarchy. The terms of the trust agreement and the current practice among other similar nonprofit entities for classifying beneficial interests in perpetual trusts support the level 3 determination. The Foundation considers the measurement of its beneficial interest in the trust to be a Level 3 measurement within the fair value hierarchy because even though the measurement is based on the unadjusted fair values of the trust assets reported by the trustee, the Foundation will never receive those assets or have the ability to direct the trustee to redeem them.

The foundation received distributions during the year ended June 30, 2025 of approximately \$12,000. The perpetual trust is permanently restricted.

**SUNSHINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 8 NET ASSETS WITH DONOR RESTRICTION

As of June 30, 2025, net assets with donor restrictions are available as follows:

Subject to Expenditure for Specified Purpose:	
Dreamlift	\$ 376,426
Dreams	45,405
Dream Village	37,766
Programs	31,705
Gala	9,670
Other	416,215
Permanent Edowment	500,000
Perpetual Trust - Permanent	374,317
Total Net Assets with Donor Restrictions	<u>\$ 1,791,504</u>

For the year ended June 30, 2025, net assets released from restriction are as follows:

Satisfaction of Purpose Restrictions:	
Dreams	\$ 115,556
Dream Village	66,000
Other	100,000
Total Net Assets Released from Donor Restrictions	<u>\$ 281,556</u>

NOTE 9 SPECIAL EVENT

The Foundation had a gala and chapter events throughout the year. The support received and expenses incurred for these events were as follows:

Office Event	\$ 101,018
Chapter Event	140,200
Total Special Events Revenue	<u>241,218</u>
Less: Direct Expenses	(70,896)
Total Special Events Revenue, Net	<u>\$ 170,322</u>

NOTE 10 GIFT IN-KIND CONTRIBUTIONS

The Foundation receives non-cash donations for their programming. The donations are valued at fair value which is determined based on an estimated fair market value. The Foundation received \$63,084 of noncash donations during the year ending June 30, 2025, respectively.

All gifts in-kind received by the Foundation were considered without donor restrictions and are able to be used by the Foundation as determined by the Board of Directors and management.

**SUNSHINE FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 11 RETIREMENT PLAN

During the year ending June 30, 2025, the Foundation elected to do a match for 403b contributions. For the year ended June 30, 2025, the Foundation contributed \$1,055 to the plan on behalf of its employees.

NOTE 12 CONCENTRATED CREDIT RISK

Financial instruments that potentially subject the Foundation to credit risk consist principally of unconditional promises to give, cash deposits in excess of insured limits, and investments of marketable equity and debt securities.



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