Child Crisis Arizona Foundation

Financial Statements

December 31, 2025 and 2024

Independent Auditors' Report

To the Board of Directors of
Child Crisis Arizona Foundation

Opinion

We have audited the financial statements of Child Crisis Arizona Foundation (the Foundation), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 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 (GAAP).

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 the 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 GAAP, 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 the Foundation'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 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 the 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 the Foundation'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.

Baker Tilly US, LLP

Tempe, Arizona
April 24, 2026

Child Crisis Arizona Foundation

Statements of Financial Position
December 31, 2025 and 2024

	2025	2024
Assets		
Current Assets		
Investments	$ 20,847,602	$ 18,807,113
Due from affiliate	132,342	50,954
Total assets	$ 20,979,944	$ 18,858,067
Liabilities and Net Assets		
Liabilities		
Endowment held for Child Crisis Arizona	$ 6,398,680	$ 5,493,911
Due to affiliate	409,325	3,794
Total liabilities	6,808,005	5,497,705
Net Assets		
Without donor restrictions	14,171,939	13,360,362
Total net assets	14,171,939	13,360,362
Total liabilities and net assets	$ 20,979,944	$ 18,858,067

See notes to financial statements

Child Crisis Arizona Foundation

Statements of Activities
Years Ended December 31, 2025 and 2024

	2025	2024
Revenue		
Interest, dividends and other	$ 696,539	$ 571,799
Realized gain on sale of investments	282,854	129,390
Unrealized gain on investments	807,256	901,847
Total revenue	1,786,649	1,603,036
Expenses		
Program expenses:		
Donations to Child Crisis Arizona	985,000	481,000
Management and general expenses:		
Professional fees	23,025	21,800
Insurance expense	4,645	4,494
Software expense	1,699	1,618
	29,369	27,912
Total expenses	1,014,369	508,912
Change in net assets before transfers from Affiliate	772,280	1,094,124
Transfers From Affiliate	39,297	120,688
Change in net assets without donor restrictions	811,577	1,214,812
Net Assets Without Donor Restrictions, Beginning	13,360,362	12,145,550
Net Assets Without Donor Restrictions, Ending	$ 14,171,939	$ 13,360,362

See notes to financial statements

Child Crisis Arizona Foundation

Statements of Cash Flows
Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows From Operating Activities		
Interest and dividends received	$ 696,539	$ 571,799
Cash received from affiliate	-	3,731,000
Cash paid to affiliate	(503,000)	(336,000)
Net cash flows from operating activities	193,539	3,966,799
Cash Flows From Investing Activities		
Purchases of investments	(996,539)	(4,564,226)
Proceeds from sale of investments	803,000	597,427
Net cash flows from investing activities	(193,539)	(3,966,799)
Net change in cash and cash equivalents	-	-
Cash and Cash Equivalents, Beginning	-	-
Cash and Cash Equivalents, Ending	$ -	$ -

See notes to financial statements

1. Nature of Operations and Summary of Significant Accounting Policies

Organization

The principal purpose of Child Crisis Arizona Foundation (the Foundation) is to steward and manage investments in order to support the programs of Child Crisis Arizona (CCA). The Board of Directors of the Foundation and CCA had four and three common board members for the years ended December 31, 2025 and 2024, respectively.

Basis of Presentation

The financial statements of the Foundation have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the Foundation considers money market funds and interest-bearing deposits with banks with a maturity of three months or less at date of acquisition to be cash equivalents.

Fair Value Measurements

A framework for measuring fair value has been established by the Accounting Standards Codification and provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified term (contractual term), the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement, and usually reflect the Foundation's own assumptions about the assumptions that market participants would use in pricing the assets (i.e. real estate valuations, broker quotes).

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

Investments

Investments are recorded at fair value in the statements of financial position. Investment return or loss is included in the statements of activities and consists of interest and dividend income, realized and unrealized gains or losses, less external investment expenses.

Endowment Held for Child Crisis Arizona

Certain contributions may be transferred from CCA to the Foundation to be invested according to CCA's windfall gift acceptance policy. These endowment funds are held by the Foundation on behalf of CCA and any related income earned on these invested amounts is allocated to CCA.

Risks and Uncertainty

The Foundation invests in various types of investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amount reported in the statements of financial position.

Net Assets

The Foundation reports information regarding its financial position and activities according to two classes of net assets as follows:

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

Net Assets With Donor Restrictions - Net assets whose use is limited by donor-imposed time and/or purpose restrictions. 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. It is the Foundation's policy to classify donor restricted contributions as income without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

Functional Allocation of Expenses

The cost of providing certain activities of the Foundation have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program services and supporting services. All of the Foundation's expenses are direct expenses.

Income Taxes

The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, qualifies for the charitable contribution deduction and has been classified as an organization that is not a private foundation. Income determined to be unrelated business taxable income (UBTI) would be subject to income tax.

The Foundation follows accounting standards for uncertainty in income taxes, which require that tax positions initially need to be recognized in the financial statements when it is more-likely-than-not that the positions will not be sustained upon examination by the tax authorities. As of December 31, 2025 and 2024, the Foundation had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

The Foundation recognizes interest and penalties associated with income taxes in operating expenses. During the years ended December 31, 2025 and 2024, the Foundation did not have any income tax related interest and penalty expense.

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Date of Management's Review

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through April 24, 2026, the date the financial statements were available to be issued.

2. Liquidity and Availability

The Foundation regularly monitors liquidity required to meet its operating needs and commitment to contribute to the support of CCA. Financial assets are invested in mutual funds. These mutual funds can be liquidated at any time and used for general expenditures. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Foundation considers all expenditures of its ongoing programmatic activities as well as the conduct of fundraising, management and general activities undertaken to support those activities to be general expenditures.

The Foundation's revenues are generated through investment income. As of December 31, 2025 and 2024, the Foundation's financial assets available for general expenditures within the next year totaled $14,581,264 and $13,364,156, respectively.

3. Investments and Fair Value of Financial Instruments

The following is a summary of the fair value of investments, measured on a recurring basis, at December 31, 2025:

	Level 1	Level 2	Level 3	Total
Money market	$ 1,119	$ -	$ -	$ 1,119
Equity funds	12,457,252	-	-	12,457,252
Fixed income funds	8,389,231	-	-	8,389,231
Total investments	$ 20,847,602	$ -	$ -	$ 20,847,602

The following is a summary of the fair value of investments, measured on a recurring basis, at December 31, 2024:

	Level 1	Level 2	Level 3	Total
Money market	$ 1,074	$ -	$ -	$ 1,074
Equity funds	11,429,351	-	-	11,429,351
Fixed income funds	7,376,688	-	-	7,376,688
Total investments	$ 18,807,113	$ -	$ -	$ 18,807,113

4. Transactions With Affiliate

During the year ended December 31, 2025 and as of December 31, 2025, the Foundation had the following transactions and balances with CCA:

- The Foundation contributed $985,000 to CCA.
- CCA paid for operating expenses of the Foundation in the amount of $29,369.
- In accordance with its board-designated endowment fund and windfall policies, CCA transferred various funds and contributions to the Foundation in the amount of $39,297.
- Amounts owed from CCA to the Foundation are presented as amounts due from affiliate in the accompanying statement of financial position in the amount of $132,342.
- Amounts owed to CCA from the Foundation are presented as amounts due to affiliate in the accompanying statement of financial position in the amount of $409,325.

During the year ended December 31, 2024 and as of December 31, 2024, the Foundation had the following transactions and balances with CCA:

- The Foundation contributed $481,000.
- CCA paid for operating expenses of the Foundation in the amount of $27,912.
- In accordance with its board-designated endowment fund and windfall policies, CCA transferred various funds and contributions to the Foundation in the amount of $120,688.
- Amounts owed from CCA to the Foundation are presented as amounts due from affiliate in the accompanying statement of financial position in the amount of $50,954.
- Amounts owed to CCA from the Foundation are presented as amounts due to affiliate in the accompanying statement of financial position in the amount of $3,794.