WINGS Program, Inc.

Consolidated Financial Report

June 30, 2026

WINGS Program, Inc.

Contents

Independent Auditor's Report	1-2
Consolidated Financial Statements	
Statement of Financial Position	3-4
Statement of Activities	5-6
Statement of Functional Expenses	7-10
Statement of Cash Flows	11
Notes to Consolidated Financial Statements	12-28

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Independent Auditor's Report

To the Board of Directors
WINGS Program, Inc.

Report on the Audits of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of WINGS Program, Inc. and its subsidiaries (the "Organizations"), which comprise the consolidated statement of financial position as of June 30, 2026 and 2025 and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Organizations as of June 30, 2026 and 2025 and the changes in their net assets, functional expenses, and 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Consolidated Financial Statements* section of our report. We are required to be independent of the Organizations and to meet our 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audits of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 audits conducted in accordance with GAAS and *Government 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 consolidated financial statements.

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To the Board of Directors
WINGS Program, Inc.

In performing audits in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audits 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 Organizations' 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organizations' 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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 2, 2026 on our consideration of the Organizations' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organizations' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organizations' internal control over financial reporting and compliance.



October 2, 2026

WINGS Program, Inc.

Consolidated Statement of Financial Position

June 30, 2026 and 2025

	2026	2025
Assets		
Current Assets		
Cash and cash equivalents	$ 3,225,159	$ 3,575,384
Investments - Unrestricted (Note 4)	853,932	825,315
Receivables:		
Government contracts receivable	1,832,155	1,760,312
Contributions receivable	534,236	1,051,613
Total receivables	2,366,391	2,811,925
Assets held for sale	134,229	79,000
Prepaid expenses and other current assets	1,002,846	640,395
Total current assets	7,582,557	7,932,019
Investments - Restricted (Note 4)	7,539,440	6,312,669
Other Assets	115,861	112,818
Fixed Assets - Net (Note 5)	12,931,107	11,432,709
IHDA Escrow	249,967	240,603
Right-of-use Operating Lease Assets - Net (Note 11)	2,355,916	2,403,003
Total assets	**$ 30,774,848**	**$ 28,433,821**

WINGS Program, Inc.

Consolidated Statement of Financial Position (Continued)

June 30, 2026 and 2025

	2026	2025
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	$ 550,484	$ 386,265
Accrued liabilities and other	760,401	635,124
Current portion of mortgage loans and other notes payable (Note 7)	779,836	246,835
Current portion of lease liabilities - Operating (Note 11)	504,088	411,424
Deferred revenue	250,422	378,476
Other current liabilities	220,638	147,586
Cash held for others	6,030	5,687
Total current liabilities	3,071,899	2,211,397
Mortgage Loans and Other Notes Payable - Net of current portion (Note 7)	2,314,629	1,783,906
Lease Liabilities - Operating (Note 11)	1,938,136	2,086,735
Deferred Grant Revenue	860,000	880,000
Total liabilities	8,184,664	6,962,038
Net Assets		
Without donor restrictions:		
Undesignated	10,000,941	9,889,570
Board designated - End of year	1,732,939	1,747,939
Total net assets without donor restrictions	11,733,880	11,637,509
With donor restrictions	10,856,304	9,834,274
Total net assets	22,590,184	21,471,783
Total liabilities and net assets	**$ 30,774,848**	**$ 28,433,821**

WINGS Program, Inc.

Consolidated Statement of Activities

Years Ended June 30, 2026 and 2025

	2026			2025		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Income						
Government contracts:						
All Chicago	$ 1,578,760	$ -	$ 1,578,760	$ 1,394,511	$ -	$ 1,394,511
City of Chicago	1,262,228	-	1,262,228	725,437	-	725,437
Cook County JAC	840,096	-	840,096	536,997	-	536,997
Department of Justice OVAW	132,782	-	132,782	259,016	-	259,016
FEMA	-	-	-	50,700	-	50,700
FHHS	-	-	-	184,685	-	184,685
HUD-CEDV	62,986	-	62,986	73,764	-	73,764
HUD-SHP	1,822,845	-	1,822,845	1,501,436	-	1,501,436
ICADV	10,250	-	10,250	25,001	-	25,001
Other Cities and Villages	49,125	-	49,125	37,267	-	37,267
State of IL - Attorney General	190,000	-	190,000	158,338	-	158,338
State of IL - DCEO	47,356	-	47,356	-	-	-
State of IL - DHS	2,298,934	-	2,298,934	2,938,686	-	2,938,686
Townships	101,553	-	101,553	70,339	-	70,339
Total government contracts	8,396,915	-	8,396,915	7,956,177	-	7,956,177
Other revenue:						
Contributions	3,747,225	1,084,533	4,831,758	3,897,902	1,631,121	5,529,023
In-kind contributions	664,043	-	664,043	545,193	-	545,193
Program service fees	67,580	-	67,580	65,641	-	65,641
Resale gross income	3,423,586	-	3,423,586	2,865,864	-	2,865,864
Resale nonfinancial assets contributions	2,550,643	-	2,550,643	2,637,804	-	2,637,804
Special event income (net of direct costs of $636,200 and $545,704, respectively)	1,529,622	-	1,529,622	1,395,242	-	1,395,242
Total other revenue	11,982,699	1,084,533	13,067,232	11,407,646	1,631,121	13,038,767
Other income:						
Gain on loan forgiveness	149,752	-	149,752	-	-	-
Gain on sale of fixed assets	572,443	-	572,443	-	-	-
Investment income	82,472	2,361	84,833	92,940	3,134	96,074
Miscellaneous	29,332	-	29,332	15,928	-	15,928
Partnerships and stipends	86,353	-	86,353	87,139	-	87,139
Rental income	58,313	-	58,313	-	-	-
Net assets released from restrictions	1,291,634	(1,291,634)	-	1,072,251	(1,072,251)	-
Total other income	2,270,299	(1,289,273)	981,026	1,268,258	(1,069,117)	199,141
Total income	22,649,913	(204,740)	22,445,173	20,632,081	562,004	21,194,085
Expenses						
Program services:						
Community-based services	2,593,446	-	2,593,446	1,790,600	-	1,790,600
Permanent housing	3,141,561	-	3,141,561	2,878,064	-	2,878,064
Resale	5,684,473	-	5,684,473	5,600,788	-	5,600,788
Safehouses	4,264,438	-	4,264,438	4,023,089	-	4,023,089
Transitional housing	2,836,975	-	2,836,975	2,332,832	-	2,332,832
Total program services	18,520,893	-	18,520,893	16,625,373	-	16,625,373

WINGS Program, Inc.

Consolidated Statement of Activities (Continued)

Years Ended June 30, 2026 and 2025

	2026			2025		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
General and administrative	$ 2,093,790	$ -	$ 2,093,790	$ 1,869,016	$ -	$ 1,869,016
Development	1,967,476	-	1,967,476	1,577,098	-	1,577,098
Total functional expenses	22,582,159	-	22,582,159	20,071,487	-	20,071,487
Change in Net Assets before Nonoperating Activity	67,754	(204,740)	(136,986)	560,594	562,004	1,122,598
Investment Income (Loss)						
Interest and dividends	16,507	220,384	236,891	19,385	208,277	227,662
Less investment fees	(2,933)	(23,325)	(26,258)	(2,908)	(21,438)	(24,346)
Realized and unrealized gain on investments	15,043	1,029,711	1,044,754	19,166	544,035	563,201
Interfund borrowing interest expense	-	-	-	-	670	670
Total investment income - Net	28,617	1,226,770	1,255,387	35,643	731,544	767,187
Change in Net Assets	96,371	1,022,030	1,118,401	596,237	1,293,548	1,889,785
Net Assets - Beginning of year	11,637,509	9,834,274	21,471,783	11,041,272	8,540,726	19,581,998
Net Assets - End of year	**$ 11,733,880**	**$ 10,856,304**	**$ 22,590,184**	**$ 11,637,509**	**$ 9,834,274**	**$ 21,471,783**

See notes to consolidated financial statements.

WINGS Program, Inc.

Consolidated Statement of Functional Expenses

Year Ended June 30, 2026

	Program Services						General and Administrative				
	Community-based Services	Permanent Housing	Resale	Safehouse Services	Transitional Services	Total Program	Administrative	Development	Total Functional Expenses	Special Events	Total Expenses
Personnel											
Salaries and wages	$ 1,421,654	$ 730,173	$ 1,292,576	$ 2,251,450	$ 889,005	$ 6,584,858	$ 1,301,089	$ 1,246,616	$ 9,132,563	$ -	$ 9,132,563
Payroll taxes	103,619	50,574	93,898	163,414	64,506	476,011	94,492	90,558	661,061	-	661,061
Health insurance	185,160	88,682	96,626	275,458	120,181	766,107	111,750	76,201	954,058	-	954,058
Workers compensation	8,010	4,090	30,434	17,653	4,450	64,637	7,404	6,867	78,908	-	78,908
Other personnel costs	27,347	19,687	17,299	20,984	18,750	104,067	97,483	20,807	222,357	-	222,357
Total personnel	1,745,790	893,206	1,530,833	2,728,959	1,096,892	7,995,680	1,612,218	1,441,049	11,048,947	-	11,048,947
Program Expense	-	-	-	-	-	-	-	-	-	-	-
Client support	263,350	1,321,352	-	249,894	312,784	2,147,380	630	-	2,148,010	-	2,148,010
Food expense	22,335	20,708	-	113,159	28,780	184,982	-	-	184,982	-	184,982
Rent expense	-	371,968	-	-	797,901	1,169,869	-	-	1,169,869	-	1,169,869
Resale	-	-	2,550,643	-	-	2,550,643	-	-	2,550,643	-	2,550,643
Subrecipient	253,820	268,680	-	-	41,881	564,381	-	-	564,381	-	564,381
Total program expense	539,505	1,982,708	2,550,643	363,053	1,181,346	6,617,255	630	-	6,617,885	-	6,617,885
Operations Expense	-	-	-	-	-	-	-	-	-	-	-
Audit	-	-	-	-	-	-	87,495	-	87,495	-	87,495
Bank fees	33	431	106,463	46	1,618	108,591	3,857	41,211	153,659	-	153,659
Consultants	595	744	4,900	20,865	446	27,550	40,373	107,896	175,819	-	175,819
Equipment	784	8,334	3,607	15,439	16,815	44,979	550	-	45,529	-	45,529
Equipment rental	8,417	3,980	1,533	10,111	4,009	28,050	5,114	5,391	38,555	-	38,555
Interest expense	-	-	-	-	-	-	61,632	-	61,632	-	61,632
Legal and accounting	1,054	-	-	7,295	1,500	9,849	33,655	5,924	49,428	-	49,428
Licenses and fees	130	35	1,180	616	231	2,192	1,182	2,477	5,851	-	5,851
Meetings and food	6,217	1,291	2,762	8,887	1,110	20,267	18,747	11,496	50,510	-	50,510
Memberships and dues	973	1,601	684	1,500	1,276	6,034	3,448	5,524	15,006	-	15,006
Mileage and travel expense	26,961	26,141	1,838	10,391	21,502	86,833	4,211	28,930	119,974	-	119,974
Miscellaneous	-	-	-	-	-	-	756	-	756	-	756
Mobile communications	16,146	6,918	8,371	11,023	7,262	49,720	5,844	5,254	60,818	-	60,818
Periodicals	-	-	-	-	-	-	1,041	175	1,216	-	1,216
Postage	40	22	1,741	522	13	2,338	2,344	3,299	7,981	-	7,981
Printing	3,932	2,120	5,769	2,048	1,629	15,498	802	3,815	20,115	-	20,115
Supplies	12,435	5,200	48,952	50,678	7,453	124,718	11,786	10,491	146,995	-	146,995
Technology	70,211	32,211	35,438	122,450	39,169	299,479	97,782	69,271	466,532	-	466,532
Vehicles	136	1,018	37,200	730	2,067	41,151	36	8,850	50,037	-	50,037
Total operations expense	148,064	90,046	260,438	262,601	106,100	867,249	380,655	310,004	1,557,908	-	1,557,908

See notes to consolidated financial statements.

WINGS Program, Inc.

Consolidated Statement of Functional Expenses (Continued)

Year Ended June 30, 2026

	Program Services						General and Administrative				
	Community-based Services	Permanent Housing	Resale	Safehouse Services	Transitional Services	Total Program	Administrative	Development	Total Functional Expenses	Special Events	Total Expenses
Development Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Special events	-	-	-	-	-	-	-	-	-	636,200	545,704
Advertising	-	-	6,966	-	-	6,966	-	15,449	22,415	-	22,415
Annual meeting	-	-	-	-	-	-	-	4,017	4,017	-	4,017
Appeal expense	-	-	-	-	-	-	-	34,301	34,301	-	34,301
Community relations	1,087	333	5,299	2,010	200	8,929	18,669	24,193	51,791	-	51,791
Marketing	7,966	1,814	2,464	2,939	1,201	16,384	844	40,056	57,284	-	57,284
Sales tax	-	-	270,469	-	-	270,469	-	-	270,469	-	270,469
Total development expenses	9,053	2,147	285,198	4,949	1,401	302,748	19,513	118,016	440,277	636,200	1,076,477
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-	-
Communications	10,652	2,939	14,375	25,771	14,148	67,885	7,835	7,868	83,588	-	83,588
Depreciation and amortization	14,622	8,817	101,058	377,593	60,827	562,917	21,037	9,931	593,885	-	593,885
Insurance	10,186	6,056	27,010	45,984	31,752	120,988	5,234	5,983	132,205	-	132,205
Mortgage interest	-	-	-	34,530	16,762	51,292	-	-	51,292	-	51,292
Moving expense	-	-	3,330	-	-	3,330	-	-	3,330	-	3,330
Rent	56,528	69,742	731,654	461	30,083	888,468	1,500	26,520	916,488	-	916,488
Repairs and maintenance	39,354	42,858	60,073	299,686	173,448	615,419	36,471	32,982	684,872	-	684,872
Security	1,484	955	6,119	16,123	6,678	31,359	1,430	1,250	34,039	-	34,039
Utilities	18,208	42,087	113,742	104,728	117,538	396,303	7,267	13,873	417,443	-	417,443
Total occupancy expenses	151,034	173,454	1,057,361	904,876	451,236	2,737,961	80,774	98,407	2,917,142	-	2,917,142
Total functional expenses	**$ 2,593,446**	**$ 3,141,561**	**$ 5,684,473**	**$ 4,264,438**	**$ 2,836,975**	**$ 18,520,893**	**$ 2,093,790**	**$ 1,967,476**	**$ 22,582,159**	**$ 636,200**	**$ 23,218,359**

See notes to consolidated financial statements.

WINGS Program, Inc.

Consolidated Statement of Functional Expenses

Year Ended June 30, 2025

	Program Services						General and Administrative				
	Community-based Services	Permanent Housing	Resale	Safehouse Services	Transitional Services	Total Program	Administrative	Development	Total Functional Expenses	Special Events	Total Expenses
Personnel											
Salaries and wages	$ 989,827	$ 610,815	$ 1,204,231	$ 2,072,617	$ 732,670	$ 5,610,160	$ 1,173,711	$ 1,001,181	$ 7,785,052	$ -	$ 7,785,052
Payroll taxes	71,875	44,267	87,692	150,228	53,117	407,179	85,097	72,639	564,915	-	564,915
Health insurance	110,257	78,047	89,404	227,426	94,221	599,355	110,800	54,880	765,035	-	765,035
Workers compensation	5,692	3,973	35,137	13,093	4,398	62,293	7,446	6,295	76,034	-	76,034
Other personnel costs	20,556	(5,019)	25,590	(10,776)	1,550	31,901	71,277	7,808	110,986	-	110,986
Total personnel	1,198,207	732,083	1,442,054	2,452,588	885,956	6,710,888	1,448,331	1,142,803	9,302,022	-	9,302,022
Program Expense	-	-	-	-	-	-	-	-	-	-	-
Client support	155,925	1,300,552	-	297,119	262,360	2,015,956	-	-	2,015,956	-	2,015,956
Food expense	-	9,980	-	96,520	17,853	124,353	-	-	124,353	-	124,353
Rent expense	18,743	346,900	-	-	551,350	916,993	-	-	916,993	-	916,993
Resale	-	-	2,637,804	-	-	2,637,804	-	-	2,637,804	-	2,637,804
Subrecipient	174,392	349,597	-	-	138,116	662,105	-	-	662,105	-	662,105
Total program expense	349,060	2,007,029	2,637,804	393,639	969,679	6,357,211	-	-	6,357,211	-	6,357,211
Operations Expense	-	-	-	-	-	-	-	-	-	-	-
Audit	-	-	-	-	-	-	99,292	-	99,292	-	99,292
Bank fees	45	330	85,675	7	1,686	87,743	4,905	41,735	134,383	-	134,383
Consultants	1,010	1,010	-	41,591	2,485	46,096	37,491	110,800	194,387	-	194,387
Equipment	-	6,249	4,357	16,736	17,110	44,452	-	-	44,452	-	44,452
Equipment rental	7,018	3,932	1,455	8,899	3,415	24,719	5,280	6,259	36,258	-	36,258
Interest expense	-	-	-	-	-	-	15,931	-	15,931	-	15,931
Legal and accounting	42,945	-	1,350	3,240	-	47,535	10,407	371	58,313	-	58,313
Licenses and fees	227	189	621	1,297	326	2,660	1,029	218	3,907	-	3,907
Meetings and food	3,886	692	2,983	5,505	1,199	14,265	14,472	9,531	38,268	-	38,268
Memberships and dues	175	745	584	-	655	2,159	1,852	2,773	6,784	-	6,784
Mileage and travel	17,048	26,584	1,628	11,192	14,827	71,279	3,463	14,828	89,570	-	89,570
Miscellaneous	-	-	-	-	2,247	2,247	953	-	3,200	-	3,200
Mobile communications	11,531	5,650	7,525	11,159	6,751	42,616	6,335	4,961	53,912	-	53,912
Periodicals	-	-	-	-	-	-	833	175	1,008	-	1,008
Postage	161	2	23	374	5	565	2,248	4,125	6,938	-	6,938
Printing	18,192	935	4,355	2,430	1,399	27,311	2,402	16,517	46,230	-	46,230
Supplies	9,483	1,149	66,150	44,975	4,664	126,421	15,317	11,048	152,786	-	152,786
Technology	54,583	21,967	46,868	113,160	43,866	280,444	112,001	41,132	433,577	-	433,577
Vehicles	41	308	36,725	161	626	37,861	11	4,717	42,589	-	42,589
Total operations expense	166,345	69,742	260,299	260,726	101,261	858,373	334,222	269,190	1,461,785	-	1,461,785

See notes to consolidated financial statements.

WINGS Program, Inc.

Statement of Functional Expenses (Continued)

Year Ended June 30, 2025

	Program Services						General and Administrative				
	Community-based Services	Permanent Housing	Resale	Safehouse Services	Transitional Services	Total Program	Administrative	Development	Total Functional Expenses	Special Events	Total Expenses
Development Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Special events	-	-	-	-	-	-	-	-	-	545,704	545,704
Advertising	-	-	599	-	-	599	-	7,546	8,145	-	8,145
Annual meeting	-	-	-	-	-	-	-	14,030	14,030	-	14,030
Appeal expense	-	-	-	-	-	-	-	20,543	20,543	-	20,543
Community relations	200	-	-	23	-	223	20,069	12,113	32,405	-	32,405
Marketing	4,156	1,444	-	3,089	1,447	10,136	2,157	43,316	55,609	-	55,609
Sales tax	-	-	226,686	-	-	226,686	-	-	226,686	-	226,686
Total development expenses	4,356	1,444	227,285	3,112	1,447	237,644	22,226	97,548	357,418	545,704	903,122
Occupancy Expenses	-	-	-	-	-	-	-	-	-	-	-
Communications	3,974	2,042	15,291	29,215	14,220	64,742	11,884	9,200	85,826	-	85,826
Depreciation and amortization	14,524	6,613	91,011	377,109	55,879	545,136	22,595	7,871	575,602	-	575,602
Insurance	8,212	4,668	19,266	50,433	24,685	107,264	5,460	4,060	116,784	-	116,784
Mortgage interest	-	-	3,366	33,789	15,894	53,049	-	-	53,049	-	53,049
Rent	8,345	12,336	752,818	478	26,232	800,209	-	26,520	826,729	-	826,729
Repairs and maintenance	26,538	15,985	46,663	332,330	157,401	578,917	17,092	10,892	606,901	-	606,901
Utilities	11,039	26,122	104,931	89,670	80,178	311,940	7,206	9,014	328,160	-	328,160
Total occupancy expenses	72,632	67,766	1,033,346	913,024	374,489	2,461,257	64,237	67,557	2,593,051	-	2,593,051
Total functional expenses	**$ 1,790,600**	**$ 2,878,064**	**$ 5,600,788**	**$ 4,023,089**	**$ 2,332,832**	**$ 16,625,373**	**$ 1,869,016**	**$ 1,577,098**	**$ 20,071,487**	**$ 545,704**	**$ 20,617,191**

See notes to consolidated financial statements.

WINGS Program, Inc.

Consolidated Statement of Cash Flows

Years Ended June 30, 2026 and 2025

	2026	2025
Cash Flows from Operating Activities		
Change in net assets	$ 1,118,401	$ 1,889,785
Adjustments to reconcile change in net assets to net cash, cash equivalents, and restricted cash from operating activities:		
Depreciation and amortization	593,885	575,602
Amortization of right-of-use assets	441,744	396,436
Imputed interest expense	16,762	15,894
Realized and unrealized gains on investments	(1,044,754)	(563,201)
Addition to operating right-of-use assets	-	409,292
Gain on sale of fixed asset	(572,443)	-
Gain on loan forgiveness	(149,752)	-
Changes in current assets and liabilities:		
Contracts receivable	(71,843)	(487,642)
Contributions receivable	517,377	(601,613)
Prepaid expenses and other current assets	(362,451)	200,305
Increase in other assets	7,079	(20,224)
Accounts payable	164,219	27,360
Deferred revenue and deferred rent	(148,054)	106,476
Other current liabilities	198,672	24,502
Operating lease liabilities	(450,592)	(805,352)
Net cash, cash equivalents, and restricted cash provided by operating activities	258,250	1,167,620
Cash Flows from Investing Activities		
Purchase of marketable securities	(2,211,346)	(1,500,660)
Proceeds on sale of marketable securities	2,000,712	1,462,277
Purchase of fixed assets	(864,226)	(259,199)
Proceeds on sale of fixed assets	1,050,000	-
Net cash, cash equivalents, and restricted cash used in investing activities	(24,860)	(297,582)
Cash Flows from Financing Activities		
Proceeds from line of credit	823,091	-
Repayments on debt - Mortgage loans	(1,387,220)	(305,261)
Net cash, cash equivalents, and restricted cash used in financing activities	(564,129)	(305,261)
Net (Decrease) Increase in Cash, Cash Equivalents, and Restricted Cash	(330,739)	564,777
Cash, Cash Equivalents, and Restricted Cash - Beginning of year	3,882,841	3,318,064
Cash, Cash Equivalents, and Restricted Cash - End of year	**$ 3,552,102**	**$ 3,882,841**
Consolidated Statement of Financial Position Classification of Cash, Cash Equivalents, and Restricted Cash		
Cash and cash equivalents	$ 3,225,159	$ 3,575,384
IHDA escrow	249,967	240,603
Security deposit	70,946	61,167
Cash held for others	6,030	5,687
Total cash, cash equivalents, and restricted cash	**$ 3,552,102**	**$ 3,882,841**
Supplemental Cash Flow Information - Noncash		
Interest paid	$ 34,530	$ 36,485
Lease liabilities arising from obtaining right-of-use assets	394,657	409,292
Purchase of fixed assets funded by nonrevolving LOC	1,760,843	-

See notes to consolidated financial statements.

Note 1 - Nature of Business

WINGS Program, Inc. (WINGS) provides housing and supportive services, some through community-based services, for families who are fleeing the devastating effects of domestic violence, the major cause of homelessness among women and children. Supportive services provided include counseling, job training, skills for living, and children-focused services, all designed to promote financial and emotional independence. WINGS received 28 percent and 33 percent of its total revenue from contributions for the years ended June 30, 2026 and 2025, respectively, and 37 percent and 38 percent of its total revenue from government contracts for the years ended June 30, 2026 and 2025, respectively. The remainder of WINGS' revenue is from special events, resale, United Way, program fees, and investment income.

On July 3, 2014, WINGS Metro, LLC (the "LLC") was formed for the purpose of constructing and redeveloping the property located at 3501-3519 West 63rd Street in the Chicago Lawn neighborhood on the southwest side of Chicago (the "Redevelopment Project").

The Redevelopment Project was completed in February 2016. The property is leased by WM Initiatives LLC, a related party, and is operated as a mixed-use facility (the "Project") consisting of four basic components as follows:

1. The Shelter - A 40-bed supportive housing facility with 24-hour staff to provide support services for women in need
2. Stage 2 Housing - Three units of rental housing for residents leaving the Shelter or similarly situated individuals and families
3. Office space - Offices for counseling and other social services to serve the current and former residents of the Shelter and similarly situated individuals
4. Retail space - Commercial retail space of approximately 4,630 square feet to support operations of the Shelter and Stage 2 Housing

On July 23, 2014, WM Initiatives LLC (WMI) was formed for the purpose of operating a domestic shelter and extended-stay housing in the building being constructed and managed by the LLC. The LLC (the "landlord") entered into a lease with WM Initiatives LLC (the "Lessee") on April 8, 2015. The Lessee is a related party, as it is wholly owned by WINGS, a member of the LLC. The lease is for the Shelter, Stage 2 Housing, and office space of the Project, as discussed above. The initial term commenced on February 14, 2016 and continues for a period of 10 years thereafter. Base rent for the lease period shall equal the landlord's debt service for the premises, plus the Lessee's share of operating expenses, less the total amount of rent (base rent and operating expenses) due from the retail space tenants, as discussed above.

Note 2 - Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of WINGS, WMI, and the LLC (collectively, the "Organizations"). All significant intercompany transactions and balances have been eliminated in consolidation.

Basis of Presentation

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

Note 2 - Significant Accounting Policies (Continued)

The net assets of WINGS are classified as follows:

- Net assets without donor restrictions - Represent the portion of expendable net assets that are available for operations. Contributed net assets that relate to fixed assets are also recorded as unrestricted at the time of their receipt. These net assets may be used at the discretion of management. As of June 30, 2026 and 2025, the board-designated amount is used to satisfy operating reserve requirements.
- Net assets with donor restrictions - Represent contributed net assets for which donor-imposed time and purpose restrictions have not been met. Some donor restrictions are temporary in nature; those restrictions will be met by actions of WINGS Program, Inc. or by the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity.

Estimates

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles (U.S. GAAP) 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 consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the purpose of the consolidated statement of cash flows, WINGS considers its checking, unrestricted money market, and petty cash to be cash and cash equivalents.

WINGS maintains cash and cash equivalents at several financial institutions, such as JPMorgan Chase Bank, N.A.; Wintrust Bank, N.A.; Flourish Financial LLC; and others, that at times may exceed federally insured limits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000.

Restricted Cash/Cash Held for Others

Cash held for others represents cash held for a similarly focused, newly formed nonprofit organization. WINGS serves as a fiscal agent for this new nonprofit and pays program expenses on behalf of the organization.

Investments - Restricted for Endowment

Investments are reported at their fair values in the consolidated statement of financial position. Donated investments are recorded at their fair value as of the date of contribution. Changes in unrealized gains and losses are included in the accompanying consolidated statement of activities. The investments are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to these risk factors, it is reasonably possible that changes in the value of investments will occur in the near term that could materially affect the amounts reported in the consolidated financial statements. Impairment losses due to a decline in the value of the investment that is other than temporary are recognized when incurred. No impairment losses were recognized for the years ended June 30, 2026 and 2025.

Government Contracts Receivable

WINGS has receivables from government contracts that arise in the normal course of business. It is the policy of management to review the outstanding contracts receivable at year end, as well as the bad debt write-offs experienced in the past, and establish an allowance for doubtful accounts for uncollectible amounts. In 2026 and 2025, there was no allowance recorded.

Note 2 - Significant Accounting Policies (Continued)

Fixed Assets

Fixed assets are carried at cost for current additions, if purchased, or at fair value, if contributed. Depreciation is computed using the straight-line method over 5 to 40 years for improvements, 40 years for buildings, 5 to 20 years for computer equipment and furniture and office equipment, and 5 years for vehicles. Maintenance, repairs, and minor renewals are expensed as incurred. When fixed assets are retired or otherwise disposed of, the costs and related accumulated depreciation are removed from the respective accounts, and any gain or loss on disposition is credited or charged to operations.

Contributed Nonfinancial Assets

The value of donated food, clothing, personal care items, household supplies, and cleaning products has been estimated by the Organizations and recorded as in-kind revenue and expenses. Donated professional services offered at the Organizations that are coordinated with the activities of other third-party health and welfare organizations are not reflected in the consolidated financial statements. The Organizations also receive donated goods in their resale stores, which are sold and valued based on the subsequent sales revenue recorded by the stores. See Note 10 for further details.

Debt Issuance Costs and Amortization

Debt issuance costs are amortized over the life of the loan using the straight-line method. Accounting principles generally accepted in the United States of America require that the effective yield method be used to amortize financing costs. However, the effect of using the straight-line method is not materially different from the results that would have been obtained under the effective yield method.

Leases

The Organizations have operating leases for their resale stores. The Organizations recognize expense for operating leases on a straight-line basis over the lease term. The Organizations recognized operating lease right-of-use assets and related operating lease liabilities equal to the present value of the fixed rental payments over the term of the lease. Operating right-of-use assets are amortized over the remaining term of the lease.

The Organizations have operating leases for program residencies with a lease term of one year or less that the Organizations elected to account for as short-term leases. As these leases are short-term leases, they are not included in the right-of-use asset and lease liability. Total expense related to short-term leases was $1,150,015 and $940,339 for 2026 and 2025, respectively.

The Organizations elected to use the risk-free rate as the discount rate for calculating the right-of-use asset and lease liability in place of the incremental borrowing rate for all resale operating leases.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. Support restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (i.e., 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 consolidated statement of activities as net assets released from restrictions.

Note 2 - Significant Accounting Policies (Continued)

Contributions receivable 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. The discounts on those amounts are computed using interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. The contributions receivable as of June 30, 2026 and 2025 were $534,236 and $1,051,613, respectively. As of June 30, 2026, the Organizations have recorded a net present value discount of $65,764 applied to long-term contributions receivable through the fiscal year ending June 30, 2030. An allowance for uncollectible contributions is provided when evidence indicates amounts promised by donors may not be collectible. In 2026 and 2025, there was no allowance recorded.

Government Contracts

WINGS enters into contracts with certain governmental and private agencies, which are conditioned upon the incurrence of allowable, qualifying expenses. Amounts received are recognized when WINGS has incurred expenditures in compliance with specific contract or grant provisions. Amounts that have been awarded but not yet recognized as revenue are treated as conditional contributions and are not reflected in the accompanying financial statements. As of June 30, 2026, WINGS is eligible to receive and recognize approximately $4,400,000 of these conditional contributions upon the occurrence of future qualifying expenses.

The activities of WINGS relating to certain contracts are subject to review or audit by the responsible governmental agency to determine compliance with award documents and may be subject to possible adjustments based on negotiations with the funding agencies. WINGS has not provided allowances in the consolidated financial statements for potential adjustments since such amounts, if any, are not expected to be significant.

Revenue Recognition for Contracts with Customers

The Organizations' revenue streams under contracts with customers are composed of resale store sales.

The program service fees relate to monthly rental fee to be recognized at point in time.

During the years ended June 30, 2026 and 2025, the Organizations recognized revenue from contracts with customers of $3,423,586 and $2,865,864, respectively, that includes resale store sales. The Organizations did not recognize any impairment losses on trade receivables for the years ended June 30, 2026 and 2025.

Revenue recorded for resale store sales is recorded based on the sale price of goods and services sold and is recorded at the point in time when the sale occurs. Cash is due at the time of sale, and the Organizations do not allow returns or refunds to customers, who predominantly are individuals. The Organizations did not have any trade receivables or contract liabilities recorded at June 30, 2026 and 2025.

Imputed Interest

WINGS entered into a non-interest-bearing note payable with the Illinois Housing Development Authority (IHDA). In the year that the loan was issued, interest was imputed at the effective rate, resulting in temporarily restricted contribution revenue. Each year, as the interest expense is recognized, the corresponding amount of temporarily restricted revenue is released to unrestricted revenue. WINGS determined its rate for valuation purposes as a rate at which it can obtain financing of a similar nature from other sources at the date of the transaction. The difference between the present value and the face amount of the note payable shall be treated as a discount and amortized as interest expense over the life of the note in such a way as to result in a constant rate of interest when applied to the amount outstanding at the beginning of any given period. The rate remains unchanged throughout the term of the respective note.

Note 2 - Significant Accounting Policies (Continued)

Taxes Collected from Customers

WINGS collects sales tax from its customers that is remitted to the state governmental authority when due. WINGS' policy is to record sales tax collected from customers as a component of resale income on the consolidated statement of activities, with the corresponding expense as a component of direct resale costs on that same statement. For the years ended June 30, 2026 and 2025, sales tax amounted to $270,469 and $226,686, respectively.

Income Taxes

Not-for-profit: WINGS is exempt from income taxes under the provisions of Internal Revenue Code (IRC) Section 501(c)(3). In addition, WINGS qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization other than a private foundation under IRC Section 509(a)(1).

WM Initiatives LLC and WINGS Metro, LLC are single-member LLCs that are treated as disregarded entities for income tax purposes. Therefore, no provision or benefit for income taxes is included in these consolidated financial statements since taxable income or loss passes through to, and is reportable by, the members individually.

Impairment of Long-lived Assets

The Organizations review the long-lived assets, including property and equipment and intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable but no less than annually. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. To date, there have been no such losses.

Endowment

U.S. GAAP addresses the net asset classification of donor-restricted endowment funds for organizations subject to the State Prudent Management of Institutional Funds Act (SPMIFA). A key component of SPMIFA is a requirement to clarify the portion of the donor-designated endowment fund that is not classified as with donor restrictions to be maintained in perpetuity as with donor restrictions and subject to appropriation until appropriated for expenditure.

Functional Allocation of Expenses

In the consolidated statement of functional expenses, expenses are charged first to the various program and support services on the basis of actual expense. Expenses are then allocated based on various criteria, such as relative program salaries and/or service units provided. Although the methods of allocation used are considered reasonable, other methods could be used that would produce a different amount. Some costs have been allocated between the various program and support services based on the following:

- Salaried and other personnel costs for support departments - Based on time and effort spent by employee within each function
- Occupancy costs of the main office - Based on the staff count to various cost centers

Note 2 - Significant Accounting Policies (Continued)

Reclassification

Certain natural classification amounts in the 2025 consolidated statement of functional expenses have been reclassified to conform to the 2026 presentation, primarily to include additional natural classifications. Additionally, the previously separate program columns for safehouse services and safehouse at WINGS Metro were combined into the safehouse services program column on the consolidated statement of functional expenses. These reclassifications had no effect on previously reported change in net assets or amounts classified as program or supporting services.

Subsequent Events

The consolidated financial statements and related disclosures include evaluation of events up through and including October 2, 2026, which is the date the consolidated financial statements were issued.

Note 3 - Commitments

Not-for-profit

WINGS enters into contracts for space for its events in advance. As of June 30, 2026 and 2025, WINGS is liable for $141,506 and $67,500, respectively, in the event of cancellation of all its upcoming events.

WINGS Metro, LLC

WINGS Metro, LLC has grants and land awarded by the City of Chicago, Illinois (the "City") and the Chicago Low-Income Housing Trust Fund that are contingent on the LLC's ability to maintain compliance with applicable provisions defined in the grant and Regulatory Agreements.

City of Chicago Department of Planning and Development (DPD)

The amount of the construction grant awarded by DPD totaled $1,226,016, which has been funded to the LLC. There are certain construction benchmark requirements to receive funds, as defined by the construction grant agreement.

The grant requires that, in the event of default, the full amount of the grant not forgiven under the terms of the agreement shall be immediately recoverable by the City. A portion of the grant, $600,000, was forgiven on the first day of the 5th anniversary of the construction completion date (which was October 18, 2018). The remainder of the grant shall be forgiven upon the first day of the 10th anniversary of the construction completion date, provided that no event of default has occurred pursuant to the grant documents.

Grant income recognized related to the DPD grant was $0 for the years ended June 30, 2026 and 2025. Deferred grant revenue related to the DPD grant is $600,000 at June 30, 2026 and 2025.

Chicago Low-Income Housing Trust Fund (CLIHTF)

The amount of the construction grant awarded by CLIHTF totaled $400,000, which has been funded to the LLC.

Provided that no event of default has occurred, as defined by the grant documents and Regulatory Agreement, beginning on the first anniversary after the completion date, and annually thereafter during the project term, the LLC shall be deemed to have earned a portion of the grant in an amount equal to $20,000 each year. Any portion of the grant not forgiven shall be recapturable on the expiration of the project term, as defined in the grant agreement.

Grant income recognized related to the CLIHTF grant was $20,000 and $0 for the years ended June 30, 2026 and 2025, respectively. Deferred grant revenue related to the CLIHTF grant is $260,000 and $280,000 at June 30, 2026 and 2025, respectively.

Note 3 - Commitments (Continued)

The LLC recorded the receipt of all grant funds as of June 30, 2016, which totaled $1,626,016, as deferred revenue until the commencement of operations of the facility began on February 14, 2016.

City of Chicago, Illinois Donated Land

Land was donated to the LLC from the City of Chicago, Illinois on April 1, 2015 with the understanding that the Redevelopment Project and the Project would operate in accordance with all related city agreements and grants executed and entered into by the City, the LLC, and the LLC's members.

It was determined at the time of the donation that the estimated fair value of the land was $170,000. The LLC recorded the land at its fair value at the time of transfer in the accompanying financial statements as donation revenue. The land was reconveyed back to the City of Chicago, Illinois as collateral until the forgiveness period of the grants awarded expires; however, the LLC believes that recording the land as an asset of the LLC is appropriate at June 30, 2026 and 2025 due to the remote likelihood of noncompliance and default of the grant agreements.

Note 4 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Organizations has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Organizations' assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

Note 4 - Fair Value Measurements (Continued)

The following tables present information about the Organizations' assets measured at fair value on a recurring basis at June 30, 2026 and 2025 and the valuation techniques used by the Organizations to determine those fair values:

	Assets Measured at Fair Value on a Recurring Basis at June 30, 2026			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2026
Investments				
Mutual funds:				
U.S. fixed income	$ 1,579,793	$ -	$ -	$ 1,579,793
International bonds	1,013,308	-	-	1,013,308
Total mutual funds	2,593,101	-	-	2,593,101
Equities:				
U.S. large cap	2,689,685	-	-	2,689,685
U.S. mid cap	623,550	-	-	623,550
U.S. small cap	563,858	-	-	563,858
Emerging market	449,053	-	-	449,053
Collateralized debt obligations	203,311	-	-	203,311
Total equities	4,529,457	-	-	4,529,457
Real estate funds	293,309	-	-	293,309
Equity funds	964,279	-	-	964,279
Total investments	$ 8,380,146	$ -	$ -	$ 8,380,146

Note 4 - Fair Value Measurements (Continued)

	Assets Measured at Fair Value on a Recurring Basis at June 30, 2025			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2025
Investments				
Mutual funds:				
U.S. fixed income	$ 1,357,850	$ -	$ -	$ 1,357,850
International bonds	554,829	-	-	554,829
Total mutual funds	1,912,679	-	-	1,912,679
Equities:				
U.S. large cap	2,424,263	-	-	2,424,263
U.S. mid cap	629,251	-	-	629,251
U.S. small cap	351,058	-	-	351,058
Emerging market	432,640	-	-	432,640
Global	94,861	-	-	94,861
Energy infrastructure	202,489	-	-	202,489
Total equities	4,134,562	-	-	4,134,562
Real estate funds	261,245	-	-	261,245
Equity funds	820,323	-	-	820,323
Total investments	$ 7,128,809	$ -	$ -	$ 7,128,809

Not included in the above tables is $13,226 and $9,175 of money market funds as of June 30, 2026 and 2025, respectively. WINGS considers money market funds held in brokerage accounts to be comparable to cash, which can be used to buy or sell investments in marketable equity securities or fixed-income securities.

Note 5 - Fixed Assets

The cost of the Organizations' fixed assets as of June 30, 2026 and 2025 was as follows:

	2026	2025
Land	$ 1,704,279	$ 1,191,989
WINGS Metro, LLC land and improvements	383,743	383,743
Buildings and improvements	15,938,681	15,219,041
Furniture and fixtures	429,592	432,828
Computer equipment and software	216,980	230,495
Vehicles	189,006	189,006
Construction in progress	642,363	-
Total cost	19,504,644	17,647,102
Less accumulated depreciation	6,573,537	6,214,393
Net book value	$ 12,931,107	$ 11,432,709

Depreciation and amortization expense for the years ended June 30, 2026 and 2025 was $593,885 and $575,602, respectively.

In December 2025, WINGS purchased a property in Rolling Meadows for a purchase price of $2,050,000. This purchased was funding using a nonrevolving line of credit, as disclosed in Note 7.

Note 5 - Fixed Assets (Continued)

In May 2026, WINGS sold property located in Elk Grove Village. The sale had proceeds of $1,050,000 and resulted in a gain of $572,443.

At June 30, 2026, WINGS had construction in progress related to renovations on the property purchased in Rolling Meadows of approximately $502,788. In connection with this project, WINGS had remaining commitments under construction and the related contract of approximately $56,977. These commitments are expected to be funded as construction activities progress and are not reflected as liabilities in the accompanying consolidated statement of financial position because the related goods and services had not yet been received as of year end.

Note 6 - Line of Credit

On May 3, 2022, WINGS entered into a secured revolving line of credit agreement with Wintrust Bank, N.A., which expired on May 3, 2025. On August 19, 2025, WINGS renewed the agreement for $750,000. This line of credit bears interest at a variable interest rate not to be less than 2.99 percent and expired on August 18, 2026. The line was collateralized by substantially all assets of WINGS. There was no outstanding balance on the line of credit as of June 30, 2026 and 2025.

Note 7 - Mortgage Loans and Other Notes Payable

Mortgage loans payable at June 30, 2026 and 2025 are as follows:

	2026	2025
IHDA mortgage loan dated March 1, 2003 for $468,000 with $100 payable monthly with no interest, due on January 31, 2034, and secured by the building at 7920 Niles Avenue, Skokie, Illinois. The mortgage agreement requires an escrow reserve for a working capital reserve. Total amount due as of June 30, 2026 and 2025 was $455,794 and $442,300, respectively. Imputed interest as of June 30, 2026 and 2025 was $158,828 and $159,696, respectively, at 5.75 percent	$ 298,166	$ 282,604
On August 25, 2014, WINGS received property at 7000 Plumtree Lane, Hanover Park, Illinois, with a loan attached. The property needs to be operated in compliance with the Neighborhood Stabilization Program until December 16, 2026, at which time the entire loan will be forgiven	179,227	179,227
On August 25, 2014, WINGS received property at 1623 McKool Avenue, Streamwood, Illinois, with a loan attached. The property needed to be operated in compliance with the Neighborhood Stabilization Program until December 15, 2025, at which time the entire loan was forgiven. WINGS recognized a gain on the loan forgiveness of $149,752 within the consolidated statement of activities during the year ended June 30, 2026	-	149,752
Wintrust Bank, N.A. loan dated May 3, 2022 for $496,811 with $3,564.40 payable monthly, including interest at 3.50 percent, and due on May 3, 2029. The note is subject to certain financial covenants related to debt service coverage ratio	386,538	415,042
Wintrust Bank, N.A. loan dated June 10, 2022 for $1,195,147 with $8,574.18 payable monthly, including interest at 3.50 percent, and due on June 10, 2029	935,756	1,004,116

Note 7 - Mortgage Loans and Other Notes Payable (Continued)

	2026	2025
Wintrust Bank, N.A. mortgage nonrevolving line of credit for the acquired property at 1200 Carnegie St., Rolling Meadows, Illinois, dated December 19, 2025, for $2,400,000 with $250,000 semiannual payments and monthly interest payments at 1.75 percent plus SOFR and due on August 19, 2029	$ 1,294,778	$ -
Total mortgage loans and other notes payable	$ 3,094,465	$ 2,030,741

Maturities of the mortgage loans are as follows:

Years Ending	Amount
2027	$ 779,836
2028	604,264
2029	1,415,799
2030	1,200
2031	1,200
Thereafter	450,994
Less interest factor	(158,828)
Total	$ 3,094,465

For the years ended June 30, 2026 and 2025, WINGS paid interest for all mortgage loans payable and the line of credit in Note 6 in the amount of $51,292 and $36,485, respectively. The remainder was imputed interest expense related to the interest-free notes.

Note 8 - Net Assets with Donor Restrictions

Net assets with donor restrictions as of June 30 are available for the following purposes:

	2026	2025
Subject to expenditures for a specified purpose or time restrictions:		
McCabe House	$ 153,143	$ 150,783
Building Safer Futures Fund	608,121	654,649
A New Direction	65,245	136,263
Restricted to programs	1,893,613	1,919,750
Fire Relief Fund	201,797	201,798
Endowment earnings	5,203,103	4,023,322
Interfund borrowing interest	27,810	27,475
Imputed interest	144,385	161,147
Total subject to expenditures for a specified purpose or time restrictions	8,297,217	7,275,187
Not subject to appropriation or expenditure:		
Contributed property	222,750	222,750
Endowment funds	2,336,337	2,336,337
Total not subject to appropriation or expenditure	2,559,087	2,559,087
Total net assets with donor restrictions	$ 10,856,304	$ 9,834,274

Note 8 - Net Assets with Donor Restrictions (Continued)

During July 2017, WINGS borrowed $300,000 from the restricted to programs fund in order to pay off a portion of its construction loan payable. Interest expense was calculated at a rate of 2.68 percent for 2026 and 2025, which resulted in interest expense of $0 and $223, respectively. During June 30, 2026 and 2025, WINGS did not make payments on the accumulated interest. The outstanding loan principal as of June 30, 2026 is $0, of which there is $27,810 of related accumulated interest. The outstanding loan principal as of June 30, 2025 is $77,698 and includes $27,810 of accumulated interest.

Note 9 - Endowment

WINGS' endowment consists of five donor-restricted individual funds established to ensure the future of WINGS. As required by U.S. GAAP, these funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

WINGS is subject to the State Prudent Management of Institutional Funds Act and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the board of directors appropriates such amounts for expenditures. Most of those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The board of directors of WINGS had interpreted SPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, WINGS considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. WINGS has interpreted SPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. Additionally, in accordance with SPMIFA, WINGS considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of WINGS and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of WINGS
- The investment policies of WINGS

Return Objectives and Risk Parameters

The investment objective of the endowment assets is to ensure that the future growth of these assets is sufficient to offset normal inflation plus reasonable spending, thereby preserving the constant dollar value and purchasing power of the endowment for future generations. It is expected that the endowment funds, over time, will provide an average rate of return of approximately 5 percent annually above the Consumer Price Index (CPI). Actual returns in any given year may vary from this amount.

During October 2017, WINGS borrowed $600,000 from its accumulated endowment earnings in order to pay off a portion of its construction loan payable. During 2025, the principal was paid in full. The remaining balance of the endowment loan relating to accumulated interest was $0 and $46,990 as of June 30, 2026 and 2025, respectively. No interest expense was incurred in 2026. Interest expense for 2025 was $670, based on an interest rate of 2.68 percent.

Note 9 - Endowment (Continued)

Spending Policy and Relationship with Investment Objectives

It is WINGS' policy to have available for annual discretionary distribution 5 percent of a trailing three-year or five-year average of the endowment's total asset value, with the understanding that this spending rate plus inflation will not normally exceed total return from investment. There were no appropriations in 2026 and 2025.

Strategies Employed for Achieving Objectives

WINGS has established investment policies, guidelines, and restrictions that serve as a framework to help the endowment and its investment managers achieve the investment objectives at an acceptable level of risk. The general policy is to diversify investments among equity securities and fixed-income securities to provide a balance that will enhance total return while avoiding undue risk from concentration in any single asset class or investment category.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or SPMIFA requires to be retained as a fund of perpetual duration. There were no deficiencies as of June 30, 2026 and 2025.

Information regarding the endowment net assets as of June 30, 2026 and 2025 and changes in endowment net assets for the years then ended is as follows:

	Endowment Net Asset Composition by Type of Fund as of June 30, 2026			
	Without Donor Restrictions	With Donor Restrictions and Subject to Appropriation	With Donor Restrictions to be Maintained in Perpetuity	Total
Donor-designated endowment funds	$ -	$ 5,203,103	$ 2,336,337	$ 7,539,440

	Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2026			
	Without Donor Restrictions	With Donor Restrictions and Subject to Appropriation	With Donor Restrictions to be Maintained in Perpetuity	Total
Endowment net assets - Beginning of year	$ (46,990)	$ 4,023,322	$ 2,336,337	$ 6,312,669
Investment income	-	220,384	-	220,384
Investment expense	-	(23,325)	-	(23,325)
Interfund borrowing payoff adjustment	46,990	(46,989)	-	1
Net appreciation (realized and unrealized)	-	1,029,711	-	1,029,711
Endowment net assets - End of year	$ -	$ 5,203,103	$ 2,336,337	$ 7,539,440

Note 9 - Endowment (Continued)

	Endowment Net Asset Composition by Type of Fund as of June 30, 2025			
	Without Donor Restrictions	With Donor Restrictions and Subject to Appropriation	With Donor Restrictions to be Maintained in Perpetuity	Total
Donor-designated endowment funds	$ (46,990)	$ 4,023,322	$ 2,336,337	$ 6,312,669

	Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2025			
	Without Donor Restrictions	With Donor Restrictions and Subject to Appropriation	With Donor Restrictions to be Maintained in Perpetuity	Total
Endowment net assets - Beginning of year	$ (46,990)	$ 3,456,934	$ 2,336,337	$ 5,746,281
Release from endowment earnings	-	(164,486)	-	(164,486)
Investment income	-	208,277	-	208,277
Investment expense	-	(21,438)	-	(21,438)
Net appreciation (realized and unrealized)	-	544,035	-	544,035
Endowment net assets - End of year	$ (46,990)	$ 4,023,322	$ 2,336,337	$ 6,312,669

Note 10 - Contributed Nonfinancial Assets

Contributed nonfinancial assets recognized within the consolidated statement of activities consisted of the following for June 30:

	2026	2025
Goods	$ 3,131,445	$ 3,090,542
Gift cards	19,762	14,726
Services	46,679	57,233
Facilities	16,800	20,496
Total	$ 3,214,686	$ 3,182,997

Contributed goods are comprised of donated clothing, furniture, and household items for resale stores and food, clothing, personal care items, household supplies, and cleaning products donated and distributed to program members. The goods are valued and recorded at their estimated fair value in the financial statements based on market value for similarly priced goods at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Conditional transfers of assets are recognized when the conditions upon which they depend are substantially met.

Contributed gift cards are valued and recorded based on the market value of the gift card at the date of donation and are used for program needs.

Contributed services comprise services that enhance a nonfinancial asset or are specialized skills that would be purchased if they were not donated. The contributed services are valued and recorded at their estimated fair value in the financial statements based on current rates for similar professional services. Such donations are used for development and program needs.

Note 10 - Contributed Nonfinancial Assets (Continued)

Contributed use of facilities are valued and recorded at estimated fair value in the financial statements based on market rental rates for similar real estate properties in the area. Such donations are used for program needs and reported as unrestricted support.

WINGS received 62,475 and 53,995 hours of volunteer time in the years ended June 30, 2026 and 2025, respectively. While some of this time was from professional services, the value of all such services is not estimable. The majority of the donated services are not considered specialized or as enhancements to a nonfinancial asset and, thus, are not recorded in the consolidated financial statements.

Note 11 - Leases

In June 2014, WINGS entered into an operating lease agreement effective September 26, 2014 for the resale store at 300 West Golf Road, Schaumburg, Illinois for 5 years. On April 3, 2017, an amendment was signed adding space and extending the lease for 2½ more years. On September 21, 2021, an amendment was signed extending the lease for 8 years to July 31, 2029. Monthly rent expense is $13,883, plus an annually determined amount for common area costs, as well as real estate taxes.

In December 2014, WINGS extended its operating lease agreement effective June 1, 2015 for the resale store at 8349 West Golf Road, Niles, Illinois for 5 years. On May 29, 2019, the lease was extended for 5 more years to May 31, 2025. On June 6, 2024, the lease was amended to expand the original premises and include additional square footage and extend the lease to June 30, 2028. Monthly rent expense is $13,491, plus an annually determined amount for common area costs, as well as real estate taxes.

In March 2015, WINGS entered into an operating lease agreement effective June 1, 2015 for the resale store at 1302 North Rand Road, Prospect Heights, Illinois for 5 years. On August 31, 2020, an amendment was signed adding space and extending the lease for 5½ more years. Monthly rent expense is $17,270, plus an annually determined amount for common area costs, as well as real estate taxes.

In February 2024, WINGS entered into an operating lease agreement effective February 1, 2024 for the office space at 3501 Algonquin Road, Rolling Meadows, Illinois for 5 years. Monthly rent expense is $3,831, plus utilities, and base rent increases each year by 3 percent.

In December 2025, WINGS entered into an operating lease agreement effective January 1, 2026 for the office space at 935 West Chestnut Street, Chicago, Illinois for 5 years and five months. Monthly rent expense is $6,900 plus an annually determined amount for common area costs, as well as real estate taxes.

In connection with the operating leases for 1302 North Rand Road and 300 West Golf Road, the Organizations were granted lease incentives related to deferred rent. Lease incentives are treated as a reduction of the right-of-use asset and are recognized as a reduction in lease expense on a straight-line basis over the term of the lease.

There are numerous 1-year operating leases for program residences as of June 30, 2026. These are funded under contracts with the U.S. Department of Housing and Urban Development, as well as collaborations with other community agencies.

The right-of-use asset and related lease liability have been calculated using discount rates ranging from 2.88 percent to 4.28 percent. The leases require the Organizations to pay taxes, utilities, and maintenance costs. Total rent expense under these leases was $2,245,205 and $1,938,346 for 2026 and 2025, respectively.

Note 11 - Leases (Continued)

Future minimum annual commitments under these operating leases are as follows:

Years Ending June 30	Amount
2027	$ 628,221
2028	615,960
2029	583,712
2030	390,009
2031	342,858
Thereafter	41,687
Total	2,602,447
Less amount representing interest	160,223
Present value of net minimum lease payments	2,442,224
Less current obligations	504,088
Long-term obligations under leases	$ 1,938,136

Expenses recognized under these leases for the years ended June 30, 2026 and 2025 consist of the following:

	2026	2025
Finance lease cost	$ -	$ -
Operating lease cost	534,591	497,100
Short-term lease cost	1,150,015	940,339
Variable lease cost	222,569	176,911
Other information:		
Weighted-average remaining lease term (years) - Operating leases	4.45	5.18
Weighted-average discount rate - Operating leases	3.5 %	3.5 %

Note 12 - Retirement Plans

WINGS has established a 403(b) plan that allows eligible employees to defer payment of taxes on a portion of their salary by making contributions to the plan through payroll deductions. The plan requires an employer matching contribution of 25 percent of the first $4,000 contributed by the employee, with a maximum employer contribution of $1,000 per calendar year. For the years ended June 30, 2026 and 2025, the total employer contribution expense was $39,309 and $26,616, respectively.

Note 13 - Liquidity and Availability of Resources

The following reflects the Organizations' financial assets as of June 30, reduced by amounts not available for general use because of contractual or donor-imposed restrictions or board designations that limit availability within one year of the consolidated statement of financial position date:

	2026	2025
Cash and cash equivalents	$ 3,225,159	$ 3,575,384
Investments - Unrestricted	853,932	825,315
Government contracts receivable	1,832,155	1,760,312
Contributions receivable - Net	534,236	1,051,613
Investments - Restricted	7,539,440	6,312,669
Financial assets - At year end	13,984,922	13,525,293
Less those unavailable for general expenditures within one year due to:		
Contractual or donor-imposed restrictions:		
Restricted by donor with time or purpose restrictions	3,094,114	3,251,865
Contributed property	222,750	222,750
Endowment funds	7,539,440	6,359,659
Internal designations - Board designations - Quasi-endowment fund, primarily for long-term investing	1,732,939	1,747,939
Financial assets available to meet cash needs for general expenditures within one year	$ 1,395,679	$ 1,943,080

WINGS receives significant contributions and promises to give restricted by donors and considers contributions restricted for programs that are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. WINGS manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. WINGS has a liquidity policy to maintain current financial assets less current liabilities at a minimum of 30 days' operating expenses. WINGS has a policy to target a year-end balance of reserves of unrestricted, undesignated net assets to meet 90 days of expected expenditures. To achieve these targets, WINGS forecasts its future cash flows, monitors its liquidity quarterly, and monitors its reserves annually. During the years ended June 30, 2026 and 2025, the level of liquidity and reserves was managed within the policy requirements. See Note 6 for more information on the line of credit available for the Organizations' cash needs.