

WISCONSIN PARKINSON ASSOCIATION, INC.

FINANCIAL STATEMENTS

August 31, 2017 and 2016

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Wisconsin Parkinson Association, Inc.
Milwaukee, Wisconsin

We have audited the accompanying financial statements of Wisconsin Parkinson Association, Inc., which comprise the statements of financial position as of August 31, 2017 and 2016, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wisconsin Parkinson Association, Inc. as of August 31, 2017 and 2016, 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.

A handwritten signature in black ink that reads 'Jennifer Parkowski'.

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December 1, 2017

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WISCONSIN PARKINSON ASSOCIATION, INC.
STATEMENTS OF FINANCIAL POSITION
August 31, 2017 and 2016

	2017	2016
ASSETS		
CURRENT ASSETS		
Cash	\$ 46,697	\$ 42,592
Accounts receivable	1,300	-
Pledges receivable	2,765	-
Prepaid expenses	2,184	1,750
Total current assets	52,946	44,342
EQUIPMENT		
Equipment	3,244	3,244
Less accumulated depreciation	(3,244)	(3,244)
Equipment - net	-	-
OTHER ASSETS		
Investments	565,841	626,905
Unemployment compensation reserve	5,115	5,079
Total other assets	570,956	631,984
Total assets	\$ 623,902	\$ 676,326
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 3,361	\$ 8,231
Accrued payroll and vacation	12,969	7,315
Deferred revenue	46,265	47,652
Total liabilities	62,595	63,198
NET ASSETS		
Unrestricted	479,889	530,422
Temporarily restricted	81,418	82,706
Total net assets	561,307	613,128
Total liabilities and net assets	\$ 623,902	\$ 676,326

See accompanying notes.

WISCONSIN PARKINSON ASSOCIATION, INC.
STATEMENTS OF ACTIVITIES
Years ended August 31, 2017 and 2016

	2017	2016
UNRESTRICTED NET ASSETS		
SUPPORT AND REVENUE		
Special events	\$ 82,106	\$ 65,112
Less costs of direct benefits to donors	(12,600)	(12,600)
Special events - net	69,506	52,512
Contributions	175,906	156,692
Memorial donations	54,035	94,777
Education symposium	62,746	29,110
Investment return	53,972	50,308
In-kind donations	4,618	750
Other income	1,335	81
Total support and revenue	422,118	384,230
EXPENSES		
Program services		
Education	368,450	249,362
Parkinson Research Institute	1,038	39,070
Total program services	369,488	288,432
Supporting activities		
Management and general	59,582	57,001
Fundraising	44,869	22,519
Total supporting activities	104,451	79,520
Total expenses	473,939	367,952
Net assets released from restrictions	1,288	39,070
Change in unrestricted net assets	(50,533)	55,348
TEMPORARILY RESTRICTED NET ASSETS		
Contributions	-	250
Net assets released from restrictions	(1,288)	(39,070)
Change in temporarily restricted net assets	(1,288)	(38,820)
Change in net assets	(51,821)	16,528
Net assets - beginning of year	613,128	596,600
Net assets - end of year	\$ 561,307	\$ 613,128

See accompanying notes.

WISCONSIN PARKINSON ASSOCIATION, INC.
STATEMENTS OF CASH FLOWS
Years ended August 31, 2017 and 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (51,821)	\$ 16,528
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Unrealized and realized gains on investments	(41,391)	(33,423)
(Increase) decrease in assets		
Accounts receivable	(1,300)	-
Pledges receivable	(2,765)	2,879
Prepaid expenses	(434)	897
Increase (decrease) in liabilities		
Accounts payable	(4,870)	6,896
Accrued payroll and vacation	5,654	(2,398)
Deferred revenue	(1,387)	9,652
Net cash flows from operating activities	(98,314)	1,031
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividends retained in investments	(12,545)	(16,885)
Proceeds from the sale of investments	115,000	40,000
Interest retained in unemployment compensation reserve	(36)	-
Net cash flows from investing activities	102,419	23,115
Change in cash	4,105	24,146
Cash - beginning of year	42,592	18,446
Cash - end of year	\$ 46,697	\$ 42,592

See accompanying notes.

WISCONSIN PARKINSON ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
August 31, 2017 and 2016

Wisconsin Parkinson Association, Inc. (WPA) is a nonprofit organization that provides community awareness, education, and support to people with Parkinson's disease and their families primarily through its network of support groups throughout Wisconsin and neighboring states. WPA also raises funds to support Parkinson's research and training for health care professionals serving the Parkinson's population.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

WPA is required to report information regarding its financial position and activities according to three classes of net assets:

Unrestricted net assets—Net assets that are not restricted by donors. Designations are voluntary board-approved segregations of unrestricted net assets for specific purposes, projects, or investments.

Temporarily restricted net assets—Net assets whose use has been limited by donor-imposed time restrictions or purpose restrictions.

Permanently restricted net assets—Net assets that have been restricted by donors to be maintained by WPA in perpetuity.

Accounts Receivable

WPA considers all accounts receivable to be fully collectible. Accordingly, no allowance for doubtful accounts is required. If accounts receivable become uncollectible, they will be charged to operations when that determination is made.

Pledges Receivable

Unconditional pledges are recognized as support in the period the pledge is made. Conditional pledges are recognized only when the conditions on which they depend are substantially met and the pledge becomes unconditional. Pledges receivable are due within one year.

Equipment

Equipment is carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The cost of repairs and maintenance are charged against operations as incurred.

Investments

Investments in marketable securities with readily determined fair value are stated at their fair values in the statements of financial position. Realized and unrealized gains and losses are included in the statements of activities.

WISCONSIN PARKINSON ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
August 31, 2017 and 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Revenue

Funds received but not earned as of the date of the statement of financial position have been classified as deferred revenue and are included in current liabilities. Deferred revenue consists of exchange transactions deposits related to special events and workshops to be held subsequent to year-end.

Contributions

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the support is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Expense Allocation

The costs of providing the various programs and other activities have been summarized on the functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

Income Tax Status

WPA is an exempt public charity under Section 501(c)(3) of the Internal Revenue Code and therefore is not subject to federal and state income or franchise taxes.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could differ from those estimates.

Date of Management's Review

Management has evaluated subsequent events through December 1, 2017, the date which the financial statements were available to be issued.

Reclassifications

Certain accounts in the prior year financial statement have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

WISCONSIN PARKINSON ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
August 31, 2017 and 2016

NOTE 2 – UNEMPLOYMENT COMPENSATION RESERVE

WPA has elected the reimbursement method to finance the cost of unemployment compensation benefits. Under this method, unemployment compensation expense is charged to operations when paid or when the amount of claims can be reasonably estimated. At August 31, 2017 and 2016 WPA had \$5,115 and \$5,079 on deposit.

NOTE 3 – INVESTMENTS

Investments at August 31, 2017 and 2016 consisted of the following:

	<u>2017</u>	<u>2016</u>
Mutual fund	\$ 560,524	\$ 576,717
Money market	5,317	50,188
	<u>Investments</u>	<u>Investments</u>
	<u>\$ 565,841</u>	<u>\$ 626,905</u>

Investment return for the years ended August 31, 2017 and 2016 consisted of the following:

	<u>2017</u>	<u>2016</u>
Interest and dividends	\$ 12,581	\$ 16,885
Unrealized and realized gains	41,391	33,423
	<u>Investment return</u>	<u>Investment return</u>
	<u>\$ 53,972</u>	<u>\$ 50,308</u>

NOTE 4 – FAIR VALUE MEASUREMENTS

Fair values of assets measured on a recurring basis at August 31, 2017 and 2016 are as follows:

	Quoted Price in Active Markets for Identical Assets (Level 1) <u>2017</u>	Quoted Price in Active Markets for Identical Assets (Level 1) <u>2016</u>
Mutual fund	<u>\$ 560,524</u>	<u>\$ 576,717</u>

Fair values for the mutual fund is determined by reference to quoted market price and other relevant information generated by market transactions.

NOTE 5 – PENSION PLAN

A Simple IRA is made available to the employees. For those who choose to participate a match is made each from 0-3% as determined yearly. Total pension expense for the years ended August 31, 2017 and 2016 was \$4,914 and \$3,724.

WISCONSIN PARKINSON ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
August 31, 2017 and 2016

NOTE 6 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at August 31, 2017 and 2016 are available for the following purposes:

	2017	2016
Appleton support group	\$ -	\$ 250
Parkinson Research Institute	81,418	82,456
Temporarily restricted net assets	\$ 81,418	\$ 82,706

NOTE 7 – OPERATING LEASES

WPA leases office space under an operating lease which expires in June 2020. The lease requires monthly payments of \$2,000 with 3% annual increases starting January 2017. Total lease expense for the years ended August 31, 2017 and 2016 was \$24,480 and \$24,000.

Future minimum lease payments for the years ending August 31 are:

2018	\$ 25,216
2019	25,984
2020	20,013