

**WISCONSIN PARKINSON ASSOCIATION, INC.**

FINANCIAL STATEMENTS

August 31, 2019 and 2018

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## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of Wisconsin Parkinson Association, Inc., which comprise the statements of financial position as of August 31, 2019 and 2018, and the related statements of activities and cash flows for the years then ended, and the related statement of functional expenses for the year ended August 31, 2019, 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, 2019 and 2018, 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.

**Adoption of New Accounting Pronouncement**

As discussed in Note 1 to the financial statements, Wisconsin Parkinson Association, Inc. adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, as of and for the year ended December 31, 2018. The requirements of the ASU have been applied retrospectively to all periods presented. Our opinion is not modified with respect to this matter.

*Wegner CPAs LLP*

Wegner CPAs, LLP  
Waukesha, Wisconsin  
June 26, 2020

**WISCONSIN PARKINSON ASSOCIATION, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
August 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 65,546	\$ 51,391
Accounts receivable	3,590	-
Unconditional promises to give	-	17,109
Prepaid expenses	<u>3,190</u>	<u>2,005</u>
Total current assets	72,326	70,505
<b>FURNITURE AND EQUIPMENT</b>		
Furniture and equipment	15,087	15,087
Accumulated depreciation	<u>(5,359)</u>	<u>(3,667)</u>
Furniture and equipment, net	9,728	11,420
<b>OTHER ASSETS</b>		
Unemployment compensation reserve	5,174	5,133
Investments	<u>226,061</u>	<u>446,674</u>
Total other assets	<u>231,235</u>	<u>451,807</u>
<b>Total assets</b>	<u><u>\$ 313,289</u></u>	<u><u>\$ 533,732</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 1,698	\$ 11,664
Accrued payroll and vacation	21,178	20,583
Deferred rent	8,069	8,030
Deferred revenue	<u>52,760</u>	<u>52,775</u>
Total liabilities	83,705	93,052
<b>NET ASSETS</b>		
Without donor restrictions	201,030	366,004
With donor restrictions	<u>28,554</u>	<u>74,676</u>
Total net assets	<u>229,584</u>	<u>440,680</u>
<b>Total liabilities and net assets</b>	<u><u>\$ 313,289</u></u>	<u><u>\$ 533,732</u></u>

See accompanying notes.

**WISCONSIN PARKINSON ASSOCIATION, INC.**  
**STATEMENTS OF ACTIVITIES**  
Years Ended August 31, 2019 and 2018

	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE</b>						
Special events	\$ 141,158	\$ -	\$ 141,158	\$ 93,542	\$ -	\$ 93,542
Less costs of direct benefits to donors	(24,834)	-	(24,834)	(13,200)	-	(13,200)
Special events, net	116,324	-	116,324	80,342	-	80,342
Contributions	275,262	500	275,762	252,710	8,663	261,373
Memorial donations	47,135	-	47,135	64,326	-	64,326
In-kind donations	12,370	-	12,370	3,922	-	3,922
Education symposium	96,646	-	96,646	54,103	-	54,103
Investment return	9,429	-	9,429	55,851	-	55,851
Total support and revenue	557,166	500	557,666	511,254	8,663	519,917
<b>EXPENSES</b>						
Program services						
Education	596,581	-	596,581	482,221	-	482,221
Parkinson Research Institute	37,960	-	37,960	7,065	-	7,065
Total program services	634,541	-	634,541	489,286	-	489,286
Supporting activities						
Management and general	87,014	-	87,014	85,682	-	85,682
Fundraising	47,207	-	47,207	57,236	-	57,236
Total supporting activities	134,221	-	134,221	142,918	-	142,918
Total expenses	768,762	-	768,762	632,204	-	632,204
<b>OTHER CHANGES</b>						
Loss on grant repayment	-	-	-	8,340	-	8,340
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>						
Satisfaction of purpose restrictions	46,622	(46,622)	-	15,405	(15,405)	-
<b>Change in net assets</b>	(164,974)	(46,122)	(211,096)	(113,885)	(6,742)	(120,627)
Net assets at beginning of year	366,004	74,676	440,680	479,889	81,418	561,307
<b>Net assets at end of year</b>	<u>\$ 201,030</u>	<u>\$ 28,554</u>	<u>\$ 229,584</u>	<u>\$ 366,004</u>	<u>\$ 74,676</u>	<u>\$ 440,680</u>

See accompanying notes.

**WISCONSIN PARKINSON ASSOCIATION, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
Year Ended August 31, 2019

	Program Services		Supporting Activities			
	Education	Parkinson Research Institute	Management and General	Fundraising	Direct Benefits to Donors	Total Expenses
Salaries and wages	\$ 271,313	\$ 86	\$ 39,003	\$ 20,965	\$ -	\$ 331,367
Payroll taxes	18,783	7	2,677	1,368	-	22,835
Retirement	5,654	-	1,035	578	-	7,267
Other benefits	45,884	-	6,714	1,586	-	54,184
Professional fees	5,071	640	23,024	1,045	-	29,780
Printing and design	58,401	7,675	-	13,195	-	79,271
Office expenses	6,738	-	259	320	-	7,317
Telephone and internet	6,972	-	3,903	376	-	11,251
Postage and mailing	10,473	1,551	29	3,541	-	15,594
Insurance	2,119	-	306	128	-	2,553
Occupancy	26,660	-	3,855	1,606	-	32,121
Travel	14,244	-	-	431	-	14,675
Outreach and marketing	7,754	25	-	-	-	7,779
Event fees and supplies	86,785	27,976	-	1,135	24,834	140,730
Conferences and meetings	8,001	-	121	122	-	8,244
Bank fees	-	-	5,960	-	-	5,960
Grants and awards	19,724	-	-	-	-	19,724
Depreciation	1,438	-	119	135	-	1,692
Miscellaneous	567	-	9	676	-	1,252
<b>Total expenses</b>	<b>596,581</b>	<b>37,960</b>	<b>87,014</b>	<b>47,207</b>	<b>24,834</b>	<b>793,596</b>
Less expenses included with support and revenue on the statements of activities	-	-	-	-	(24,834)	(24,834)
<b>Total expenses included in the expenses section of the statements of activities</b>	<b>\$ 596,581</b>	<b>\$ 37,960</b>	<b>\$ 87,014</b>	<b>\$ 47,207</b>	<b>\$ -</b>	<b>\$ 768,762</b>

See accompanying notes.

**WISCONSIN PARKINSON ASSOCIATION, INC.**  
**STATEMENTS OF CASH FLOWS**  
Years Ended August 31, 2019 and 2018

	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (211,096)	\$ (120,627)
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	1,692	423
Net unrealized and realized gains on investments	(986)	(44,314)
(Increase) decrease in assets		
Accounts receivable	(3,590)	1,300
Unconditional promises to give	17,109	(14,344)
Prepaid expenses	(1,185)	179
Increase (decrease) in liabilities		
Accounts payable	(9,966)	8,303
Accrued payroll and vacation	595	7,614
Deferred rent	39	8,030
Deferred revenue	(15)	6,510
	(207,403)	(146,926)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of furniture and equipment	-	(11,843)
Interest and dividends retained in investments	(8,401)	(11,519)
Proceeds from the sale of investments	230,000	175,000
Interest retained in unemployment compensation reserve	(41)	(18)
	221,558	151,620
<b>Change in cash</b>	14,155	4,694
Cash at beginning of year	51,391	46,697
<b>Cash at end of year</b>	\$ 65,546	\$ 51,391

See accompanying notes.



**WISCONSIN PARKINSON ASSOCIATION, INC.**  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2019 and 2018

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NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Nature of Activities**

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 training for health care professionals serving the Parkinson's population.

**Accounts Receivable**

WPA considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been established. If accounts become uncollectible, they will be charged to operations when that determination is made.

**Promises to Give**

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

**Furniture and Equipment**

Furniture and equipment are capitalized and 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 life of the asset.

**Investments**

WPA reports investments in marketable equity securities with readily determinable fair values at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

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 change could materially affect the amounts reported in the statements of financial position.

**Deferred Revenue**

Deferred revenue represents registration fees received in advance of events and workshops held subsequent to year end. Also included in deferred revenue are contributions conditional on the event taking place and will be recognized as revenue on the day of the event.

**WISCONSIN PARKINSON ASSOCIATION, INC.**  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2019 and 2018

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NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Donated Services**

Donated services are recognized as contributions if the services create or enhance nonfinancial assets or they require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Donated printing and design for the years ended August 31, 2019 and 2018 was \$12,370 and \$3,922, respectively, and included in education program service expenses in the statements of activities.

**Contributions**

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

**Expense Allocation**

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, payroll taxes, retirement, and other benefits, which are allocated on the basis of estimates of time and effort, as well as office expenses, telephone and internet, occupancy, and depreciation, which are allocated on a square-footage basis.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Adoption of New Accounting Pronouncement**

WPA adopted the Financial Accounting Standards Board's Accounting Standards Update No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, as of and for the year ended August 31, 2019. This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The changes required by the update have been applied retrospectively to all periods presented. A key change required by the update are the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets, if applicable, are now reported as net assets with donor restrictions.

**WISCONSIN PARKINSON ASSOCIATION, INC.**  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2019 and 2018

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NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**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.

**Date of Management’s Review**

Management has evaluated subsequent events through June 26, 2020, the date which the financial statements were available to be issued.

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, 2019 and 2018 WPA had \$5,174 and \$5,133, respectively, on deposit.

NOTE 3—INVESTMENTS

Investments are comprised of the following:

	2019	2018
Mutual fund	\$ 134,907	\$ 441,281
Money market	91,154	5,393
	\$ 226,061	\$ 446,674

NOTE 4—FAIR VALUE MEASUREMENTS

Fair values of assets measured on a recurring basis are as follows:

	Quoted Price in Active Markets for Identical Assets (Level 1)	
	2019	2018
Mutual fund	\$ 134,907	\$ 441,281

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

**WISCONSIN PARKINSON ASSOCIATION, INC.**  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2019 and 2018

NOTE 5—NET ASSETS

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

	2019	2018
Punt with Pack event	\$ 500	\$ -
Living Well outreach	-	8,663
Parkinson Research Institute	28,054	66,013
	\$ 28,554	\$ 74,676

NOTE 6—LIQUIDITY AND AVAILABILITY

The following reflects WPA's financial assets as of the date of the statement of financial position, reduced by amounts not available for general expenditures within one year of the date of the statement of financial position because of donor-imposed or other restrictions:

Financial assets at end of year:	
Cash	\$ 65,546
Accounts receivable	3,590
Unemployment compensation reserve	5,174
Investments	226,061
Total financial assets at end of year	300,371
Less amounts unavailable for general expenditures within one year:	
Restricted by donors with purpose restrictions	(28,554)
Unemployment compensation reserve designation	(5,174)
Financial assets available to meet cash needs for general expenditures within one year	\$ 266,643

As part of WPA's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 7—PENSION PLAN

WPA sponsors a Simple IRA savings plan. Employee contributions are subject to certain limits based on federal tax law. Annually, WPA may choose to make discretionary matching contributions between 0% and 3% for participating employees, dependent on the participant's deferral. Pension expense for the years ended August 31, 2019 and 2018 was \$7,267 and \$6,340, respectively.

NOTE 8—OPERATING LEASES

WPA leases office space under a non-cancellable operating lease that expires in August 2023. The lease requires monthly payments of \$2,723 at August 31, 2019 with 2.5% annual increases on June 1. Lease expense for the years ended August 31, 2019 and 2018 was \$32,121 and \$26,167, respectively.

**WISCONSIN PARKINSON ASSOCIATION, INC.**  
NOTES TO FINANCIAL STATEMENTS  
August 31, 2019 and 2018

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NOTE 8—OPERATING LEASES (continued)

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

2020	\$	32,884
2021		33,706
2022		34,549
2023		35,412

NOTE 9—SUBSEQUENT EVENT

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which could impact contributions and operating results. The related financial impact and duration cannot be reasonably estimated at this time.