WISCONSIN PARKINSON ASSOCIATION, INC.

FINANCIAL STATEMENTS

August 31, 2023 and 2022

C O N T E N T S

Wegner CPAs

INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the financial statements of Wisconsin Parkinson Association, Inc., which comprise the statements of financial position as of August 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Wisconsin Parkinson Association, Inc. as of August 31, 2023 and 2022, 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.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Wisconsin Parkinson Association, Inc.‘s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Wisconsin Parkinson Association, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Wegner CPAs LLP

Wegner CPAs, LLP
Waukesha, Wisconsin
June 18, 2024

WISCONSIN PARKINSON ASSOCIATION, INC.
STATEMENTS OF FINANCIAL POSITION
August 31, 2023 and 2022

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash	$ 344,301	$ 127,754
Accounts receivable	8,893	11,429
Employee Retention Credits receivable	-	139,428
Unconditional promises to give	25,000	25,000
Prepaid expenses	14,566	11,865
Total current assets	392,760	315,476
FURNITURE AND EQUIPMENT		
Furniture and equipment	2,614	15,087
Accumulated depreciation	(2,028)	(10,665)
Furniture and equipment, net	586	4,422
OTHER ASSETS		
Investments	307,735	219,814
Total assets	$ 701,081	$ 539,712
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	$ 69,635	$ 11,553
Accrued payroll and vacation	29,351	29,807
Deferred rent	-	3,291
Deferred revenue	67,433	48,325
Total liabilities	166,419	92,976
NET ASSETS		
Without donor restrictions	506,342	421,736
With donor restrictions	28,320	25,000
Total net assets	534,662	446,736
Total liabilities and net assets	$ 701,081	$ 539,712

See accompanying notes.

WISCONSIN PARKINSON ASSOCIATION, INC.
STATEMENTS OF ACTIVITIES
Years Ended August 31, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Contributions						
General donations and grants	$ 265,197	$ -	$ 265,197	$ 209,131	$ 25,000	$ 234,131
Special events (less costs of direct benefits to donors of $79,325 and $29,307, respectively)	432,580	3,320	435,900	163,811	-	163,811
Memorial donations	54,823	-	54,823	124,697	-	124,697
Employee Retention Credits	-	-	-	139,428	-	139,428
Contributions of nonfinancial assets	7,835	-	7,835	3,150	-	3,150
Education programs	42,692	-	42,692	19,500	-	19,500
Investment return, net	24,112	-	24,112	(18,032)	-	(18,032)
Paycheck Protection Program loan forgiveness	-	-	-	83,036	-	83,036
Total support and revenue	827,239	3,320	830,559	724,721	25,000	749,721
EXPENSES AND LOSSES						
Education	514,022	-	514,022	381,306	-	381,306
Management and general	109,197	-	109,197	83,814	-	83,814
Fundraising	116,657	-	116,657	78,704	-	78,704
Total expenses	739,876	-	739,876	543,824	-	543,824
Loss on disposal of furniture and equipment	2,757	-	2,757	-	-	-
Total expenses and losses	742,633	-	742,633	543,824	-	543,824
NET ASSETS RELEASED FROM RESTRICTIONS						
Expiration of time restrictions	-	-	-	653	(653)	-
Change in net assets	84,606	3,320	87,926	181,550	24,347	205,897
Net assets at beginning of year	421,736	25,000	446,736	240,186	653	240,839
Net assets at end of year	$ 506,342	$ 28,320	$ 534,662	$ 421,736	$ 25,000	$ 446,736

See accompanying notes.

WISCONSIN PARKINSON ASSOCIATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended August 31, 2023

	Education	Management and General	Fundraising	Direct Benefits to Donors	Total Expenses
Salaries and wages	$ 229,235	$ 39,190	$ 29,224	$ -	$ 297,649
Payroll taxes	17,716	2,876	2,348	-	22,940
Retirement	6,817	1,037	933	-	8,787
Other benefits	7,347	1,162	1,256	-	9,765
Professional fees	92,520	51,741	2,400	-	146,661
Printing and design	29,700	271	15,850	-	45,821
Office expenses	3,479	595	443	-	4,517
Telephone and internet	4,788	819	610	-	6,217
Postage and mailing	5,611	-	2,081	-	7,692
Insurance	3,578	612	456	-	4,646
Occupancy	24,738	4,229	3,154	-	32,121
Travel	4,471	142	986	-	5,599
Outreach and marketing	10,664	-	-	-	10,664
Event fees and supplies	58,542	-	55,966	79,325	193,833
Conferences and meetings	3,682	-	-	-	3,682
Bank fees	-	6,294	-	-	6,294
Grants and awards	9,990	-	-	-	9,990
Depreciation	832	142	106	-	1,080
Miscellaneous	312	87	844	-	1,243
Total expenses	514,022	109,197	116,657	79,325	819,201
Less expenses included with support and revenue on the statements of activities	-	-	-	(79,325)	(79,325)
Total expenses included in the expenses section of the statements of activities	$ 514,022	$ 109,197	$ 116,657	$ -	$ 739,876

See accompanying notes.

WISCONSIN PARKINSON ASSOCIATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended August 31, 2022

	Education	Management and General	Fundraising	Direct Benefits to Donors	Total Expenses
Salaries and wages	$ 187,813	$ 30,271	$ 29,161	$ -	$ 247,245
Payroll taxes	14,072	2,175	2,114	-	18,361
Retirement	5,227	847	809	-	6,883
Other benefits	8,499	839	1,204	-	10,542
Professional fees	80,987	37,372	2,000	-	120,359
Printing and design	19,900	177	20,064	-	40,141
Office expenses	2,698	435	419	-	3,552
Telephone and internet	4,739	763	736	-	6,238
Postage and mailing	6,078	6	5,864	-	11,948
Insurance	2,798	273	341	-	3,412
Occupancy	24,399	3,934	3,788	-	32,121
Travel	4,608	527	455	-	5,590
Outreach and marketing	2,546	295	-	-	2,841
Event fees and supplies	-	-	10,499	29,307	39,806
Conferences and meetings	4,516	-	-	-	4,516
Bank fees	-	5,609	-	-	5,609
Grants and awards	10,882	-	-	-	10,882
Depreciation	1,344	216	209	-	1,769
Miscellaneous	200	75	1,041	-	1,316
Total expenses	381,306	83,814	78,704	29,307	573,131
Less expenses included with support and revenue on the statements of activities	-	-	-	(29,307)	(29,307)
Total expenses included in the expenses section of the statements of activities	$ 381,306	$ 83,814	$ 78,704	$ -	$ 543,824

See accompanying notes.

WISCONSIN PARKINSON ASSOCIATION, INC.
STATEMENTS OF CASH FLOWS
Years Ended August 31, 2023 and 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 87,926	$ 205,897
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	1,080	1,769
Loss on disposal of furniture and equipment	2,757	-
Donated investments	-	(5,282)
Net realized and unrealized (gains) losses on investments	(6,640)	23,228
Paycheck Protection Program loan forgiveness	-	(83,036)
(Increase) decrease in assets		
Accounts receivable	2,536	(7,429)
Employee Retention Credits receivable	139,428	(139,428)
Unconditional promises to give	-	(7,660)
Prepaid expenses	(2,701)	(9,927)
Increase (decrease) in liabilities		
Accounts payable	58,082	4,500
Accrued payroll and vacation	(456)	1,872
Deferred rent	(3,291)	(2,429)
Deferred revenue	19,108	(100)
Net cash flows from operating activities	297,829	(18,025)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(200,000)	-
Proceeds from sale of investments	129,776	-
Interest and dividends retained in investments	(11,058)	(5,196)
Net cash flows from investing activities	(81,282)	(5,196)
Change in cash	216,547	(23,221)
Cash at beginning of year	127,754	150,975
Cash at end of year	$ 344,301	$ 127,754

See accompanying notes.

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 educational programs and its network of support groups throughout Wisconsin and neighboring states. WPA is primarily funded through contributions and educational program fees including educational webinar fees, exhibitor fees, and sponsorship packages.

Accounts Receivable

Accounts receivable primarily consist of educational fees due from exhibitors at WPA's educational programs. Accounts receivable are reported at the amount management expects to collect from outstanding balances. As of August 31, 2023 and 2022, management has determined, based on historical experience that all amounts are fully collectible and no allowance for doubtful accounts is necessary.

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 estimated 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 and all investments in debt securities 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 changes could materially affect the amounts reported in the statements of financial position.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by WPA. Volunteers also provide various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Revenue Recognition

WPA provides educational opportunities for people with Parkinson's Disease and the public through community-based programs and health fairs. Revenue from these programs include educational fees, exhibitor fees, and sponsorship packages, which are recognized when the program takes place. The portion of sponsorships considered a contribution is conditional upon the program taking place and is also recognized when the programs takes place.

WPA generally bills for these programs prior to or on the date the programs are held. Any revenues collected in advance of a program are deferred and recognized as revenue in the future period when the program is held. Deferred revenue at August 31, 2023 and 2022 includes $67,433 and $46,825, respectively, of events and sponsorships conditioned upon next year's events taking place.

Leases

WPA does not recognize short-term leases in the statements of financial position. For these leases, WPA recognizes the lease payments in the statement of activities on a straight-line basis over the lease term and variable lease payments in the period in which the obligation for those payments is incurred. WPA also does not separate nonlease components from lease components for all classes of underlying assets and instead accounts for each separate lease component and the nonlease components associated with that lease component as a single lease component. If the rate implicit in the lease is not readily determinable, WPA uses a risk-free rate as the discount rate for the lease for all classes of underlying assets.

Adoption of New Accounting Guidance

Effective September 1, 2022, WPA was required to adopt Financial Accounting Standards Board (FASB) Accounting Standards Update No. 2016-02, *Leases (Topic 842)*as amended. The main difference between previous guidance and Topic 842 is the recognition of assets and liabilities by lessees for all leases excluding short-term leases. A lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. Also, under Topic 842, disclosures are required by lessees to report information about the amount, timing, and uncertainty of cash flows arising from leases.

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

WPA adopted the requirements of Topic 842 as of September 1, 2022, using the optional transition method that allows WPA to initially apply the new guidance at the adoption date and recognize a cumulative-effect adjustment to the opening balance of net assets in the period of adoption. WPA's reporting for the year ended August 31, 2022, is in accordance with the previous lease accounting guidance.

WPA elected the package of practical expedients permitted under the transition guidance within Topic 842. This package allowed WPA to account for its leases that commenced before the adoption date without reassessing whether any expired or existing contracts are or contain leases, the lease classification for any expired or existing leases, and initial direct costs for any existing leases.

The adoption of Topic 842 resulted in the recognition of operating lease right-of-use asset of $32,120 and operating lease liability of $32,120 as of September 1, 2022. The adoption of Topic 842 did not have a material effect on WPA's financial position, or change in net assets or cash flows.

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.

Expense Allocation

The financial statements report certain expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses are allocated among program services and supporting activities on a reasonable basis that is consistently applied. Allocated expenses include salaries and wages, payroll taxes, retirement, other benefits, office expenses, telephone and internet, occupancy, and depreciation, which are allocated based on estimates of time and effort.

The following program services and supporting activities are included in the accompanying financial statements:

Education— WPA provides educational opportunities for people with Parkinson's Disease and the public through community-based programs and health fairs.

Management and General—Includes accounting and production of financial reports, oversight of the annual budget, supervision of departments and programs, maintenance of personnel records, attending general board and committee meetings, and any other administrative and office services necessary for WPA.

Fundraising—Activities to encourage and secure private financial support from individuals, foundations, and corporations.

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Tax Status

WPA is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Date of Management's Review

Management has evaluated subsequent events through June 18, 2024, the date which the financial statements were available to be issued.

NOTE 2—INVESTMENTS

Investments are comprised of the following:

	2023	2022
Mutual fund	$ 132,694	$ 122,639
Stocks	-	1,616
Fixed income securities	-	2,535
Money market funds	175,041	93,024
	$ 307,735	$ 219,814

Fair values of mutual funds and stocks are based on quoted net asset values of the shares as reported by the fund. The mutual funds held by WPA are open-end funds registered with the U.S. Securities and Exchange Commission. The funds must publish their daily net asset value and transact at that price. The mutual funds are considered to be actively traded. Fair values of stocks are based on the closing prices reported on the active market where the individual securities are traded. Fair values of fixed income securities are determined using a market approach on yields currently available on comparable securities of issuers with similar credit ratings. These are level 1 and level 2 fair value measurements.

NOTE 3—NET ASSETS

WPA's board of directors have designated net assets without donor restrictions for the following purposes:

	2023	2022
Designated for unemployment compensation reserves	$ 5,103	$ 5,102
Undesignated	501,239	416,634
	$ 506,342	$ 421,736

NOTE 3—NET ASSETS (continued)

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

	2023	2022
Wausau, Wisconsin program	$ 25,000	$ 25,000
Pitching for Parkinsons	3,320	-
	$ 28,320	$ 25,000

NOTE 4—PAYCHECK PROTECTION PROGRAM LOAN

WPA received loans totaling $162,684 under the Paycheck Protection Program (PPP) established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and administered by the U.S. Small Business Administration (SBA). The loans accrue interest at 1% but payments are deferred for borrowers who apply for forgiveness until SBA remits the borrower's forgiveness amount to the lender. The amount of forgiveness depends, in part, on the total amount of eligible expenses paid by WPA during the covered period. Eligible expenses may include payroll costs, interest on mortgages, rent, and utilities. Any unforgiven portion is payable over five years.

On April 22, 2021, the SBA preliminarily approved forgiveness of WPA's first draw loan of $79,648. On September 9, 2021, the SBA preliminarily approved forgiveness of WPA's second draw loan of $83,036. WPA must retain PPP documentation in its files for six years after the date the loan is forgiven or repaid in full and permit authorized representatives of SBA to access such files upon request. SBA may review any loan at any time at its discretion. Therefore, SBA may review WPA's good-faith certification concerning the necessity of its loan request, whether WPA calculated the loan amount correctly, whether WPA used loan proceeds for the allowable uses specified in the CARES Act, and whether WPA is entitled to loan forgiveness in the amount claimed on its application. If SBA determines WPA was ineligible for the loan or for forgiveness in whole or in part, SBA will seek repayment of the amount determined to be ineligible.

NOTE 5—EMPLOYEE RETENTION CREDITS

During the year ended August 31, 2022, WPA claimed Employee Retention Credits (ERC) totaling $139,428 under the provisions the CARES Act, as amended. Employers are eligible for the ERC if they experience either a significant decline in gross receipts or the full or partial suspension of operations because of governmental orders limiting commerce, travel, or group meetings due to COVID-19. WPA determined it had a significant decline in gross receipts and claimed the ERC for two calendar quarters of 2020 and the first three calendar quarters of 2021. WPA received payment of the ERC during the fiscal year ended August 31, 2023. The Internal Revenue Service (IRS) generally has five years from the date an ERC claim is filed to audit the claim. Therefore, the IRS may audit WPA's eligibility for the ERC and its substantiation of the amounts claimed. If the IRS determines WPA was ineligible for the ERC, WPA. could be required to repay the amount claimed along with penalties and interest.

NOTE 6—CONTRIBUTED NONFINANCIAL ASSETS

For the years ended August 31, 2023 and 2022, contributed nonfinancial assets recognized within the statements of activities include $7,835 of accounting services and $3,150 of printing and design services, respectively. Contributed services including accounting and printing and design services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar services. Contributed nonfinancial assets did not have donor-imposed restrictions. Accounting services were utilized in management and general activities. Printing and design services were utilized in education activities.

NOTE 7—OPERATING LEASES

WPA leased office space under a non-cancellable operating lease that expired in August 2023. Monthly lease payments of $2,933 were required through May 31, 2023 with 2.5% annual increases each June 1 through the term of the lease. Lease expense for the years ended August 31, 2023 and 2022 was $32,121 per year. The lease that ended as of August 31, 2023 is fully amortized.

Effective September 1, 2023, WPA entered into an operating sublease, with a related party for office space with a lease term until January 31, 2026. Future minimum payments on this operating sublease total approximately $47,000.

Pursuant to Topic 842, WPA recognized a lease right-of-use asset of $44,817 and an operating lease liability of $44,817 as of September 1, 2023.

NOTE 8—LIQUIDITY AND AVAILABILITY

The following table reflects WPA's financial assets as of August 31, 2023 and 2022, reduced by amounts not available for general expenditures within one year of the date of the statements of financial position because of donor-imposed restrictions or other designations:

	2023	2022
Total financial assets at end of year:		
Cash	$ 344,301	$ 127,754
Accounts receivable	8,893	11,429
Employee Retention Credits receivable	-	139,428
Unconditional promises to give	25,000	25,000
Investments	307,735	219,814
Total financial assets at end of year	685,929	523,425
Less amounts unavailable for general expenditures within one year:		
Restricted by donors with purpose restrictions	(28,320)	(25,000)
Designated for unemployment compensation reserve	(5,103)	(5,102)
Financial assets available to meet cash needs within one year	$ 652,506	$ 493,323

NOTE 8—LIQUIDITY AND AVAILABILITY (continued)

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

NOTE 9—PENSION PLAN

WPA sponsors a SIMPLE IRA savings plan. Employee contributions are subject to certain limits based on federal tax law. Annually, WPA contributes up to 3% for participating employees, dependent on the participant's deferral. Pension expense for the years ended August 31, 2023 and 2022 was $8,787 and $6,883, respectively.