



Parkinson's Foundation, Inc.

Financial Statements Years Ended June 30, 2023 and 2022

Parkinson's Foundation, Inc.

Financial Statements
Years Ended June 30, 2023 and 2022

Parkinson's Foundation, Inc.

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Independent Auditor's Report

Board of Directors
Parkinson's Foundation, Inc.
New York, NY

Opinion

We have audited the financial statements of Parkinson's Foundation, Inc. (a nonprofit organization) (the "Foundation"), which comprise the statements of financial position as of June 30, 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 the Foundation as of June 30, 2023 and 2022, and the results of its operations 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 the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter - Adoption of New Accounting Pronouncement

As discussed in Note 15 to the financial statements, the Foundation has elected to change its method of accounting for leases in the year ended June 30, 2023 due to the adoption of Accounting Standards Codification (ASC) Topic 842, Leases. Our opinion is not modified with respect to this matter.

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 the Foundation's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

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

BDO USA, P.C.

Miami, Florida
October 19, 2023

Financial Statements

Parkinson's Foundation, Inc.

Statements of Financial Position

<i>June 30,</i>	2023	2022
Assets		
Cash	\$ 390,460	\$ 209,523
Pledges receivable, net	6,548,297	5,430,599
Other receivables	434,217	708,328
Prepaid expenses and other assets	190,681	192,752
Investments	36,967,766	43,678,031
Right-of-use assets, net - operating leases	1,015,190	-
Property and equipment, net	1,487,872	1,480,883
Total Assets	\$ 47,034,483	\$ 51,700,116
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 3,143,213	\$ 4,072,033
Refundable advances	-	701,538
Grants payable	10,357,143	16,771,095
Annuities payable	358,750	358,190
Lease liabilities - operating	1,166,723	-
Total Liabilities	15,025,829	21,902,856
Commitments and Contingencies (Note 15)		
Net Assets		
Without donor restrictions	22,581,042	23,604,184
With donor restrictions	9,427,612	6,193,076
Total Net Assets	32,008,654	29,797,260
Total Liabilities and Net Assets	\$ 47,034,483	\$ 51,700,116

See accompanying notes to the financial statements.

Parkinson's Foundation, Inc.

Statements of Activities

Years ended June 30,	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Public Support:						
Direct -						
Private individuals, corporations and private foundations	\$ 30,346,183	\$ 3,893,997	\$ 34,240,180	\$ 30,114,385	\$ 1,925,900	\$ 32,040,285
Legacies and bequests	9,578,591	-	9,578,591	12,105,126	-	12,105,126
Special events (less direct costs of \$374,700 and \$920,413 for the years ended June 30, 2023 and 2022, respectively)	3,975,477	-	3,975,477	2,507,628	-	2,507,628
Total Direct	43,900,251	3,893,997	47,794,248	44,727,139	1,925,900	46,653,039
Other -						
Contributions of nonfinancial assets	147,902,521	-	147,902,521	34,487,362	-	34,487,362
Paycheck Protection Program loan forgiveness	-	-	-	2,164,400	-	2,164,400
Change in value of split interest agreements	-	(32,472)	(32,472)	-	(29,576)	(29,576)
Investment return, net	2,809,981	4,984	2,814,965	(4,737,618)	(8,653)	(4,746,271)
Total Other	150,712,502	(27,488)	150,685,014	31,914,144	(38,229)	31,875,915
Net assets released from restrictions	631,973	(631,973)	-	426,491	(426,491)	-
Total Revenue and Public Support	195,244,726	3,234,536	198,479,262	77,067,774	1,461,180	78,528,954
Expenses:						
Program services:						
Pillar one - improved care	11,342,739	-	11,342,739	11,659,157	-	11,659,157
Pillar two - research	12,573,516	-	12,573,516	13,243,851	-	13,243,851
Pillar three - education and empowerment (excluding advertising in-kind)	15,392,734	-	15,392,734	11,227,891	-	11,227,891
Pillar three - education and empowerment (advertising in-kind)	147,902,521	-	147,902,521	34,487,362	-	34,487,362
Total Program Services	187,211,510	-	187,211,510	70,618,261	-	70,618,261
Supporting services:						
Management and general	2,495,447	-	2,495,447	2,641,539	-	2,641,539
Fundraising	6,560,911	-	6,560,911	4,712,446	-	4,712,446
Total Supporting Services	9,056,358	-	9,056,358	7,353,985	-	7,353,985
Total Expenses	196,267,868	-	196,267,868	77,972,246	-	77,972,246
Change in Net Assets	(1,023,142)	3,234,536	2,211,394	(904,472)	1,461,180	556,708
Net Assets, beginning of year	23,604,184	6,193,076	29,797,260	24,508,656	4,731,896	29,240,552
Net Assets, end of year	\$ 22,581,042	\$ 9,427,612	\$ 32,008,654	\$ 23,604,184	\$ 6,193,076	\$ 29,797,260

See accompanying notes to the financial statements.

Parkinson's Foundation, Inc.

Statement of Functional Expenses

(With Summarized Comparative Totals for the Year Ended June 30, 2022)

	Program Services			Supporting Services			2023 Totals	Summarized 2022 Totals
	Pillar One: Improved Care	Pillar Two: Research	Pillar Three: Education and Empowerment (Excluding Advertising In-kind)	Advertising In-kind	Management and General	Fundraising		
<i>Year ended June 30, 2023</i>								
Salaries	\$ 3,930,135	\$ 1,818,769	\$ 5,073,048	\$ -	\$ 1,107,195	\$ 1,807,779	\$ 13,736,926	\$ 12,945,023
Payroll taxes and benefits	1,043,989	483,132	1,347,605	-	305,284	481,212	3,661,222	3,067,005
Total Salaries and Related Expenses	4,974,124	2,301,901	6,420,653	-	1,412,479	2,288,991	17,398,148	16,012,028
Grants	3,776,169	8,149,243	727,976	-	-	-	12,653,388	13,886,805
Conference and symposium fees	131,666	514,765	27,909	-	7,977	2,840	685,157	179,871
Legal and accounting	25,843	36,314	38,030	-	257,840	9,747	367,774	329,767
Professional services	1,094,280	324,726	1,021,092	-	200,145	423,154	3,063,397	2,949,403
Outside services	70,099	478,014	637,839	-	165,517	1,095,436	2,446,905	1,572,233
Printing and publications	20,154	4,741	1,100,908	-	3,394	677,927	1,807,124	1,281,613
Public relations and advertising	32,206	1,420	1,660,275	-	-	128,001	1,821,902	933,240
General insurance	43,909	61,698	64,615	-	21,786	16,559	208,567	183,892
Postage, freight and courier services	9,147	20,129	861,710	-	27,463	1,120,441	2,038,890	1,757,704
Meetings	268,049	18,898	664,804	-	10,258	37,556	999,565	838,573
Information technology	222,986	248,782	409,643	-	106,677	135,644	1,123,732	943,974
Repairs and maintenance	16,124	22,657	25,479	-	10,707	8,476	83,443	61,191
Office expenses	5,660	1,349	54,320	-	23,492	6,395	91,216	60,073
Travel and transportation	370,653	56,151	421,725	-	73,340	140,860	1,062,729	545,705
Lease and rentals	146,642	196,802	710,547	-	99,218	58,010	1,211,219	1,150,161
Bank and credit card expenses	25	35	88,013	-	197	218,751	307,021	237,071
Miscellaneous	18,579	23,292	280,465	-	54,134	122,622	499,092	125,879
Total Other Expenses	6,252,191	10,159,016	8,795,350	-	1,062,145	4,202,419	30,471,121	27,037,155
Advertising - in-kind	-	-	-	147,902,521	-	-	147,902,521	34,487,362
Depreciation and amortization	116,424	112,599	176,731	-	20,823	69,501	496,078	435,701
Total Expenses per Statement of Activities	\$ 11,342,739	\$ 12,573,516	\$ 15,392,734	\$ 147,902,521	\$ 2,495,447	\$ 6,560,911	\$ 196,267,868	\$ 77,972,246
Special events costs	-	-	-	-	-	374,700	374,700	920,413
Total Expenses	\$ 11,342,739	\$ 12,573,516	\$ 15,392,734	\$ 147,902,521	\$ 2,495,447	\$ 6,935,611	\$ 196,642,568	\$ 78,892,659

See accompanying notes to the financial statements.

Parkinson's Foundation, Inc.
Statement of Functional Expenses

	Program Services				Supporting Services		2022 Totals
	Pillar One: Improved Care	Pillar Two: Research	Pillar Three: Education and Empowerment (Excluding Advertising In-kind)		Advertising In-kind	Management and General	
<i>Year ended June 30, 2022</i>							
Salaries	\$ 4,029,173	\$ 1,653,153	\$ 4,647,848	\$ -	\$ 998,341	\$ 1,616,508	\$ 12,945,023
Payroll taxes and benefits	739,098	340,032	962,163	-	707,439	318,273	3,067,005
Total Salaries and Related Expenses	4,768,271	1,993,185	5,610,011	-	1,705,780	1,934,781	16,012,028
Grants	2,987,811	8,956,051	1,942,943	-	-	-	13,886,805
Conference and symposium fees	151,256	-	9,763	-	15,686	3,166	179,871
Legal and accounting	30,010	42,844	18,346	-	204,753	33,814	329,767
Professional services	796,388	1,361,350	469,035	-	117,551	205,079	2,949,403
Outside services	403,033	84,715	162,451	-	146,698	775,336	1,572,233
Printing and publications	448,838	11,744	377,251	-	18,790	424,990	1,281,613
Public relations and advertising	164,117	82,494	656,629	-	-	30,000	933,240
General insurance	12,822	16,642	13,136	-	135,431	5,861	183,892
Postage, freight and courier services	712,736	1,850	145,048	-	37,926	860,144	1,757,704
Meetings	495,153	16,036	307,412	-	6,806	13,166	838,573
Information technology	169,591	206,715	370,048	-	81,699	115,921	943,974
Repairs and maintenance	15,357	19,934	15,734	-	3,145	7,021	61,191
Office expenses	3,538	5,903	37,406	-	7,178	6,048	60,073
Travel and transportation	146,388	45,722	247,162	-	41,431	65,002	545,705
Lease and rentals	221,204	228,791	580,213	-	41,233	78,720	1,150,161
Bank and credit card expenses	75	-	125,878	-	35,706	75,412	237,071
Miscellaneous	-	65,392	22,299	-	11,334	26,854	125,879
Total Other Expenses	6,758,317	11,146,183	5,500,754	-	905,367	2,726,534	27,037,155
Advertising - in-kind	-	-	-	34,487,362	-	-	34,487,362
Depreciation and amortization	132,569	104,483	117,126	-	30,392	51,131	435,701
Total Expenses per Statement of Activities	\$ 11,659,157	\$ 13,243,851	\$ 11,227,891	\$ 34,487,362	\$ 2,641,539	\$ 4,712,446	\$ 77,972,246
Special events costs	-	-	-	-	-	920,413	920,413
Total Expenses	\$ 11,659,157	\$ 13,243,851	\$ 11,227,891	\$ 34,487,362	\$ 2,641,539	\$ 5,632,859	\$ 78,892,659

See accompanying notes to the financial statements.

Parkinson's Foundation, Inc.

Statements of Cash Flows

Years ended June 30,	2023	2022
Cash Flows from Operating Activities:		
Change in Net Assets	\$ 2,211,394	\$ 556,708
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	496,078	435,701
Amortization of right-of-use assets	552,206	-
Paycheck Protection Program loan forgiveness	-	(2,164,400)
Net unrealized and realized (gain) loss	(2,102,695)	5,211,499
Restricted contribution - annuities	(35,568)	(22,522)
Bad debt allowance	315,975	-
Discount on pledges receivable	250,280	182,208
Change in value of split interest agreements	32,472	29,476
(Increase) decrease in operating assets:		
Pledges receivable	(1,683,953)	(3,366,014)
Other receivables	274,111	25,436
Prepaid expenses and other assets	2,071	871,630
Decrease in operating liabilities:		
Accounts payable and accrued expenses	(785,046)	(417,789)
Refundable advances	(701,538)	(529,936)
Grants payable	(6,413,952)	(3,611,604)
Lease liabilities	(544,447)	-
Total Adjustments	(10,344,006)	(3,356,315)
Net Cash Used in Operating Activities	(8,132,612)	(2,799,607)
Cash Flows from Investing Activities:		
Purchases of property and equipment	(503,067)	(700,345)
Sales of investments	21,792,761	25,311,076
Purchases of investments	(12,974,817)	(22,313,194)
Net Cash Provided by Investing Activities	8,314,877	2,297,537
Cash Flows from Financing Activities:		
Borrowings under line-of-credit	27,455,001	11,723,000
Repayments of line-of-credit	(27,455,001)	(11,723,000)
Annuity payments to beneficiaries	(51,328)	(51,683)
Proceeds from annuities issued	50,000	45,300
Net Cash Used in Financing Activities	(1,328)	(6,383)
Net Increase (Decrease) in Cash	180,937	(508,453)
Cash, beginning of year	209,523	717,976
Cash, end of year	\$ 390,460	\$ 209,523

See accompanying notes to the financial statements.

Parkinson's Foundation, Inc.
Statements of Cash Flows (Continued)

<i>Years ended June 30,</i>	2023	2022
Supplemental Disclosure of Cash Flow Information:		
Cash paid for interest	\$ 51,918	\$ 11,334
Supplemental Disclosure of Non-Cash Activities:		
Initial recognition of operating right-of-use assets upon adoption of ASC 842	\$ 1,567,396	\$ -
Deferred rent liability adjustment due to adoption of ASC 842	\$ 143,774	\$ -
Initial recognition of operating lease liability upon adoption of ASC 842	\$ (1,711,170)	\$ -
Supplemental Disclosure of Non-Cash Financing:		
Paycheck Protection Program loan forgiveness	\$ -	\$ 2,164,400

See accompanying notes to the financial statements.

Parkinson's Foundation, Inc.

Notes to Financial Statements

1. General

Organization

Parkinson's Foundation Inc. (the "Foundation") is a not-for-profit organization exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code (the "Code"). The Foundation's mission is to make life better for people with Parkinson's disease ("PD" or "Parkinson's") by improving care and advancing research toward a cure. As a national organization with a local presence and impact, the Foundation brings help and hope to an estimated one million individuals in the United States and ten million individuals worldwide, who are living with Parkinson's.

The three pillars of the Foundation's mission are research, care and education:

Research

New discoveries prevent, control and will ultimately cure the disease for all people with Parkinson's.

- Priority 1: Identify and fund the most promising pathways to new and better therapies and ultimately a cure.
- Priority 2: Generate and distribute more data and put these findings right to work to improve Parkinson's health outcomes and quality of life.
- Priority 3: Build increased capacity for research development by leveraging existing partnerships and nurturing a pipeline of neuroscience investigators.

Improved Care

All people with Parkinson's have access to equitable and quality care.

- Priority 1: Identify best practices of quality, patient-centered PD care.
- Priority 2: Drive adoption of best-practice care across disciplines.
- Priority 3: Reduce barriers that limit access to quality care.

Education and Empowerment

All people affected by PD have the information and resources they need.

- Priority 1: Develop new tools and resources in response to the needs of people affected by Parkinson's.
- Priority 2: Understand the needs of diverse and underserved communities.
- Priority 3: Ensure every person affected by Parkinson's is aware of the resources available to them.

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Foundation are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Parkinson's Foundation, Inc.

Notes to Financial Statements

Financial Statement Presentation

Net assets and revenues, gains and losses are classified into two classes of net assets based on the existence or absence of donor-imposed restrictions. The two classes of net asset categories are as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation's management and the Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors or grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates, including those regarding fair value, and assumptions that affect reported asset amounts and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of changes in net assets during the reporting period. Accordingly, actual results could differ from those estimates.

Liquidity

Assets are presented in the accompanying statements of financial position according to their nearness of conversion to cash and liabilities according to their nearness of their maturity and resulting use of cash.

Cash and Cash Equivalents

Cash and cash equivalents include all demand deposit accounts with an original maturity of three months or less which are used in daily operations. Investments in money market funds and U.S. Treasury bills are cash equivalents that have been included as a component of investments in the accompanying statements of financial position. The Foundation considers these investments to be part of their ongoing liquidity strategy.

Investments

The Foundation reports its investments under an accounting standard issued by the Financial Accounting Standards Board ("FASB") on accounting for certain investments held by not-for-profit organizations. Under the standard, a not-for-profit organization is required to report investments in marketable securities with readily determinable fair values and all investments in debt securities at fair value in the statements of financial position.

Parkinson's Foundation, Inc.

Notes to Financial Statements

Purchased securities are stated at fair market value based on the most recently traded price of the security at the financial statement date. Donated securities are recorded at fair value and sold immediately. Investment gains and losses including realized and unrealized gains and losses on investments, and interest and dividends are included in the accompanying statements of activities.

Amounts paid to the investment managers are netted against investment earnings on the accompanying statements of activities.

Property and Equipment, Net

Property and equipment, net is stated at historical cost less accumulated depreciation and amortization, except donated property and equipment used in the normal course of business, which is stated at the approximate fair market value at the date of donation. During the years ended June 30, 2023 and 2022, no property and equipment was donated. Intangible assets are stated at cost less accumulated amortization and impairment losses.

Depreciation and amortization is computed using the straight-line method over the estimated useful lives, varying from three to 15 years, or shorter of useful life or lease term for leasehold improvements, of the respective assets. Repairs and maintenance costs are expensed as incurred. Intangible assets with indefinite lives are not amortized but are subject to annual reviews for impairment. Intangible assets with finite lives are amortized over their estimated useful economic lives and only tested for impairment when there is an indicator of impairment. When items are retired or otherwise disposed of, the related costs and accumulated depreciation and amortization are removed from the accounts and any resulting gains or losses are credited or charged to operations. The Foundation's policy is to capitalize all property and equipment expenditures greater than \$5,000.

Impairment of Long-Lived Assets

The carrying value of long-lived assets is reviewed if the facts and circumstances, such as significant declines in revenues, earnings or cash flows or material adverse changes in the business climate, indicate that they may be impaired. The Foundation performs its review by comparing the carrying amounts of long-lived assets to the estimated undiscounted cash flows relating to such assets. If any impairment in the value of the long-lived assets is indicated, the carrying value of the long-lived assets is adjusted to reflect such impairment based on the fair value of the impaired assets or an estimate of fair value based on discounted cash flows.

Refundable Advances

Refundable advances consist of funds received from grantors to fund programs for which expenses will be incurred in future periods. Revenue will be recognized when funds under the program have been expended. Refundable advances totaled \$0 and \$701,538 as of June 30, 2023 and 2022, respectively.

Grants Payable

The Foundation has made conditional promises to give to several institutions for various purposes. Conditional promises to give are not recorded as an expense until the conditions are substantially met. At each annual anniversary date of the agreement with these institutions, the Foundation determines whether the institution has substantially met the conditions and then grants the next

Parkinson's Foundation, Inc.

Notes to Financial Statements

annual funding commitment to the institution. Future funding commitments not yet paid are the result of pending research reports, financial reports or acknowledgement of the Foundation in conjunction with the publication of research results. Grants payable totaled \$10,357,143 and \$16,771,095 as of June 30, 2023 and 2022, respectively, and are due and payable before the end of the next fiscal year.

As of June 30, 2023, the Foundation had \$6,621,963 of promises to give that are conditional, and therefore, has not been recorded as grant expense.

Split Interest Agreements

The Foundation receives contributions in which the donor or donor-designated beneficiary may retain a life interest. The assets are invested and administered by the Foundation and distributions are made to the beneficiaries under the terms of the agreement. Charitable gift annuities are recorded at fair value on the date received. The Foundation records a liability for the present value of the annuities payable using Internal Revenue Service actuarial assumptions, discounted using the applicable federal rate at the date of the gift, ranging from 1.78% to 4.50%.

A contribution is recorded for the difference between the fair value of the gift and the liability recorded. Investment income and gains or losses are credited or charged to the appropriate investment account, and annuity payments are charged to the liability account. Periodically, an adjustment is made to the liability to record the gain or loss due to re-computation of the liability based upon the revised life expectancy. These adjustments are recorded in the accompanying financial statements as "Change in value of split interest agreements." Upon the death of the donor annuitant, the Foundation recognizes the existing liability as a change in the value of the annuity and the related asset is available for use by the Foundation.

Charitable lead trusts and charitable remainder trusts, in which the Foundation is not the trustee, are recorded in the net assets with donor restrictions class as a receivable at the present value of the expected future cash inflows and contribution revenue is recognized for the same amount. In the event that the trust has an income beneficiary other than the Foundation, the contribution revenue is reduced by the amount of the present value of the estimated liability due to the income beneficiary.

The fair value of assets held under split interest agreements was approximately \$263,000 and \$259,000 at June 30, 2023 and 2022, respectively and are included as "Investments" in the statements of financial position.

Revenue Recognition - Contributions of Cash and other Nonfinancial Assets

Transfers of cash or other assets or settlement of liabilities that are both voluntary and nonreciprocal are recognized as contributions. Contributions may either be conditional or unconditional. A contribution is considered conditional when the donor imposes both a barrier and a right of return. Conditional contributions are recognized as revenue on the date all donor-imposed barriers are overcome or explicitly waived by the donor. Barriers may include specific and measurable outcomes, limitations on the performance of an activity and other stipulations related to the contribution. A donor has a right of return of any assets transferred or a right of release of its obligation to transfer any assets in the event the Foundation fails to overcome one or more barriers. Assets received before the barrier is overcome are accounted for as refundable advances.

Parkinson's Foundation, Inc.

Notes to Financial Statements

Unconditional contributions may or may not be subject to donor-imposed restrictions. Donor-imposed restrictions limit the use of the donated assets but are less specific than donor-imposed conditions. Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations about the use of the donated assets, or if they are designated as support for future periods.

When a donor restriction expires, that is, 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 statements of activities as "Net assets released from restrictions." Donor-restricted contributions whose restrictions are met in the same reporting period in which received are reported as net assets without donor restrictions. The Foundation received donations from several sources, including private individuals, corporations and private foundations.

Revenue Recognition - Contributed Services

Contributed services are recognized if the services received create or enhance a nonfinancial asset or require specialized skills, are provided by individuals possessing these skills, and would typically need to be purchased if not provided by donation (Note 8). During the years ended June 30, 2023 and 2022, one donor provided for 99.6% and 97.7% of contributed services, respectively,

Revenue Recognition - Special Events

Special event revenue is recognized in the period the event occurs.

Functional Expenses

The costs of the Foundation's programs and supporting services have been reported on a functional basis. This requires the allocation of costs among the various programs and supporting services based on estimates made by management. Those costs that are allocated include salaries and wages, the costs of the information technology department as well as indirect expenses such as building rental, telephone, insurance, postage, depreciation and amortization. Salaries and wages are allocated based on estimates of time and efforts while those of the information technology department are allocated based on the ratio of direct expenses to total expenses. Other expenses such as rent and depreciation are allocated based on the percentage of direct expenses by function divided by total direct expenses.

Joint Cost Allocation

The Foundation conducted activities that included requests for contributions, as well as program components. Those activities included direct mail campaigns. Joint costs for the direct mail campaigns included printing, agency fees and postage of approximately \$3,586,000 and \$2,392,000 for the years ended June 30, 2023 and 2022, respectively.

Parkinson's Foundation, Inc.

Notes to Financial Statements

These joint costs were allocated based on estimates of the portion of educational messaging, including the corresponding call to action, versus fundraising as follows:

<i>June 30,</i>	2023	2022
Fundraising	\$ 2,424,433	\$ 1,474,695
Public education	1,161,838	916,925
Total Joint Costs for Direct Mail Campaigns	\$ 3,586,271	\$ 2,391,620

The joint costs mentioned above are from the Foundation's direct response efforts and generated revenue of approximately \$6,650,000 and \$6,155,000 during the years ended June 30, 2023 and 2022, respectively. The revenues generated significantly outweigh the fundraising costs incurred. The public education costs associated with direct response is a programmatic expense of the Foundation.

Tax Status

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Code and from state income taxes under similar provisions of the New York Statutes as a charitable organization whereby only unrelated business income, as defined by Section 509(a)(1) of the Code, is subject to federal income tax. The Foundation currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded as of June 30, 2023 and 2022.

The Organization has not taken an uncertain tax position that would require provision of a liability under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 740, *Income Taxes*. Under ASC 740, an organization must recognize the financial statement effects of a tax position taken for tax return purposes when it is more likely than not that the position will not be sustained upon examination by a taxing authority. The Foundation does not believe there are any material uncertain tax positions and, accordingly, it will not recognize the financial statement effects for unrecognized tax positions for the years ended June 30, 2023 and 2022. The Foundation has filed for, and received, income tax exemptions in the jurisdictions where it is required to do so. Additionally, the Foundation has filed IRS Form 990, as required, and all other applicable returns in jurisdictions where it is required.

The U.S. federal jurisdiction is the major tax jurisdictions where the Foundation files income tax returns. The Foundation is generally no longer subject to U.S. Federal or State examinations by tax authorities for fiscal years before 2020.

Recently Adopted Accounting Pronouncements

Leases

In February 2016, the FASB issues ASU 2016-02, *Leases (ASC 842)* which supersedes ASC 840, *Leases*. Under the new guidance, lessees will be required to recognize at the commencement date for all leases (with the exception of lease terms of 12 months or less for which there is not an option to purchase the underlying asset): (a) a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and (b) a right-of-use asset for the lease term. This standard will be effective for fiscal years beginning after December 31, 2021, with early application permitted. In June 2020, the FASB issued ASU 2020-05, *Revenue from Contracts*

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with Customers (ASC 606) and Leases (ASC 842): Effective Dates for Certain Entities, which allowed for the deferral of the effective date of ASC 842 to annual reporting periods beginning after December 15, 2021. The Foundation adopted the guidance on July 1, 2022 and elected the transition method that allows for the application of the standard at the adoption date rather than at the beginning of the earliest comparative period presented in the financial statements. The Foundation also elected the package of practical expedients. As a result, it did not reassess: (i) whether the expiring or existing contract is or contains a lease, (ii) whether any expired or existing lease requires capitalization under the new guidance, and (iii) the initial direct cost for any existing lease requires capitalization under the new guidance. The Foundation has elected not to apply the hindsight practical expedient in assessing the lease term for existing leases. Rather, the Foundation will reassess leases at the time a significant event or change occurs following the effective date in assessing lease term or calculating the right-of-use (ROU) asset or liability. Upon adoption, the Foundation recognized approximately \$1,711,000 of lease liabilities and corresponding \$1,567,000 assets on its balance sheets. The adoption for the guidance did not have any significant effect on the Foundation's statements of operations or cash flows.

Leases arise from contractual obligations that convey the right to control the use of identified property, plant or equipment for a period of time in exchange for consideration. At the inception of the contract, the Foundation determines if an agreement contains a lease based on whether there is an identified asset and whether the Foundation controls the use of the identified asset. The Foundation also determines whether the lease classification is an operating or financing lease at the commencement date.

The Foundation is party to various operating leases of nonfinancial assets as a lessee (Note 15). The leases are for the Foundation's offices.

At the commencement of a lease, the Foundation initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs, less any outstanding deferred rent. Subsequently, the right-of-use asset is amortized on a straight-line basis over its useful life.

Key estimates and judgements related to leases include how the Foundation determines (1) the discount rate used to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The Foundation elected to use the risk-free rate. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments. There are no variable lease payments. There is no purchase option in the leases.

The Foundation monitors changes in circumstances that would require a remeasurement of its lease and will remeasure lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of any lease liability. Lease assets and lease liabilities are reported on the statements of financial position.

Reclassification

Certain amounts in the 2022 financial statements have been reclassified to conform to the 2023 presentation.

Parkinson's Foundation, Inc.

Notes to Financial Statements

Subsequent Events

The Foundation has evaluated subsequent events through October 19, 2023, which is the date the financial statements were available to be issued. The Foundation is not aware of any subsequent events that require adjustments or disclosure in the financial statements.

3. Liquidity Management and Availability of Resources

The Foundation updates a rolling three-month cash flow forecast on a weekly basis to anticipate cash requirements and, to the extent current inflows are insufficient, liquidates short-term investments maintained with their financial institution. The Foundation maintains cash and cash equivalents as short-term investments. As of June 30, 2023, the Foundation had approximately \$390,000 in cash. Should current requirements exceed the amount maintained in short-term investments, longer term investments, totaling approximately \$7,000,000 as of June 30, 2023, would be gradually liquidated to ensure sufficient funds are available, absent any donor restrictions. The Foundation also has a credit line available with borrowing capacity of up to \$5,000,000, which can be used to meet general expenditures within a year (Note 9).

The Foundation's financial assets available within one year of the statements of financial position date for general expenditures are as follows as of:

<i>June 30,</i>	2023	2022
Cash	\$ 390,460	\$ 209,523
Pledges receivable, net	6,548,297	5,430,599
Other receivables	434,217	708,328
Investments	36,967,766	43,678,031
Financial Assets	44,340,740	50,026,481
Less: Investments held in perpetuity	(3,851,834)	(3,601,834)
Annuity investments	(262,984)	(259,329)
Illiquid investments	(215,446)	(112,987)
Long-term pledges	(4,433,929)	(2,087,695)
Financial assets available to meet general expenditures over the next twelve months	\$ 35,576,547	\$ 43,964,636

4. Pledges Receivable, Net

Unconditional promises to give 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 the estimated future cash flows. The discounts on those amounts are computed using rates ranging from 0.20% to 4.5% for the years ended June 30, 2023 and 2022. Amortization of the discount is included in contribution revenue.

Four donors accounted for 50% of the pledges receivable balance at June 30, 2023 and two donors accounted for 42% of the pledges receivable balance at June 30, 2022.

Parkinson's Foundation, Inc.

Notes to Financial Statements

Pledges receivable, net, consists of the following at June 30:

<i>June 30,</i>	2023	2022
Amounts due in:		
Less than one year	\$ 2,433,543	\$ 3,346,104
One to five years	4,442,301	1,850,541
More than five years	477,857	473,103
Total	7,353,701	5,669,748
Less: Allowance for uncollectible pledges	(319,175)	(3,200)
Present value discount	(486,229)	(235,949)
Pledges Receivable, Net	\$ 6,548,297	\$ 5,430,599

5. Investments

Investments are presented at their fair market values and consist of the following at June 30:

<i>June 30,</i>	2023	2022
Asset Description		
Cash and cash equivalents	7,023,936	\$ 9,119,100
Fixed income		
U.S. government agencies (GNMA/FNMA)	3,601,167	2,289,119
U.S. bond mutual funds	24,351	25,212
Corporate and other government securities	6,231,750	8,884,011
Equity securities and mutual funds	18,009,613	21,337,535
Real estate securities	1,861,503	1,910,067
Private equity	215,446	112,987
	\$ 36,967,766	\$ 43,678,031

The Foundation's investment return, including income earned on cash deposits, consisted of the following for the years ended June 30:

<i>Years ended June 30,</i>	2023	2022
Net realized and unrealized gain (loss), net of investment fees of approximately \$177,000 and \$209,000, for the years ending June 30, 2023 and 2022, respectively	\$ 1,925,815	\$ (5,479,032)
Interest and dividends	889,150	732,761
	\$ 2,814,965	\$ (4,746,271)

Parkinson's Foundation, Inc.

Notes to Financial Statements

Investments are monitored for the Foundation by the governing investment committee. Although the market value of investments is subject to fluctuations, management believes the investment policy is prudent for the long-term welfare of the Foundation.

The Foundation's investment objectives are to safeguard and preserve the real purchasing power of the portfolio while earning investment returns that are commensurate with the Foundation's risk tolerance and sufficient to meet the Foundation's operational requirements.

The Foundation's investments are classified into three categories: operating fund and with donor restrictions fund. Investment categories as of June 30, 2023 and 2022 were as follows:

- The operating fund is invested with the objective of preserving assets to cover the Foundation's operating expenses and to realize earnings in a way that allows for immediate liquidity to meet the Foundation's ongoing programmatic and operational needs. By policy, the operating fund assets should be maintained in highly liquid and secure investments with a fixed principal value that can be drawn on immediate notice.
- The donor restricted fund, similar to the general fund, is invested with the objective of preserving long-term real purchasing power. Investments with donor restrictions are comprised of donor contributions that are restricted for a specific purpose or in perpetuity.

Changes in the Foundation's investment categories were as follows for the year ended June 30, 2023:

	Operating Fund	With Donor Restrictions	Total
Beginning balance	\$ 39,816,869	\$ 3,861,162	\$ 43,678,031
Additions	12,085,236	300,000	12,385,236
Interest and dividends	887,983	1,167	889,150
Investment gains, net of fees	1,921,998	3,817	1,925,815
Withdrawals	(21,859,138)	(51,328)	(21,910,466)
	\$ 32,852,948	\$ 4,114,818	\$ 36,967,766

Changes in the Foundation's investment categories were as follows for the year ended June 30, 2022:

	Operating Fund	With Donor Restrictions	Total
Beginning balance	\$ 48,007,878	\$ 3,879,534	\$ 51,887,412
Additions	21,594,027	45,300	21,639,327
Interest and dividends	731,704	1,057	732,761
Investment losses, net of fees	(5,469,322)	(9,710)	(5,479,032)
Withdrawals	(25,047,418)	(55,019)	(25,102,437)
	\$ 39,816,869	\$ 3,861,162	\$ 43,678,031

Parkinson's Foundation, Inc.

Notes to Financial Statements

6. Fair Value Measurements

The FASB Accounting Standards Codification (“ASC”) Topic 820, Fair Value Measurement and Disclosures, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.
- Level 2 Inputs to the valuation methodology include:
 - quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability;
 - inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2023 and 2022.

Cash and cash equivalents are valued at cost which approximates fair value.

The Fixed Income Portfolio consists of bond mutual funds and investments in securities issued by the U.S. Treasury, U.S. agencies, and corporate bonds through an independent investment advisor. Some investments are valued at the closing price reported in the active market in which the individual securities are traded. For others, the investment managers price these investments using nationally recognized pricing services. Some of these securities are not traded on a daily basis, therefore, the pricing services prepare estimates of fair value measurements for these securities using proprietary applications, which include available relevant market information such as benchmarking similar securities. These investments are classified as Level 2.

The Equity Portfolio consists of exchange traded funds and mutual funds managed primarily through investments held by independent investment advisors with discretionary investment authority. Equity Portfolio investments are valued at the closing price reported in the active market in which the individual securities are traded.

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Real estate securities are valued at the closing price reported in the active market in which the individual securities are traded.

The Foundation uses the net asset value ("NAV") to determine the fair value of its private equity investments which (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company. The private equity investments are valued at the estimated fair value utilizing net asset values, at estimated fair values provided by the fund managers or general partners, or other valuation methods. Because of the inherent uncertainty of valuation, it is possible that estimated values may differ significantly from the values that would have been used had a ready market for the securities existed. Funds may or may not be redeemable at their net asset value per share in accordance with the partnership agreement. The Foundation considers the length of time until the investment is redeemable, including notice and lock-up periods or any other restriction on the disposition of the investment.

The Foundation also considers the nature of the portfolios of the underlying investments and their ability to liquidate their underlying investments. The limited partnership's ability to liquidate certain investments may be inhibited since the issuers may be privately held or the limited partnership may own a relatively large portion of the issuer's securities.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values.

Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The values assigned to certain investments are based upon currently available information and do not necessarily represent amounts that may ultimately be realized. Because of the inherent uncertainty of valuation, those estimated fair values may differ significantly from the values that would have been used had a ready market for the investments existed and the differences could be material.

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Parkinson's Foundation, Inc.

Notes to Financial Statements

The following table represents the Foundation's financial instruments measured at fair value on a recurring basis at June 30, 2023 for each of the fair value hierarchy levels:

Description	Fair Value			
	June 30, 2023	Level 1	Level 2	Level 3
Assets:				
Cash and cash equivalents	\$ 7,023,936	\$ 7,023,936	\$ -	\$ -
Fixed income:				
U.S. government agencies (GNMA/FNMA)	3,601,167	-	3,601,167	-
U.S. bond mutual funds	24,351	24,351	-	-
Corporate and other government securities	6,231,750	3,379,846	2,851,904	-
Equity securities and mutual funds	18,009,613	18,009,613	-	-
Real estate securities	1,861,503	1,861,503	-	-
	36,752,320	30,299,249	6,453,071	-
Private equity investments at net asset value	215,446	-	-	-
	\$ 36,967,766	\$ 30,299,249	\$ 6,453,071	\$ -

The following table represents the Foundation's financial instruments measured at fair value on a recurring basis at June 30, 2022 for each of the fair value hierarchy levels:

Description	Fair Value			
	June 30, 2022	Level 1	Level 2	Level 3
Assets:				
Cash and cash equivalents	\$ 9,119,100	\$ 9,119,100	\$ -	\$ -
Fixed income:				
U.S. government agencies (GNMA/FNMA)	2,289,119	-	2,289,119	-
U.S. bond mutual funds	25,212	25,212	-	-
Corporate and other government securities	8,884,011	7,030,617	1,853,394	-
Equity securities and mutual funds	21,337,535	21,337,535	-	-
Real Estate Securities	1,910,067	1,910,067	-	-
	\$ 43,565,044	\$ 39,422,531	\$ 4,142,513	\$ -
Private equity investments at net asset value	112,987	-	-	-
	\$ 43,678,031	\$ 39,422,531	\$ 4,142,513	\$ -

The carrying amounts for cash, receivables, accounts payable and certain other assets and liabilities approximate fair value due to the short-term nature of these financial instruments.

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Notes to Financial Statements

The Foundation's private equity investments are in a limited partnership.

	June 30, 2023	June 30, 2022	Unfunded Commitments as of June 30, 2023	Redemption Frequency	Redemption Notice Period
Private Equity:					
Addition Three, L.P.	\$ 215,446	\$ 112,987	\$ -	Illiquid	Illiquid

The objective of the limited partnership is to make venture capital and growth stage investments, principally by investing in and holding equity and equity-oriented securities of privately held early and growth-stage technology and related companies.

7. Property and Equipment, Net

Property and equipment, net, consists of the following as of June 30:

June 30,	2023	2022
Leasehold improvements	\$ 658,743	\$ 658,743
Equipment, furniture and intangible assets	3,032,086	2,529,019
	3,690,829	3,187,762
Less: accumulated depreciation and amortization	(2,202,957)	(1,706,879)
	\$ 1,487,872	\$ 1,480,883

Depreciation and amortization expense was \$496,078 and \$435,701 for the years ended June 30, 2023 and 2022, respectively.

8. Contributions of nonfinancial assets

Contributed nonfinancial assets during the years ended June 30, 2023 and 2022 were as follows:

Nonfinancial Asset	Revenue Recognized		Utilization in Programs/Activities	Donor Restrictions	Valuation Techniques/Inputs
	June 30, 2023	June 30, 2022			
Advertising services	\$ 147,902,521	\$ 34,487,362	Education and Empowerment	Without Donor Restrictions	The Foundation estimated the fair value of donated advertising services based on current rates for specific time slots and length of airings.

During the year ended June 30, 2022, the Foundation engaged a new marketing consultant and expanded the delivery of its original public service announcement ("PSA"). Additionally, the Foundation created a second PSA to provide additional education and awareness of PD. A significant amount of free advertising time was generated through the broadcasting of the two PSAs, which were aired all throughout the United States. During the prior fiscal year, the Foundation only had the original PSA which was being aired in specific regions.

Parkinson's Foundation, Inc.

Notes to Financial Statements

9. Line-of-Credit

In May 2020, the Foundation obtained a \$2,500,000 revolving line-of-credit with a third-party financial institution, which was increased to \$5,000,000 during the year ended June 30, 2023. The line-of-credit is secured by the Foundation's assets and the entire obligation is due and payable on demand. The line-of-credit matures on December 31, 2023 and has a variable interest rate based on the bank's rate. At June 30, 2023 and 2022, the interest rate on the line-of-credit was 8.25% and 4.75%, respectively. At June 30, 2023 and 2022, the amount available on the line-of-credit was \$5,000,000 and \$2,500,000, respectively.

10. Related Parties

Certain members of the Board of Directors (the "Board") have supported the Foundation financially. Below is a summary of transactions with members of the Board as of and for the years ended June 30:

<i>June 30,</i>	2023	2022
Pledges receivable	\$ 410,000	\$ 265,000
Contributions	\$ 1,296,348	\$ 1,278,792

11. Retirement Plan

The Foundation has a tax deferred retirement plan available to all employees. The Foundation allows the participants to make pre-tax contributions up to defined statutory limits. The plan is a safe harbor plan with non-elective matching contributions of five percent. The Foundation's matching contribution to the plan for the years ended June 30, 2023 and 2022 amounted to approximately \$699,000 and \$638,000, respectively.

12. Endowment

The Foundation's endowment consists of individual funds established for a variety of purposes and is comprised of donor-funds restricted in perpetuity. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation has interpreted the New York Prudent Management of Institutional Funds Act ("NYPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of initial and subsequent gifts donated to the endowment and (b) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not held in perpetuity are subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by NYPMIFA.

Parkinson's Foundation, Inc.

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In accordance with NYPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment fund:

- (1) The duration and preservation of the endowment fund;
- (2) The purposes of the donor-restricted endowment fund;
- (3) General economic conditions;
- (4) The possible effect of inflation or deflation;
- (5) The expected total return from income and the appreciation of investments;
- (6) Other resources of the Foundation
- (7) The investment policy of the Foundation.

Summary of Endowment Net Assets at June 30, 2023:

	Without Donor Restrictions	With Donor Restrictions	Total
Original donor restricted gift in perpetuity	\$ -	\$ 3,851,834	\$ 3,851,834
Total endowment net assets	\$ -	\$ 3,851,834	\$ 3,851,834

Summary of Endowment Net Assets at June 30, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
Original donor restricted gift in perpetuity	\$ -	\$ 3,601,834	\$ 3,601,834
Total endowment net assets	\$ -	\$ 3,601,834	\$ 3,601,834

Changes in Endowment Net Assets During the Year Ended June 30, 2023:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning	\$ -	\$ 3,601,834	\$ 3,601,834
Contributions	-	250,000	250,000
Investment return, net	268,899	-	268,899
Amounts appropriated for expenditure	(268,899)	-	(268,899)
Endowment net assets, ending	\$ -	\$ 3,851,834	\$ 3,851,834

Changes in Endowment Net Assets During the Year Ended June 30, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning	\$ -	\$ 3,601,834	\$ 3,601,834
Investment return, net	(357,771)	-	\$ (357,771)
Amounts appropriated for expenditure	357,771	-	\$ 357,771
Endowment net assets, ending	\$ -	\$ 3,601,834	\$ 3,601,834

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Endowment Net Assets are Invested as follows as of June 30:

Endowment assets are as follows as of June 30:

	2023	2022
Investments	\$ 3,851,834	\$ 3,601,834

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor requires the Foundation to retain as a fund of perpetual duration, which was \$3,851,834 and \$3,601,834 for the years ended June 30, 2023 and 2022. In accordance with U.S. GAAP, no deficiencies of this nature existed at June 30, 2023 and 2022.

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that Foundation must hold in perpetuity or for a donor-specified period(s). The Foundation expects its endowment funds, over time, to provide a rate of return in excess of the original donor-restricted principal. Actual returns in any given year may vary.

Strategies Employed for Achieving Objectives

The Foundation's endowment assets are invested in fixed income, equity securities and mutual funds. The Foundation has adopted an investment policy designed to optimize returns without exposure to undue risk. The policy takes into consideration that fluctuating rates of return are characteristic of the securities market, therefore the greatest concern is long-term appreciation of the assets and consistency of total portfolio returns.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The principal amount cannot be expended; however, the earnings generated by the original donated principal are available to be expended in the Foundation's operating needs.

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Parkinson's Foundation, Inc.

Notes to Financial Statements

13. Net Assets

Net assets without donor restrictions are used to support the operating activities of the Foundation. The major program activities are described in Note 1.

Net assets with donor restrictions consist of the following as of June 30:

<i>June 30,</i>	2023	2022
Restricted by donors due to:		
Purpose restrictions:		
Gifts held in perpetuity	\$ 3,851,834	\$ 3,601,834
Research	1,244,482	611,021
Time restrictions:		
Pledges, cash and split interest agreements	4,331,296	1,980,221
	\$ 9,427,612	\$ 6,193,076

Net assets in the amount \$3,851,834 and \$3,601,834 as of June 30, 2023 and 2022 are restricted in perpetuity to provide a source of funds predominantly for educational, research and other charitable purposes.

Increases in net assets with donor restrictions and releases from restrictions are summarized below for the years ended June 30:

<i>June 30,</i>	2023	2022
Split interest agreements	\$ 8,080	\$ (5,897)
Restricted contributions	1,366,153	611,021
Pledges and cash	2,492,276	1,282,547
Total Additions	3,866,509	1,887,671
Restricted contributions	(361,021)	(253,868)
Pledges and cash	(270,952)	(172,623)
Total Releases from Restrictions	\$ (631,973)	\$ (426,491)

Parkinson's Foundation, Inc.

Notes to Financial Statements

14. Risks and Uncertainties

Concentrations of Credit Risk

Financial instruments that potentially subject the Foundation to concentration of credit risk consist primarily of cash deposits and investment securities. The Foundation's investment securities consist mainly of investment grade securities and cash deposits with major financial institutions and brokerage firms. By policy, the Foundation limits the amount of exposure to any one financial institution by verifying that the security holdings managed by the financial institution are maintained within approved levels. Although cash balances may exceed federally insured limits at times during the year, the Foundation has not experienced and does not expect to incur any losses in such accounts. Credit risk with respect to pledges receivable is limited due to the number and credit worthiness of the corporations and individuals who comprise the contributor base.

15. Commitments and Contingencies

Leases

Subsequent to Adoption of ASC 842

In April 2013, the Foundation entered into an office lease agreement for its office in Miami, Florida. The lease provides for escalating rent payments and a period of free rent. The lease term began in October 2013 for a period of 130 months. Additionally, the Foundation leases office space for its offices located in New York and Kansas with various expiration dates up to 2026. The Foundation records rent expense on a straight-line basis over the lease term. As part of the New York lease agreement, the Foundation received an allowance of approximately \$77,000 in consideration of the improvements made to the new office space. Tenant allowances received are deferred when received and amortized on a straight-line basis over the life of the lease term.

The Foundation has elected the following practical expedient as an accounting policy election, to apply the short-term lease exception, which does not require capitalization of leases with terms of 12 months or less. In addition, the Foundation has made an accounting policy to apply a risk-free rate as the discount rate used to measure lease liabilities and right-of-use assets at commencement of a lease. A risk-free rate has been applied to all classes of underlying leased assets.

Fixed lease payments are recognized on a straight-line basis over the lease term, any variable payments (such as taxes, administrative fees, and variable common area maintenance charges) are recognized in the period incurred.

All lease agreement for the year ended June 30, 2023, are accounted for under ASC Topic 842. For the year ended June 30, 2022, all leases were accounted for under the previous lease standard, ASC 840.

Parkinson's Foundation, Inc.

Notes to Financial Statements

The components of the ROU assets and lease expense for the year ended June 30, 2023 are as follows:

ROU Assets, July 1, 2022	\$ 1,567,396
Less: amortization	(552,206)
ROU Assets, June 30, 2023	\$ 1,015,190
Lease Expense	
Lease costs	\$ 590,228
	\$ 590,228
<i>Years ended June 30,</i>	
2024	\$ 618,851
2025	439,413
2026	175,113
Total Lease Payments	\$ 1,233,377
Less: imputed interest	(66,654)
Total Lease Obligations	\$ 1,166,723
Less: current obligations	(575,865)
Long-Term Lease Obligations	\$ 590,858
Weighted-average remaining lease term (in years)	2.2
Weighted-average discount rate (%)	2.9

Previous lease standard - Year ended June 30, 2022

During the year ended June 30, 2022, deferred rent liability balance was approximately \$197,000, respectively, and is reflected within the caption "Accounts payable and accrued expenses" in the statements of financial position. The Foundation also leases certain office equipment under operating leases. Rent expense for office space for the years ended June 30, 2022 was approximately \$756,000.

The approximate future minimum lease payments under the non-cancelable leases for office space were as follows for the year ending June 30:

<i>Years ended June 30,</i>	
2023	\$ 708,000
2024	705,000
2025	491,000
2026	175,000
	\$ 2,079,000

Parkinson's Foundation, Inc.

Notes to Financial Statements

Legal

The Foundation is exposed to various asserted and unasserted potential claims encountered in the normal course of business. In the opinion of management, the resolution of these matters will not have a material effect on the Foundation's financial position or the results of its operations. Any matter will be vigorously defended by the Foundation. Management does not expect the resolution of any matters to have a material effect on the Foundation's financial position or the results of its operations.