



AMERICAN PARKINSON DISEASE ASSOCIATION, INC.

**FINANCIAL REPORT
DECEMBER 31, 2025**

AMERICAN PARKINSON DISEASE ASSOCIATION, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
American Parkinson Disease Association, Inc.
Staten Island, New York

Opinion

We have audited the accompanying financial statements of American Parkinson Disease Association, Inc. (a nonprofit organization) ("APDA"), which are comprised of the statement of financial position as of December 31, 2025, the related statement of activities and change in net assets, functional expenses, and cash flows for the period from September 1, 2025 through December 31, 2025, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of APDA as of December 31, 2025 and the change in its net assets and its cash flows for the four-month period then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of APDA and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 APDA's ability to continue as a going concern within one year after the date that the financial statement is available to be issued.

Auditors' 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 auditors' 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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 generally accepted auditing standards, 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 APDA'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 APDA'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.

Wiss & Company
WISS & COMPANY, LLP

Florham Park, New Jersey
May 15, 2026

AMERICAN PARKINSON DISEASE ASSOCIATION, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025

ASSETS

| | |
|--|--------------------------|
| Cash and equivalents | \$ 15,394,721 |
| Contributions and grants receivable | 752,500 |
| Bequests receivable | 352,559 |
| Long-term investments | 10,795,798 |
| Investments held for charitable gift annuities | 232,012 |
| Prepaid expenses and other assets | 550,140 |
| Operating lease right-of-use assets, net | 358,947 |
| Property and equipment, net | 2,301,266 |
| Beneficial interest in remainder trusts | 2,900,489 |
| Beneficial interest in perpetual trusts | <u>1,612,753</u> |
| Total Assets | <u>\$ 35,251,185</u> |

LIABILITIES AND NET ASSETS

LIABILITIES:

| | |
|---------------------------------------|------------------|
| Accounts payable and accrued expenses | \$ 1,220,453 |
| Grants payable | 1,941,083 |
| Charitable gift annuities payable | 160,139 |
| Operating lease liabilities | <u>382,292</u> |
| Total Liabilities | <u>3,703,967</u> |

COMMITMENTS

NET ASSETS:

| | |
|--------------------------------------|--------------------------|
| Without donor restrictions | 24,897,914 |
| With donor restrictions | <u>6,649,304</u> |
| Total Net Assets | <u>31,547,218</u> |
| Total Liabilities and Net Assets | <u>\$ 35,251,185</u> |

See accompanying notes to financial statements.

AMERICAN PARKINSON DISEASE ASSOCIATION, INC.
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
PERIOD FROM SEPTEMBER 1, 2025 THROUGH DECEMBER 31, 2025

| | Without Donor Restrictions | With Donor Restrictions | Total |
|--|-------------------------------|----------------------------|-------------------|
| OPERATING SUPPORT AND REVENUES: | | | |
| Contributions and grants | \$ 6,976,987 | \$ 472,995 | \$ 7,449,982 |
| Bequests | 4,718,483 | - | 4,718,483 |
| Contributed services | 2,856,444 | - | 2,856,444 |
| Other revenue | 11,058 | - | 11,058 |
| | 14,562,972 | 472,995 | 15,035,967 |
| NET ASSETS RELEASED FROM RESTRICTIONS | | | |
| | 975,852 | (975,852) | - |
| Total Operating Support and Revenues | 15,538,824 | (502,857) | 15,035,967 |
| EXPENSES: | | | |
| Program services: | | | |
| Patient and program services | 2,062,642 | - | 2,062,642 |
| Research | 1,120,451 | - | 1,120,451 |
| Public and professional education | 6,031,702 | - | 6,031,702 |
| Total Program Services | 9,214,795 | - | 9,214,795 |
| Supporting Services: | | | |
| Management and general | 675,333 | - | 675,333 |
| Fundraising | 1,375,512 | - | 1,375,512 |
| Total Supporting Services | 2,050,845 | - | 2,050,845 |
| Total Expenses | 11,265,640 | - | 11,265,640 |
| Change in net assets from operations | 4,273,184 | (502,857) | 3,770,327 |
| NON-OPERATING REVENUES: | | | |
| Investment return, net | 467,315 | - | 467,315 |
| Change in value of split interest and annuity agreements | - | 184,589 | 184,589 |
| Total Non-Operating Revenues | 467,315 | 184,589 | 651,904 |
| CHANGE IN NET ASSETS | 4,740,499 | (318,268) | 4,422,231 |
| NET ASSETS, BEGINNING OF PERIOD | 20,157,415 | 6,967,572 | 27,124,987 |
| NET ASSETS, END OF PERIOD | \$ 24,897,914 | \$ 6,649,304 | \$ 31,547,218 |

See accompanying notes to financial statements.

AMERICAN PARKINSON DISEASE ASSOCIATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
PERIOD FROM SEPTEMBER 1, 2025 THROUGH DECEMBER 31, 2025

| | Program Services | | | | Support Services | | | TOTAL |
|--|---------------------------------|---------------------|---|---------------------|---------------------------|---------------------|---------------------|----------------------|
| | Patient and Program Services | Research | Public and Professional Education | Total | Management and General | Fundraising | Total | 2025 |
| Salaries | \$ 563,129 | \$ 241,028 | \$ 948,774 | \$ 1,752,931 | \$ 166,528 | \$ 271,704 | \$ 438,232 | \$ 2,191,163 |
| Payroll tax and fringe benefits | 206,741 | 88,489 | 348,323 | 643,553 | 61,138 | 99,751 | 160,889 | 804,442 |
| Grants and awards | 1,009,991 | 662,500 | - | 1,672,491 | - | - | - | 1,672,491 |
| Donated media | - | - | 2,856,444 | 2,856,444 | - | - | - | 2,856,444 |
| Printing, postage and supplies | 41,560 | 17,788 | 635,707 | 695,055 | 33,294 | 606,741 | 640,035 | 1,335,090 |
| Professional fees | - | 7,075 | 678,497 | 685,572 | 167,431 | 126,702 | 294,133 | 979,705 |
| Legal | - | - | 7,111 | 7,111 | 55,357 | - | 55,357 | 62,468 |
| Accounting | - | - | - | - | 111,963 | - | 111,963 | 111,963 |
| Meetings and travel | 27,358 | 11,710 | 46,094 | 85,162 | 8,090 | 13,200 | 21,290 | 106,452 |
| Computer, equipment, and website | 39,769 | 17,022 | 67,004 | 123,795 | 11,760 | 19,188 | 30,948 | 154,743 |
| Mailings | - | - | 90,344 | 90,344 | 3,354 | 93,698 | 97,052 | 187,396 |
| Occupancy | 31,156 | 13,335 | 52,493 | 96,984 | 8,148 | 16,098 | 24,246 | 121,230 |
| Conference, symp/conv and meeting | 81,301 | 34,798 | 136,978 | 253,077 | 25,886 | 35,540 | 61,426 | 314,503 |
| Marketing and advertising | - | - | 60,557 | 60,557 | 4,093 | 62,805 | 66,898 | 127,455 |
| Dues, subscriptions, licenses and fees | 28,098 | 12,026 | 47,339 | 87,463 | 8,309 | 13,557 | 21,866 | 109,329 |
| Insurance | 5,849 | 2,504 | 9,855 | 18,208 | 1,730 | 2,822 | 4,552 | 22,760 |
| Depreciation | 24,924 | 10,668 | 41,992 | 77,584 | 7,370 | 12,025 | 19,395 | 96,979 |
| Other miscellaneous | 2,766 | 1,508 | 4,190 | 8,464 | 882 | 1,681 | 2,563 | 11,027 |
| Total | \$ 2,062,642 | \$ 1,120,451 | \$ 6,031,702 | \$ 9,214,795 | \$ 675,333 | \$ 1,375,512 | \$ 2,050,845 | \$ 11,265,640 |

See accompanying notes to financial statements.

AMERICAN PARKINSON DISEASE ASSOCIATION, INC.
STATEMENT OF CASH FLOWS
PERIOD FROM SEPTEMBER 1, 2025 THROUGH DECEMBER 31, 2025

| | |
|---|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | |
| Change in net assets | \$ 4,422,231 |
| Adjustments to reconcile changes in net assets to net cash flows from operating activities: | |
| Net investment return on long-term investments | (465,522) |
| Proceeds from donated investments | (48,017) |
| Contribution received under charitable gift annuity | (40,000) |
| Change in value of charitable gift annuities | (25,973) |
| Depreciation and amortization | 96,979 |
| Amortization of operating lease right-of-use assets | 44,746 |
| Change in beneficial interest in remainder trusts | (150,334) |
| Change in beneficial interest in perpetual trusts | (34,255) |
| Changes in operating assets and liabilities: | |
| Bequests receivable | 796,609 |
| Prepaid expenses and other current assets | (150,945) |
| Accounts payable and accrued expenses | 164,559 |
| Grants payable | 546,333 |
| Operating lease liabilities | (45,901) |
| Net cash flows from operating activities | <u>5,110,510</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | |
| Payments to beneficiaries of charitable gift annuities | (8,626) |
| Proceeds from establishment of charitable gift annuities | 40,000 |
| Net cash flows from financing activities | <u>31,374</u> |
| NET CHANGE IN CASH AND EQUIVALENTS | 5,141,884 |
| CASH AND EQUIVALENTS, BEGINNING OF PERIOD | <u>10,252,837</u> |
| CASH AND EQUIVALENTS, END OF PERIOD | <u>\$ 15,394,721</u> |
| SUPPLEMENTAL INFORMATION OF NON-CASH INVESTING AND FINANCING ACTIVITY - | |
| Right-of-use asset obtained through operating lease liability | <u>\$ 9,425</u> |

See accompanying notes to financial statements.

AMERICAN PARKINSON DISEASE ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of the Organization and Summary of Significant Accounting Policies:

Nature of the Organization - Founded in 1961, the American Parkinson Disease Association, Inc. ("APDA") is a not-for-profit organization committed to serving the Parkinson community through a comprehensive program of research, patient education and support. APDA's mission of "Every day, we provide the support, education, and research that will help everyone impacted by Parkinson's disease live life to the fullest" is accomplished through the following programs:

Patient and Program Services - APDA has developed a network of Chapters and Information and Referral Centers nationwide to promote awareness and provide information to persons suffering from Parkinson's disease.

Research - APDA sponsors research into the cause, diagnosis, treatment and cure of Parkinson's disease.

Public and Professional Education - APDA sponsors educational conferences for professionals, patients, caregivers and families, and publishes a quarterly newsletter, educational booklets and other materials about Parkinson's disease.

APDA has an office in New York and 16 chapters throughout the United States. APDA is supported primarily through public donations.

Cash and Equivalents and Credit Risk - Cash and equivalents include money market accounts and other highly liquid short-term investments, purchased with maturities of three months or less except those included as part of APDA's long-term investments (see Note 4). Cash is maintained in financial institutions that are insured by the Federal Deposit Insurance Corporation ("FDIC") of up to \$250,000 each. At times, cash balances may be in excess of the FDIC insurance limit. APDA has not experienced any losses in such accounts and believes it is not exposed to any significant risk on cash.

Bequests, Contributions, and Grants Receivable - 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 their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. APDA determines the allowance for uncollectable receivables based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Receivables are written off when deemed uncollectable. Management determined that an allowance for doubtful accounts was not necessary at December 31, 2025.

Long-Term Investments - Investments are stated at fair value based upon quoted market values. Net investment return is reported in the statements of activities and changes in net assets and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses. Net investment return is reported as net assets without donor restriction unless its use is restricted by explicit donor stipulation or by law. Purchases and sales of investments are recorded on a settlement date basis. The cost of securities sold is determined using the specific identification method.

The investments are protected by the Securities Insurance Protection Corporation ("SIPC"), which provides limited insurance in certain circumstances for securities and cash held in brokerage accounts. The insurance is limited to \$500,000 for securities and \$250,000 for cash balances. The insurance does not protect against investment losses. At times, such balances may be in excess of SIPC insured limits.

AMERICAN PARKINSON DISEASE ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of the Organization and Summary of Significant Accounting Policies (continued):

Split Interest Agreements - Generally Accepted Accounting Principles (“GAAP”) requires the recording of all unconditional, irrevocable split interest agreements under which APDA is entitled to receive a benefit.

Charitable Gift Annuities - Charitable gift annuities consist of contributions received subject to annuity contracts under which APDA is obligated to make agreed-upon periodic payments during the lives of the donors or designated beneficiaries of the donors. Upon the receipt of a gift annuity, the net present value of the actuarially determined annuity payable is recognized as a liability, and the remainder received in excess of this liability is recorded as contribution revenue. The liability for future payments is decreased by payments made to donors or to the designated beneficiaries. Annual adjustments are made based upon actuarial valuations of the obligations for future annuity payments and reflected as a change in value of split interest agreements in the statements of activities and changes in net assets. As of December 31, 2025, APDA has 12 charitable gift annuity contracts outstanding with a gross gift value of \$338,454.

APDA is required by state mandate to establish a reserve which amounted to \$189,165 at December 31, 2025. At December 31, 2025, the total investment assets held for charitable gift annuities were \$232,012, at fair value, which exceeds the minimum requirement. At December 31, 2025, the actuarial present value of the annuities payable is \$160,139, which is calculated using applicable mortality tables and Internal Revenue Service discount rates which vary from 2.2% to 5.6%.

Beneficial Interests in Remainder Trusts Held by Others - APDA has been named as an irrevocable beneficiary of charitable remainder trusts held and administered by independent trustees. These trusts were created independently by donors and are administered by outside agents designated by the donors. Therefore, APDA has neither possession nor control over the assets of the trusts. A charitable remainder trust is an arrangement in which the donor establishes and funds a trust with specific distributions to be made to a specified party over a specified period. Upon termination of the trust, the remainder of the trust’s assets are paid to the beneficiaries designated by the donor. At the date APDA receives notice of a beneficial interest, a contribution with donor restrictions is recorded in the statements of activities and changes in net assets, and a beneficial interest in remainder trusts is recorded in the statements of financial position at the fair value of the underlying trust assets. Thereafter, beneficial interests in the trusts are reported at the fair value of the trusts’ assets in the statements of financial position, with trust distributions and changes in fair value reflected as a change in value of split interest agreements in the statements of activities and changes in net assets.

Beneficial Interests in Perpetual Trusts Held by Others - APDA has been named as an irrevocable beneficiary in perpetual trusts held and administered by independent trustees. Under the terms of the trust, APDA has the right to receive its portion of the income earned on the trust assets in perpetuity, but never receives the assets held in trust. At the date APDA receives notice of a beneficial interest, a contribution with donor restrictions of a perpetual nature is recorded in the statements of activities and changes in net assets, and a beneficial interest in perpetual trust is recorded in the statements of financial position at the fair value of the underlying trust assets. Thereafter, beneficial interests in the trusts are reported at the fair value of the trusts’ assets in the statements of financial position, with trust distributions and changes in fair value reflected as a change in value of split interest agreements in the statements of activities and changes in net assets.

AMERICAN PARKINSON DISEASE ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of the Organization and Summary of Significant Accounting Policies (continued):

Operating and Finance Leases - APDA categorizes leases with contractual terms longer than twelve months as either operating or finance. There are only operating leases at December 31, 2025 which have terms of 5 to 8 years for property and are considered right-of-use assets. APDA has elected the practical expedient to not capitalize leases with a term of twelve months or less. These short-term leases are instead expensed as incurred on a straight-line basis. APDA also elected the practical expedient to utilize the risk-free rate for all classes of assets when the rate implicit in the lease is not determinable. Lastly, APDA elected the practical expedient to not separate the lease from non-lease components. At December 31, 2025, management has determined that these assets are not impaired.

Property and Equipment - APDA capitalizes all acquisitions in excess of \$2,500 at cost or, if donated, at their fair value at the date of the gift. When fixed assets are sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is reported as income.

Depreciation is computed by the straight-line method based on the estimated useful lives of the related assets. Expenditures for maintenance and repairs are expensed as incurred. Estimated useful lives are:

| | |
|-------------------------|---------------|
| Building | 30 years |
| Building improvements | 20 - 30 years |
| Leasehold improvements | 3 - 5 years |
| Computer and software | 3 - 5 years |
| Furniture and equipment | 3 - 7 years |

Long-Lived Assets - APDA evaluates all long-lived assets for impairment. Long-lived assets are evaluated for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If the carrying amount is not fully recoverable, an impairment loss is recognized to reduce the carrying amount to fair value and is charged to expense in the period of impairment. At December 31, 2025, management has determined that these assets are not impaired.

Net Assets - Net assets, revenues gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor restrictions (see Note 9).

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

AMERICAN PARKINSON DISEASE ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of the Organization and Summary of Significant Accounting Policies (continued):

Support and Revenue Recognition - APDA recognizes revenue following applicable guidance, which is determined by the existence or absence of a reciprocal exchange transaction.

Concentrations - For the four-month period ended December 31, 2025, receivables from three sources accounted for 96% of total bequests receivable, and receivables from one source accounted for 99% of total contributions and grants receivable. For the four-month period ended December 31, 2025, one source accounted for 11% of operating support and revenue concentrations.

Contributions and Grants - APDA recognizes contributions and grants when cash, securities or other assets, or an unconditional promise to give is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met.

Special events revenue is comprised of an exchange element based upon the direct benefits donors receive and a conditional contribution element for the difference. Special events revenue equal to the fair value of direct benefits to donors is recognized when the special event takes place. The contribution element of special event revenue is recognized immediately, unless there is a right of return if the special event does not take place.

Bequests - APDA has been named beneficiary under various wills. Bequests are recognized as receivables and contributions if they are irrevocable, unconditional, and measurable. If a gift does not meet these criteria, it is not recognized as contribution revenue until the will is declared valid and subject to final distribution. At that time, APDA recognizes the contribution at fair value, net of a discount for likely fees and taxes, based on historical experience. No allowance for doubtful bequests is considered necessary by management for the four-month period ended December 31, 2025. Bequests receivable are normally expected to be fully collected within one year and any receivable in excess of one year is subject to discounting.

Contributed Services - Donated services that meet the requirements for recognition are recorded as revenue and expenses in the accompanying statement of activities at their fair value. The majority of the donated service is directly related to APDA's awareness campaign and public education, which is included in public education in the accompanying statement of functional expenses. Contributed services include donated media (television and radio broadcasting and other forms of media, including public service announcements) valued at \$2,856,444 for the four-month period ended December 31, 2025. The fair value of the donated media is determined based on consideration of cash payments typically made by buyers for similar advertising and media, standard discounts given for similarly placed media, the media type and placement and other considerations. All donated services were utilized by APDA and there were no donor-imposed restrictions associated with the donated services.

APDA does not recognize any revenue or expense from services contributed by volunteers because it does not meet the criteria for recognition under Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958, *Not-for-Profit Entities*.

AMERICAN PARKINSON DISEASE ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of the Organization and Summary of Significant Accounting Policies (continued):

Grants and Awards - Grants and awards given to other organizations are recognized in the period the award is approved by management, and grant recipients are notified and grant conditions, if any, are met. APDA had approximately \$325,000 in conditional grants that are not recognized on the statements of functional expenses, as the conditions have not been met, as of December 31, 2025. Such grants are conditioned on providing progress metric reports at various points throughout the grant term. The reports are designed to provide transparency for funding, center performance, and compliance with the terms of the agreement. Grants that are expected to be paid within one year are recorded at net realizable value. Grants that are expected to be paid in future years are recorded at the present value of their estimated cash flows. The discounts on those grants are computed using risk-free interest rates applicable to the years in which the grants are made. Amortization of the discounts is included in grants and related expenses.

Functional Allocation of Expenses - The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited as well as the percentage of time and hours worked by the personnel on the programs. Other expenses are allocated on the basis of direct costs.

Income Taxes - APDA is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and, therefore, has made no provision for Federal or State Income taxes in the accompanying financial statements. APDA has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a)(1) of the Internal Revenue Code.

Other significant tax positions include its determination of whether any amounts are subject to unrelated business income tax ("UBIT"). All significant tax positions have been considered by management and it has been determined that all tax positions would be sustained upon examination by taxing authorities. The most significant jurisdictions in which APDA is required to file tax returns include the U.S. Federal jurisdiction and the State of New York, although APDA files in almost every state. APDA is subject to examination by the Federal taxing authority up to three years from the extended due date of the tax return. With limited exceptions, APDA is subject to state tax examinations for the four most recent tax years.

Estimates and Uncertainties - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenue and expenses during the reporting period. Actual results, as determined at a later date, could differ from those estimates.

Subsequent Events - Management has reviewed and evaluated all events and transactions from December 31, 2025 through May 15, 2026, the date that the financial statements were available for issuance. The effects of those events and transactions that provide additional pertinent information about conditions that existed at the statement of financial position date have been recognized in the accompanying financial statements.

Note 2 - Liquidity and Availability:

Management regularly monitors the availability of resources required to meet its operating needs. For purposes of analyzing resources available to meet general expenses over a 12-month period, management considers all expenses related to its ongoing activities. Financial assets available for general expenses, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, are comprised of the following as of December 31, 2025:

AMERICAN PARKINSON DISEASE ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 2 - Liquidity and Availability (continued):

| | |
|---|----------------------|
| Financial assets at end of four-month period: | |
| Cash and equivalents | \$ 15,394,721 |
| Contributions and grants receivable | 752,500 |
| Bequests receivable | 352,559 |
| Long-term investments | 10,795,798 |
| Less: Purpose Restrictions (Note 8) | (1,960,685) |
| Less: Endowments (Note 10) | <u>(175,377)</u> |
| Financial assets available to meet general expenditures over the next twelve months | <u>\$ 25,159,516</u> |

Management has evaluated APDA's liquidity and determined that available financial resources are sufficient to meet operating needs for the twelve months following issuance of the financial statements.

Note 3 – Receivables:

Contributions, grants, and bequests receivable as of December 31, 2025, are due as follows:

| | |
|--------------------------------------|-------------------|
| Contributions and grants receivable: | |
| Less than one year | <u>\$ 752,500</u> |
| Bequests Receivable: | |
| Less than one year | <u>\$ 352,559</u> |

Note 4 - Investments at Fair Value - Recurring:

Fair Value Measurements and Disclosures FASB ASC 820 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.

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.

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

AMERICAN PARKINSON DISEASE ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 4 - Investments at Fair Value – Recurring (continued):

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.

- Mutual Funds - equities and fixed income: Valued at the closing price reported from an actively traded exchange.
- Beneficial Interest in Trusts (held by others): Valued using the fair value of fund investments as reported by a third-party.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although APDA 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 following table sets forth by level, within the fair value hierarchy, APDA’s assets at fair value as of December 31, 2025:

| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u> |
|--|----------------------|----------------|---------------------|----------------------|
| Long-term investments: | | | | |
| Cash | \$ 241,979 | \$ - | \$ - | \$ 241,979 |
| Mutual Funds- Fixed Income | 2,327,147 | - | - | 2,327,147 |
| Mutual Funds- Equities | 8,226,672 | - | - | 8,226,672 |
| Total long-term investments | <u>\$ 10,795,798</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 10,795,798</u> |
| Investments in charitable gift annuities: | | | | |
| Cash | \$ 16,420 | \$ - | \$ - | \$ 16,420 |
| Mutual Funds - Fixed Income | 215,592 | - | - | 215,592 |
| Total investments in charitable gift annuities | <u>\$ 232,012</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 232,012</u> |
| Beneficial interest in remainder trusts | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,900,489</u> | <u>\$ 2,900,489</u> |
| Beneficial interest in perpetual trusts | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,612,753</u> | <u>\$ 1,612,753</u> |

AMERICAN PARKINSON DISEASE ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 4 - Investments at Fair Value – Recurring (continued):

| | <u>Fair Value Measurements at Report Date Using Significant Unobservable Inputs (Level 3)</u> | |
|-------------------------------------|---|---------------------|
| | <u>Beneficial Interests</u> | |
| | <u>Remainder</u> | <u>Perpetual</u> |
| Balance, at beginning of the period | \$ 2,750,155 | \$ 1,578,498 |
| Investment return, net | 150,334 | 34,255 |
| Balance, at end of the period | <u>\$ 2,900,489</u> | <u>\$ 1,612,753</u> |

Note 5 - Property and Equipment:

Property and equipment consisted of the following as of December 31, 2025:

| | |
|--------------------------------|---------------------|
| Land | \$ 696,071 |
| Building | 2,820,627 |
| Improvements | 612,464 |
| Computer and software | 647,133 |
| Furniture and equipment | <u>170,244</u> |
| | 4,946,539 |
| Less: accumulated depreciation | <u>(2,645,273)</u> |
| Property and equipment, net | <u>\$ 2,301,266</u> |

Depreciation expense totaled \$96,979 for the four-month period ended December 31, 2025.

Note 6 - Grants Payable:

APDA has agreements with various institutions that are payable in installments. Some agreements are conditional on continued appropriate performance, reporting requirements, and adequate funding and others are unconditional. APDA has unconditional grant commitments payable as follows:

| <u>Year Ending December 31,</u> | |
|---------------------------------|---------------------|
| 2026 | \$ 1,941,083 |
| Total | <u>\$ 1,941,083</u> |

AMERICAN PARKINSON DISEASE ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 7 - Leases:

APDA leases office space from unrelated companies under non-cancelable operating leases expiring through 2029. The operating lease right-of-use assets and operating lease liabilities are payable in monthly installments.

The following shows the total assets under operating leases as of December 31, 2025:

| | | |
|--|----|-----------------------|
| Operating lease right-of-use asset | \$ | 754,402 |
| Less: Accumulated amortization | | <u>(395,455)</u> |
| Net operating lease right-of-use asset | \$ | <u><u>358,947</u></u> |

The following summarizes the costs related to operating leases as of December 31, 2025:

| | | |
|---|----|----------------------|
| Operating leases, included in occupancy expense | \$ | <u><u>49,211</u></u> |
|---|----|----------------------|

The following summarizes the weighted average lease term and discount rate information related to operating leases at December 31, 2025:

| | | |
|--|--|-------|
| Lease Term (in years) and Discount Rate: | | |
| Weighted average remaining lease term | | 2.62 |
| Weighted average discount rate | | 3.38% |

APDA's operating lease liabilities were as follows as of December 31, 2025:

| | | |
|--|----|-----------------------|
| Gross undiscounted lease liabilities | \$ | 399,042 |
| Less: Imputed interest | | <u>(16,750)</u> |
| Present value of lease liabilities | | 382,292 |
| Less: Current portion of lease liabilities | | <u>(145,265)</u> |
| Long-term lease liabilities | \$ | <u><u>237,027</u></u> |

The following summarizes APDA's undiscounted principal commitments of the lease liabilities discussed above:

| <u>Year Ending December 31,</u> | <u>Operating Leases</u> |
|---------------------------------|--------------------------|
| 2026 | \$ 104,518 |
| 2027 | 152,293 |
| 2028 | 116,087 |
| 2029 | 26,144 |
| 2030 | - |
| | <u><u>\$ 399,042</u></u> |

AMERICAN PARKINSON DISEASE ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 7 – Leases (continued):

The following summarizes cash flow information related to leases for the four-month period ended December 31, 2025:

| | |
|---|-----------|
| Cash paid for amounts included in the measurement of lease liabilities: | |
| Operating cash flows from operating leases | \$ 59,789 |

Note 8 – Net Assets with Donor Restrictions:

Net assets with donor restrictions as of December 31, 2025 are available for the following purposes as stipulated by donors:

| | |
|---|---------------------|
| Subject to expenditure for specified purpose: | |
| Specific research activities | \$ 206,818 |
| Patient service | 69,766 |
| Local chapter and other uses | <u>1,684,101</u> |
| | <u>1,960,685</u> |
| Subject to the passage of time: | |
| Beneficial interest in remainder trust | <u>2,900,489</u> |
| Endowments (See note 10) | |
| Subject to appropriation and expenditure when a specified event occurs: | |
| Restricted by donors for research | 2,447 |
| Perpetual in nature, earnings from which are subject to endowment spending policies and appropriation | <u>172,930</u> |
| | 175,377 |
| Beneficial interest in perpetual trusts | <u>1,612,753</u> |
| | <u>\$ 6,649,304</u> |

Note 9 – Net Assets without Donor Restrictions:

The Board of Directors has voted to set up an internally restricted account to fund research grants. During the year ended August 31, 2025, the Board voted to set aside a total of \$6 million, which represents \$3 million for the fiscal year ended August 31, 2025, and \$3 million for the fiscal year ended August 31, 2026. Thereafter, the Board will designate \$3 million each year to fund the subsequent year's research grants.

AMERICAN PARKINSON DISEASE ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 10 - Endowment Funds:

APDA maintains a donor-restricted fund whose purpose is to provide long-term support for its patient services, research, and education programs. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

Management 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, APDA classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) original gift of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by APDA in a manner consistent with the standard of prudence prescribed by NYPMIFA. In accordance with NYPMIFA, APDA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the endowment fund;
- (2) The purposes of the institution and the 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 institution;
- (7) Where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the institution; and
- (8) The investment policy of the institution.

Investment Objectives

APDA has adopted an investment policy that primarily emphasizes the preservation of the capital and secondarily maximizes the total return. Investment returns are expected to provide adequate funds to sufficiently support designated needs and preserve or enhance the real value of APDA. In establishing the investment objectives of APDA, management has taken into account the time horizon available for investment, the nature of APDA's cash flows and liabilities, and other factors that affect APDA's risk tolerance.

Strategies Employed for Achieving Objectives

To satisfy its long-term objectives, APDA will ensure appropriate diversification to marketable equity securities. There shall be no Securities and Exchange Commission unregistered securities, private placement, venture capital, or direct investments in real or personal property. Approved investments include, among others, equity securities and fixed income securities.

AMERICAN PARKINSON DISEASE ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 10 - Endowment Funds (continued):

Spending Policy

APDA has a policy of appropriating for expenditure the amount needed to cover the expenses of the related endowment projects. The spending policy is followed unless the fair value of endowment assets is less than its respective historical dollar value or there are specific donor stipulations to the contrary.

Changes in Donor-Restricted Endowment Net Assets for the four-month period ended December 31, 2025:

| | | |
|---|----|----------------|
| Endowment net assets, beginning of period | \$ | 175,377 |
| Investment return, net | | - |
| Appropriation for expenditure | | - |
| Endowment net assets, end of period | \$ | <u>175,377</u> |

Note 11 - Allocation of Joint Costs:

During the four-month period ended December 31, 2025, APDA incurred joint costs for mailings that included fund-raising appeals. Such joint costs were allocated as follows:

| | | |
|-----------------------------------|----|------------------|
| Fundraising Costs | \$ | 847,041 |
| Management and general | | 30,324 |
| Public and professional education | | <u>816,717</u> |
| | \$ | <u>1,694,082</u> |

Note 12 - Retirement Plans:

APDA is a member of the New York City Cultural Institutions Retirement System (“CIRS”) which administers three separate multiemployer plans – a savings plan, a pension plan, and a group life and welfare benefits plan.

Savings Plan

The savings plan is a 401(k)-retirement plan which allows employees to defer up to 50% of their salaries on a pre-tax basis up to a maximum for 2025, of \$23,500, or \$31,000 for employees age 50 and older, or \$34,750 for employees age 60 through 63.

Employees are 100% vested in their accounts, which include their contributions, employer-matching contributions and investment gains, if any. During the four-month period ended December 31, 2025, employer matching was suspended and no contribution was required. APDA did not make any contributions to the savings plan during the four-month period ended December 31, 2025.

Multi-Employer Pension Plan

Certain employees are covered by a collectively bargained, multi-employer pension plan. Contributions are determined in accordance with the provisions of negotiated labor contracts and generally are based on the number of hours worked.

AMERICAN PARKINSON DISEASE ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

Note 12 - Retirement Plans (continued):

Under U.S. legislation regarding such pension plans, a company is required to continue funding its proportionate share of a plan’s unfunded vested benefits in the event of withdrawal (as defined by the legislation) from a plan or plan termination. APDA may have a potential obligation as a participant. The information required to determine the total amount of the contingent obligation, is not readily available. However, APDA has no present intention of withdrawing from any of these plans, nor has APDA been informed that there is any intention to terminate such plans.

APDA’s contribution to the pension plan during the four-month period ended December 31, 2025 totaled \$227,579. APDA’s contributions do not represent more than 5% of the total contributions received by the plan.

APDA’s participation in these plans is outlined in the following table. The most recent Pension Protection Act Zone Status available in 2025 is for the Plan’s year-end at June 30, 2025. Among other factors, generally, plans in the red zone are less than 65 percent funded, plans in the yellow zone are less than 80 percent funded, and plans in the green zone are at least 80 percent funded. The FIP/RP Status Pending / Implemented Column indicates plans for which a funding improvement plan (“FIP”) or a rehabilitation plan (“RP”) is either pending or has been implemented. Unless otherwise noted, the information for this table was obtained from the Forms 5500 filed for each plan’s year-end at June 30, 2025. The multi-employer contributions listed in the table below are APDA’s multi-employer contributions made in four-month period ended December 31, 2025.

The following table contains information about APDA’s multi-employer pension plan:

| <u>Pension Fund</u> | <u>EIN/Plan Number</u> | <u>Zone Status 2025</u> | <u>Pending/ Implemented</u> | <u>Contributions 9/1 - 12/31/25</u> | <u>Surcharge Imposed</u> | <u>Collective Bargaining Agreement Exp. Date</u> |
|--|------------------------|-------------------------|-----------------------------|-------------------------------------|--------------------------|--|
| The Cultural Institutions Pension Fund | 11-2001170 | Green | No | \$ 227,579 | No | 12/31/2028 |

(1) Indicates whether a Financial Improvement Plan (“FIP”) for yellow zone plans or a Rehabilitation Plan (“RP”) for red zone plans is pending or implemented.

Group Life and Welfare Plan

Full time employees are eligible for life insurance following three months of employment under the group life and welfare plan. APDA’s contribution to the Group Life and Welfare Plan the four-month period ended December 31, 2025 totaled \$4,921.

Note 13 - Related Parties:

There is a non-voting member of the Board of Directors that is also the Chairman of the Scientific Advisory Board. In addition, this member heads the Department of Neurology at the University of Alabama at Birmingham and received advanced center funding in the amount of \$41,667, and Information and Referral funding in the amount of \$50,000 for the four-month period ended December 31, 2025.