

Parkinson Voice Project, Inc.

**Financial Statements
June 30, 2025 and 2024**



Parkinson Voice Project, Inc.
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Independent Auditors' Report

To the Board of Directors of
Parkinson Voice Project, Inc.

Opinion

We have audited the accompanying financial statements of Parkinson Voice Project, Inc. (Organization) (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, 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 financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, 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 Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audits 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 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, 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 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 Organization'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 Organization'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.



A Limited Liability Partnership

Arlington, Texas
October 27, 2025

Parkinson Voice Project, Inc.
Statements of Financial Position
June 30, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	\$ 2,810,510	\$ 1,535,054
Pledges receivable, net	2,813,567	4,536,188
Investments	12,339,991	11,113,983
Other assets	85,634	63,632
Security deposits	9,550	9,550
Property and equipment, net	613,239	708,126
Right-of-use assets - operating leases, net	2,521,938	2,612,030
Assets restricted in perpetuity:		
Investments	1,000,000	1,000,000
Total assets	\$ 22,194,429	\$ 21,578,563
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 76,591	\$ 110,534
Accrued expenses	65,953	74,077
Right-of-use liabilities - operating leases	2,613,805	2,708,863
Total liabilities	2,756,349	2,893,474
Net assets:		
Without donor restrictions	11,484,904	10,518,858
With donor restrictions	7,953,176	8,166,231
Total net assets	19,438,080	18,685,089
Total liabilities and net assets	\$ 22,194,429	\$ 21,578,563

See notes to financial statements.

Parkinson Voice Project, Inc.
Statement of Activities
Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support:			
Contributions of financial assets	\$ 2,516,853	\$ -	\$ 2,516,853
Contributions of nonfinancial assets	202,054	-	202,054
Program revenue	473,086	-	473,086
Investment income, net	719,672	626,895	1,346,567
Other	26,193	-	26,193
Net assets released from restrictions	839,950	(839,950)	-
Total revenue and support	4,777,808	(213,055)	4,564,753
Operating expenses:			
Program	3,372,888	-	3,372,888
General and administrative	228,825	-	228,825
Fundraising	204,493	-	204,493
Total operating expenses	3,806,206	-	3,806,206
Excess (deficit) of revenue and support over operating expenses	971,602	(213,055)	758,547
Non-operating loss:			
Loss on disposal of property and equipment	(5,556)	-	(5,556)
Change in net assets	966,046	(213,055)	752,991
Net assets at beginning of year	10,518,858	8,166,231	18,685,089
Net assets at end of year	\$ 11,484,904	\$ 7,953,176	\$ 19,438,080

See notes to financial statements.

Parkinson Voice Project, Inc.
Statement of Activities
Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support:			
Contributions of financial assets	\$ 3,428,922	\$ 1,525,750	\$ 4,954,672
Contributions of nonfinancial assets	2,086	-	2,086
Program revenue	442,184	-	442,184
Investment income, net	726,373	753,816	1,480,189
Other	39,454	-	39,454
Net assets released from restrictions	1,240,855	(1,240,855)	-
Total revenue and support	5,879,874	1,038,711	6,918,585
Operating expenses:			
Program	3,138,121	-	3,138,121
General and administrative	224,710	-	224,710
Fundraising	221,758	-	221,758
Total operating expenses	3,584,589	-	3,584,589
Excess of revenue and support over operating expenses	2,295,285	1,038,711	3,333,996
Non-operating loss:			
Loss on uncollectible restricted pledges	-	(359,250)	(359,250)
Change in net assets	2,295,285	679,461	2,974,746
Net assets at beginning of year	8,223,573	7,486,770	15,710,343
Net assets at end of year	\$ 10,518,858	\$ 8,166,231	\$ 18,685,089

See notes to financial statements.

Parkinson Voice Project, Inc.
Statement of Functional Expenses
Year Ended June 30, 2025

	Program	General and Administrative	Fundraising	Total
Salaries	\$ 1,551,794	\$ 140,165	\$ 80,406	\$ 1,772,365
Employee benefits and taxes	102,393	9,913	4,819	117,125
Total salaries and related expenses	1,654,187	150,078	85,225	1,889,490
Bad debt	-	-	11,064	11,064
Communication	147,976	530	32,709	181,215
Contract services	381,503	20,455	12,448	414,406
Equipment rental	3,731	77	39	3,847
Gifts, grants and assistance	315,062	2,678	1,538	319,278
Insurance	10,244	3,499	197	13,940
Meetings and conferences	49,399	6,797	6,173	62,369
Miscellaneous	16,608	2,081	16,929	35,618
Occupancy	266,625	6,041	2,739	275,405
Professional fees	56,803	26,109	477	83,389
Supplies	276,377	7,039	19,447	302,863
Telephone	23,631	564	535	24,730
Travel	62,803	651	13,860	77,314
Total expenses before depreciation	3,264,949	226,599	203,380	3,694,928
Depreciation	107,939	2,226	1,113	111,278
Total expenses	\$ 3,372,888	\$ 228,825	\$ 204,493	\$ 3,806,206

See notes to financial statements.

Parkinson Voice Project, Inc.
Statement of Functional Expenses
Year Ended June 30, 2024

	Program	General and Administrative	Fundraising	Total
Salaries	\$ 1,375,268	\$ 139,875	\$ 92,508	\$ 1,607,651
Employee benefits and taxes	89,081	9,534	5,309	103,924
Total salaries and related expenses	1,464,349	149,409	97,817	1,711,575
Communication	91,894	2,273	75,010	169,177
Contract services	465,662	26,468	16,786	508,916
Equipment rental	3,688	76	38	3,802
Gifts, grants and assistance	274,318	2,509	3,595	280,422
Insurance	8,565	3,074	143	11,782
Meetings and conferences	107,963	6,946	1,571	116,480
Miscellaneous	15,486	1,834	15,912	33,232
Occupancy	231,076	5,440	2,354	238,870
Professional fees	36,415	15,435	400	52,250
Supplies	246,130	6,969	5,170	258,269
Telephone	15,687	408	388	16,483
Travel	76,166	1,792	1,536	79,494
Total expenses before depreciation	3,037,399	222,633	220,720	3,480,752
Depreciation	100,722	2,077	1,038	103,837
Total expenses	<u>\$ 3,138,121</u>	<u>\$ 224,710</u>	<u>\$ 221,758</u>	<u>\$ 3,584,589</u>

See notes to financial statements.

Parkinson Voice Project, Inc.
Statements of Cash Flows
Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Change in net assets	\$ 752,991	\$ 2,974,746
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Amortization of right-of-use assets - operating leases	90,092	102,347
Depreciation	111,278	103,837
Loss on disposal of property and equipment	5,556	-
Change in discount on pledges receivable	(142,617)	(98,030)
Change in allowance for doubtful accounts	(359,250)	343,555
Unrealized and realized gain on investments	(932,057)	(1,088,342)
Donated stock	-	(4,527)
Changes in operating assets and liabilities:		
Pledges receivable	2,224,488	204,240
Other assets	(22,002)	(18,229)
Accounts payable	(33,943)	59,843
Accrued expenses	(8,124)	9,766
Right-of-use liabilities - operating leases	(95,058)	(103,461)
Net cash provided by operating activities	<u>1,591,354</u>	<u>2,485,745</u>
Cash flows from investing activities:		
Purchases of property and equipment	(21,947)	(291,715)
Purchases of investments	(1,841,044)	(3,424,715)
Proceeds from sales of investments	1,547,093	610,296
Net cash used by investing activities	<u>(315,898)</u>	<u>(3,106,134)</u>
Change in cash and cash equivalents	1,275,456	(620,389)
Cash and cash equivalents at beginning of year	<u>1,535,054</u>	<u>2,155,443</u>
Cash and cash equivalents at end of year	<u>\$ 2,810,510</u>	<u>\$ 1,535,054</u>
Supplemental disclosure of cash flow information:		
Right-of-use assets obtained in exchange for right-of-use liabilities	<u>\$ -</u>	<u>\$ 1,602,582</u>

Noncash investing activities:

During the year ended June 30, 2024, the Organization received donated stock with a fair market value of \$4,527.

See notes to financial statements.

Parkinson Voice Project, Inc.

Notes to Financial Statements

1. Organization

Parkinson Voice Project, Inc. (Organization) is a Texas not-for-profit corporation established in 2005 and exempt from income tax under 501(c)(3) of the U.S. Internal Revenue Code.

Mission: To help people with Parkinson's and related disorders regain and retain their speech and swallowing.

Vision: To train other compassionate speech-language pathologists and graduate students to make our SPEAK OUT!® Therapy Program accessible to patients and families worldwide.

Purpose: One in one hundred adults over the age of 60 will be diagnosed with Parkinson's. Of these individuals, 90% are likely to develop difficulty with speech and communication. Left untreated, speech disorders can lead to serious swallowing complications. The inability to effectively speak and safely swallow can lead to isolation, depression, dependence on others, feeding tubes, multiple hospitalizations, and death.

The Organization exists to help people with Parkinson's and related disorders regain and retain their speech and swallowing.

The Organization accomplishes its mission through the following program services:

- SPEAK OUT! Therapy Program – In 2010, the Organization developed a unique speech therapy program for people with Parkinson's and related disorders. Our SPEAK OUT! Therapy Program combines education, individual and group speech therapy, daily home practice, and continuous follow-ups. Since Parkinson's is a progressive, degenerative disorder, our treatment protocol is meant to be a life-long program. In other words, once a patient enters the program, they remain in it throughout their life.
- Our Texas Speech Therapy Clinic – The Organization runs a speech therapy clinic in Richardson, Texas. Its clinical team treats patients in-person and online. All its speech-language pathologists are licensed in Texas, but some also hold licensure in other states. Our speech-language pathologists who are licensed in other states can provide online therapy to patients living in those states. Something unique about the Organization's clinic is that it does not bill Medicare or insurance and has not charged for any of its speech therapy services since 2008. The clinic is funded primarily through donations.

As part of its in-person program, the Organization hosts a singing group called "The Intentional Singers." Rehearsals are held each week, and the group performs in four concerts each year. The concerts are held at the Organization.

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- SPEAK OUT! Therapy Workbooks and Therapy Materials – The Organization has developed a SPEAK OUT! Therapy Booklet, flashcards, eLibrary, and other therapy materials to be used during SPEAK OUT! Therapy. Many of the materials have been translated in several languages.

The Organization ships a SPEAK OUT! Therapy Booklet to patients throughout the U.S. who are being treated by a Certified SPEAK OUT! Provider. Our organization wants every patient to have the tools needed to regain and retain their speech and swallowing. The Organization also provides free access to its SPEAK OUT! eLibrary for patients throughout the U.S. and abroad. This digital resource consists of the SPEAK OUT! Booklet, flashcards, and other therapy materials that patients can use during their therapy sessions and for home practice.

- Online SPEAK OUT! Home Practice Sessions and Parkinson’s Sing-Alongs – The Organization hosts LIVE online SPEAK OUT! Home Practice Sessions five days a week on its website, Facebook page, and YouTube channel to help people with Parkinson’s remain consistent with their daily SPEAK OUT! exercises. These sessions are recorded and available 24/7. This is especially helpful to patients who live in other countries. The Organization also hosts a weekly online “Parkinson’s Sing-Along.”
- SPEAK OUT! Certification Course for Speech-Language Pathologists – The Organization’s vision is to make its SPEAK OUT! Therapy Program accessible to people with Parkinson’s and related disorders worldwide. To achieve this goal, the organization has developed a 10.5-hour online continuing education course for speech-language pathologists and a separate course for graduate students.

To accelerate its replication process, the Organization began awarding training grants to hospitals, universities, and other speech therapy clinics across the U.S. and abroad in 2018. Now, instead of awarding these grants, the Organization has increased its efficiency by providing discounts and free training opportunities throughout the year for speech-language pathologists. We also provide free training to all speech pathology graduate students.

- Our Campaign to Reach America – In 2021, the Organization launched a project called, “Our Campaign to Reach America.” It is an ambitious project whereby our organization is collaborating with one university speech clinic in every state to make our SPEAK OUT! Therapy Program accessible to people with Parkinson’s across our nation. These university clinics follow the Organization’s funding model (no-charge therapy) and specialize in online treatment. By not charging and providing online therapy, SPEAK OUT! Therapy is now accessible to the homebound, those who live in rural areas, and those who have insurance or financial limitations. These clinics also train their graduate students in SPEAK OUT! Therapy and are conducting research on the program with the

Parkinson Voice Project, Inc.

Notes to Financial Statements

goal of being published in a scientific journal(s) in three to five years. These clinics are called “SPEAK OUT! Therapy & Research Centers.” Since speech-language pathologists are licensed by state, the goal is to have one clinic in each state across America. Each Center will be able to treat any patient in their state.

As of June 2025, the Organization has 29 SPEAK OUT! Therapy & Research Centers (28 plus our clinic in Texas): University of Alabama Birmingham (this clinic is the Center for both Alabama and Mississippi), Arizona State University, Arkansas State University, California State University – Los Angeles, Metropolitan State University Denver (this clinic is the Center for both Colorado and Wyoming), Sacred Heart University, University of South Florida, Georgia Southern University, Western Kentucky University, Northeastern University, Andrews University, University of Minnesota Duluth, Saint Louis University, University of Nebraska at Omaha, University of Nevada, Reno, Stockton University, University at Buffalo, Kent State University, Pennsylvania State University, University of South Carolina, University of Utah (this clinic is the Center for Utah, Virginia, and Washington D.C.), Eastern Washington University, Marshall University, and University of Wisconsin-River Falls.

Every Center receives SPEAK OUT! Therapy Certification for all their speech pathology faculty and SPEAK OUT! Therapy training for their graduate students. They also receive \$10,000 a year with a five-year commitment. Universities that are the Center for more than one state receive \$10,000 per state. Clinical and research faculty travel to Parkinson Voice Project’s clinic in June for specialized training. Faculty members receive a travel stipend, along with their hotel stays.

The Organization’s CEO works closely with the Center faculty. She conducts monthly Roundtable Meetings via Zoom that faculty members are required to attend. The CEO is also conducting a site visit for each Center.

The Organization is funded primarily through contributions from the general public.

2. Summary of Significant Accounting Procedures

Basis of Accounting

The Organization prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Parkinson Voice Project, Inc.

Notes to Financial Statements

Financial Statement Presentation

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

Net assets without donor restrictions - Net assets not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the board of directors.

Net assets with donor restrictions - Net assets subject to donor stipulations that will be met by actions of the Organization and/or the passage of time.

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a board of directors approved spending policy.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions.

Gains and losses are reported as increases or decreases in net assets without donor restrictions, unless their use is restricted by explicit donor stipulation or by law. Contributions whose restrictions are met in the same year the contributions are received are reported as net assets without donor restrictions. Expirations of net assets with donor restrictions (i.e., the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Financial Instruments and Credit and Market Risk Concentrations

Financial instruments which are potentially subject to concentrations of credit and market risk consist principally of cash and cash equivalents, investments and pledges receivable.

The Organization places cash, which at times may exceed the federally insured limits, with high credit quality financial institutions to minimize risk. Accounts at each institute are insured by the Federal Deposit Insurance Corporation up to \$250,000. As of June 30, 2025, the Organization had uninsured balances totaling \$150,825.

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Notes to Financial Statements

The Organization's investments are subject to various risks, such as interest rate, credit and overall market volatility risks. Further, because of the significance of the investments to the Organization's financial position and the level or risk inherent in most investments, it is reasonably possible that changes in the values of the investments could occur in the near term and such changes could materially affect the amounts reported in the financial statements.

Pledges receivable are unsecured and due from various donors. The Organization evaluates the collectability of pledges receivable and maintains allowances for potential losses, if considered necessary.

At June 30, 2025, 70% of pledges receivable was due from two donors. At June 30, 2024, 69% of pledges receivable was due from two donors.

For the year ended June 30, 2024, contributions received from two donors totaled 62%.

Cash and Cash Equivalents

The Organization considers highly liquid investments with original maturities of three months or less to be cash equivalents. The Organization classifies money market funds held by external investment managers as investments as these funds are not readily available for operations.

Investments

The Organization's investments consist of mutual funds and common stock and are carried at fair value.

Investment transactions are recorded on the trade date, which results in receivables and payables on trades that have not yet settled as of the financial statement date, and dividend income is recorded when earned.

Realized gains and losses are recorded as the difference between historical cost and fair value, and are shown on a net basis. Unrealized gains and losses are recorded for the change in fair value of investments between reporting periods.

Pledges Receivable

Pledges receivable that are expected to be collected within one year are recorded at net realizable value. Pledges receivable that are expected to be collected in more than one year are recorded at the present value of the expected future cash flows.

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An allowance for doubtful pledges is estimated based on management's analysis of historical payment trends, specific known collection risks, write-off trends and current economic conditions and is adjusted for those pledges receivable for which collection is uncertain. At June 30, 2025, no allowance was considered necessary. At June 30, 2024, the allowance for doubtful pledges totaled \$359,250. In the case of the \$300,000 pledge, both husband and wife passed away unexpectedly in 2024. In the case of the \$59,250 pledge, a husband was unexpectedly diagnosed with Parkinson's when his wife already had Parkinson's. Because of this unfortunate circumstance, the couple regrets not being able to fulfill their pledge.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at estimated fair market value at the date of the donation. The Organization capitalizes expenditures for property and equipment with a value greater than \$5,000. Depreciation is computed using the straight-line method over estimated useful lives of 3 to 20 years. Leasehold improvements are amortized over the shorter of the lease term or useful life of the asset.

Maintenance, repairs and replacements which do not improve or extend the lives of the respective assets are charged to operations when incurred.

Impairment of Long-Lived Assets

Management of the Organization periodically reviews the carrying value of its long-lived assets, including property and equipment, whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognized to the extent fair value of a long-lived asset is less than the carrying amount. Fair value is determined based on the estimated future cash outflows. No such loss was recognized during the years ended June 30, 2025 and 2024.

Revenue Recognition

The Organization recognizes contributions when cash and cash equivalents, 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. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. All contributions are considered available for unrestricted use unless specifically restricted by the donor.

Donated goods are reflected as contributions at their estimated fair values at date of receipt. Contributions of services are recorded at estimated fair value if the services received create or enhance nonfinancial assets or require specialized skills and would typically need to be purchased if not provided by donation.

Program fees are recognized as revenue when the contracted services are performed.

Parkinson Voice Project, Inc.

Notes to Financial Statements

Federal Income Tax

The Organization is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code (IRC) and has not been classified as a private foundation as defined in the IRC. Income generated from activities unrelated to the Organization's exempt purposes is subject to tax under IRC Section 511. The Organization had no unrelated business income for the years ended June 30, 2025 and 2024. Accordingly, no provision has been made for federal income tax in the accompanying financial statements.

GAAP requires the evaluation of tax positions taken in the course of preparing the Organization's tax return and recognition of a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service.

Management has analyzed the tax positions taken by the Organization, and has concluded that as of June 30, 2025 and 2024, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

Advertising Costs

Advertising and promotional costs are expensed as incurred totaled \$44,334 and \$6,899 for the years ended June 30, 2025 and 2024, respectively.

Allocation of Functional Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied.

The expenses that are allocated include occupancy, equipment rental, and depreciation, which are allocated on a square footage basis, as well as salaries and employee benefits and taxes, which are allocated on the basis of estimates of time and effort. Contract services, supplies, telephone, insurance and miscellaneous are allocated based on a combination of square footage, time and effort, and direct allocations. All other expenses have been directly allocated.

Estimates and Assumptions

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

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Notes to Financial Statements

Reclassification

Certain items in the 2024 financial statements have been reclassified to conform to the 2025 presentation, specifically, contributions of nonfinancial assets on the statement of financial position and donated stock on the statement of cash flows. Such reclassifications had no effect on previously reported changes in net assets.

3. Pledges Receivable

The Organization had the following pledges receivable at June 30:

	2025	2024
Amount due in:		
Less than one year	\$ 1,919,953	\$ 1,951,844
One to five years	937,715	3,130,312
Subtotal	2,857,668	5,082,156
Less allowance for doubtful accounts	-	(359,250)
Less unamortized present value discount	(44,101)	(186,718)
Pledges receivable, net	\$ 2,813,567	\$ 4,536,188

Pledges due in more than one year are reflected at the net present value of future cash flows using a market discount rate of 3.96% and 4.71% for the year ended June 30, 2025 and 2024, respectively.

4. Investments

Under the fair value measurements and disclosures topic of the codification, ASC 820, disclosures are required about how fair value is determined for assets and liabilities and a hierarchy for which these assets and liabilities must be grouped is established, based on significant levels of inputs as follows:

- Level 1 Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date;
- Level 2 Inputs to the valuation methodology are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies;

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Level 3 Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability and the reporting entity makes estimates or assumptions related to the pricing of the asset or liability including assumptions regarding risk.

A financial instrument’s level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following is a description of the valuation methodologies used for instruments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy.

Common Stock

Valued at the closing price reported on the active market on which the individual securities are traded and is classified within Level 1 of the valuation hierarchy.

Mutual Funds

These investments are public investment vehicles valued using the net asset value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying asset owned by the fund, less its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

The preceding method 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 Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The investments held by the Organization are measured using Level 1 inputs.

The following table presents the investments at fair value as of June 30:

	<u>2025</u>	<u>2024</u>
Common Stock	\$ -	\$ 4,527
Mutual funds:		
Bond	5,059,655	4,610,906
Equity	<u>8,280,336</u>	<u>7,498,550</u>
Total	<u>\$ 13,339,991</u>	<u>\$ 12,113,983</u>

Parkinson Voice Project, Inc.
Notes to Financial Statements

Net investment income, including interest and dividends earned on cash and cash equivalents, consists of the following for the year ended June 30:

	2025	2024
Interest and dividend income	\$ 458,769	\$ 423,302
Unrealized gains on investments	793,957	1,011,557
Realized gains on investments	138,100	76,785
Less investment fees	(44,259)	(31,455)
Investment income, net	\$ 1,346,567	\$ 1,480,189

The following table presents securities which represent 10% or more of total investments at June 30:

	2025	2024
DFA Five-Year Global Fixed Income Portfolio	14%	14%
DFA Global Core Plus Fixed Income Portfolio	15%	15%
DFA US Core Equity 2 Portfolio	17%	19%

5. Property and Equipment

Property and equipment consist of the following at June 30:

	2025	2024
Leasehold improvements	\$ 1,259,914	\$ 1,262,432
Furniture and fixtures	165,069	160,124
Equipment and software	135,705	155,460
Works of art (workbook translations)	51,984	51,984
	1,612,672	1,630,000
Less accumulated depreciation	(999,433)	(921,874)
Property and equipment, net	\$ 613,239	\$ 708,126

Depreciation expense totaled \$111,278 and \$103,837 for the years ended June 30, 2025 and 2024, respectively.

Parkinson Voice Project, Inc.
Notes to Financial Statements

6. Employee Benefit Plan

In January 2009, the Organization adopted the Parkinson Voice Project Inc. 401(k) Profit Sharing Plan and Trust (Benefit Plan) which covers eligible employees. The Organization provides for matching contributions of 100% of the employee's contribution up to 5% of their salary and may provide for a discretionary contribution. For the years ended June 30, 2025 and 2024, the Organization's matching contributions to the Benefit Plan totaled \$56,189 and \$47,822, respectively. No discretionary contributions were made during the years ended June 30, 2025 and 2024.

7. Lease Commitments

In evaluating its contracts, the Organization separately identifies lease and nonlease components, such as common area and other maintenance costs, in calculating the right-of-use (ROU) assets and lease liabilities for its retail spaces. The Organization has elected the practical expedient to not separate lease and nonlease components and classifies the contract as a lease if consideration in the contract allocated to the lease component is greater than the consideration allocated to the nonlease component.

Leases result in the recognition of ROU assets and lease liabilities on the statement of financial position. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. The Organization determines lease classification as operating or finance at the lease commencement date.

At lease inception, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. The Organization uses the implicit rate when readily determinable. As most of the leases do not provide an implicit rate, the Organization uses the risk free rate based on the information available at the commencement date to determine the present value of lease payments. Risk-free rates used to determine the present value of lease payments were derived by reference to the interest paid on short-term government debt.

The lease term may include options to extend or to terminate the lease that the Organization is reasonably certain to exercise. The Organization has elected not to record leases with an initial term of 12 months or less on the statement of financial position. Lease expense on such leases is recognized on a straight-line basis over the lease term.

Parkinson Voice Project, Inc.
Notes to Financial Statements

Nature of Leases

The Organization has entered into operating lease arrangements for a building and equipment used for operations. The building lease requires the Organization to pay all executory costs (property taxes, maintenance and insurance) and expires in December 2043. The equipment lease expires in September 2026. Termination of the leases is generally prohibited unless there is a violation under the lease agreement.

The following are the minimum lease payments under the leases for the years ending June 30:

2026	\$ 205,555
2027	202,886
2028	201,996
2029	201,996
2030	201,996
Thereafter	<u>2,726,948</u>
Total future undisclosed lease payments	3,741,377
Less present value discount	<u>(1,127,572)</u>
Right-of-use liabilities - operating leases	<u>\$ 2,613,805</u>

The following is the lease cost and other required information for each lease for the year ended June 30:

	<u>2025</u>	<u>2024</u>
Total lease cost	<u>\$ 200,589</u>	<u>\$ 175,983</u>
Cash paid for amounts included in the measurement of lease liabilities:		
Cash flows from operating leases	<u>\$ (95,058)</u>	<u>\$ (103,461)</u>
Right-of-use asset obtained in exchange for new lease liabilities	<u>\$ -</u>	<u>\$ 1,602,582</u>
Weighted-average remaining lease term	<u>18.47 Years</u>	<u>19.45 Years</u>
Weighted-average discount rate	<u>4.17%</u>	<u>4.17%</u>

Parkinson Voice Project, Inc.
Notes to Financial Statements

8. Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes at June 30:

	2025	2024
Building Fund	\$ 3,492,323	\$ 3,785,078
Time restricted	1,824,308	2,371,503
Endowment earnings	141,478	415,428
Investment earnings - America Campaign and Building Fund	1,495,067	594,222
Restricted in perpetuity	1,000,000	1,000,000
Total	\$ 7,953,176	\$ 8,166,231

9. Endowment Fund

The Organization has one donor-restricted endowment fund established to support the position of one Speech-Language Pathologist in the speech therapy treatment of individuals with Parkinson’s and other neurological disorders. The balance required by the donor to be held in perpetuity totaled \$1,000,000 as of June 30, 2025 and 2024, respectively. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The board of directors of the Organization has interpreted the Texas Uniform Prudent Management of Institutional Funds Act (TUPMIFA) 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 Organization classifies the original value of gifts donated to the permanent endowment as net assets with donor restrictions.

The earnings from the original gift are classified as net asset with donor restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by TUPMIFA. In accordance with TUPMIFA, the Organization, in making a determination to appropriate or accumulate donor-restricted endowment funds acts in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, and considers if relevant, the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Organization
- The Organization’s investment policy

Parkinson Voice Project, Inc.
Notes to Financial Statements

The Organization's investment and spending policies for endowment assets attempt to provide a predictable stream of funding sufficient to support the programs of the Organization and donor objectives and to preserve or increase the purchasing power of the assets supported by its endowment.

The investment policy establishes an achievable return objective through diversification of asset classes. As identified in the investment policy, the investment committee will maintain reasonable diversification at all times within both equity and bond securities so as to provide for the investment objectives while avoiding undue risk concentration in any single asset class or investment category.

The spending policy calculates the amount of money annually distributed from the Organization's endowed funds. The current spending policy is to distribute an amount not greater than 5% of the balance of the fund at the beginning of the year the distribution is made.

Changes in the endowment fund with donor restrictions for the years ended June 30, 2025 and 2024 are summarized as follows:

	Accumulated investment earnings	Original gift amount	Total
Endowment net assets, June 30, 2023	\$ 255,834	\$ 1,000,000	\$ 1,255,834
Investment earnings	<u>159,594</u>	<u>-</u>	<u>159,594</u>
Endowment net assets, June 30, 2024	415,428	1,000,000	1,415,428
Investment loss	<u>(273,950)</u>	<u>-</u>	<u>(273,950)</u>
Endowment net assets, June 30, 2025	<u>\$ 141,478</u>	<u>\$ 1,000,000</u>	<u>\$ 1,141,478</u>

10. Related Party Transactions

During the years ended June 30, 2025 and 2024, the Organization received contributions of financial and nonfinancial assets from members of the board of directors totaling \$1,128,113 and \$1,446,126, respectively. Pledges receivable outstanding from members of the board of directors at June 30, 2025 and 2024 totaled \$1,119,440 and \$2,267,923, respectively.

Parkinson Voice Project, Inc.
Notes to Financial Statements

11. Contributions of Nonfinancial Assets

The Organization received contributions of nonfinancial assets during the year ended June 30, 2025:

	Programming	General and Administrative	Fundraising	Total
Food	\$ -	\$ -	\$ 571	\$ 571
Goods	50	56	240	346
Services	201,137	-	-	201,137
Total	\$ 201,187	\$ 56	\$ 811	\$ 202,054

The Organization received contributions of nonfinancial assets during the year ended June 30, 2024:

	Programming	General and Administrative	Fundraising	Total
Goods	\$ 420	\$ -	\$ 300	\$ 720
Services	1,366	-	-	1,366
Total	\$ 1,786	\$ -	\$ 300	\$ 2,086

Food

Contributed food is valued on the fair market value of similar items.

Goods

Contributed goods are valued based on the fair market value of similar goods.

Services

Contributed services are valued on the price the vendor would have charged if not donated.

A substantial number of volunteers made significant contributions of their time to the Organization. The value of this contributed time is not reflected in these financial statements because it does not meet the criteria for recognition under GAAP. Volunteer hours totaled 3,802 and 2,113 for the years ended June 30, 2025 and 2024, respectively.

There are no donor restrictions on the contribution of nonfinancial assets during the years ended June 30, 2025 and 2024.

Parkinson Voice Project, Inc.
Notes to Financial Statements

12. Liquidity and Availability of Resources

The Organization's financial assets available within one year of the statement of financial position date of June 30 for general expenditures are as follows:

	2025	2024
Cash and cash equivalents	\$ 2,810,510	\$ 1,535,054
Pledges receivable, net	2,813,567	4,536,188
Investments	13,339,991	12,113,983
Total financial assets	18,964,068	18,185,225
Less amounts not available for general expenditures within one year:		
Donor restricted endowment to be retained in perpetuity	(1,000,000)	(1,000,000)
Future expendable donor-restricted endowment	(141,478)	(415,428)
Investment earnings - America Campaign and Building Fund	(1,495,067)	(594,222)
Pledges receivable collectible beyond one year	(937,715)	(3,130,312)
Financial assets not available for general expenditures	(3,574,260)	(5,139,962)
Total financial assets available to meet cash needs for general expenditures within one year	\$ 15,389,808	\$ 13,045,263

The Organization has a goal to maintain financial assets, which consist of cash and receivables on hand to meet 60 days of normal operating expenses, which are, on average, approximately \$500,000. The Organization has a policy to structure its financial assets to be available for general expenditures, liabilities and other obligations as they come due.

The Organization receives significant contributions restricted by donors, and considers contributions restricted for programs which are ongoing, major and central to its annual operations to be available to meet cash needs for general expenditures within one year. In the event the need arises to utilize the board-designated fund for liquidity purposes, the fund could be drawn upon through board resolution.

13. Subsequent Events

Management has evaluated subsequent events through October 27, 2025, the date which the financial statements were available to be issued and concluded that no additional disclosures are required.