

**THE INTERNATIONAL PARURESIS
ASSOCIATION, INC.**

**FINANCIAL STATEMENTS AND INDEPENDENT
ACCOUNTANTS' REVIEW REPORT**

FOR THE YEAR ENDED DECEMBER 31, 2018

THE INTERNATIONAL PARURESIS ASSOCIATION, INC.

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Independent Accountants' Review Report

To the Board of Directors
The International Paruresis
Association, Inc.
Baltimore, Maryland

We have reviewed the accompanying financial statements of The International Paruresis Association, Inc. (a non-profit corporation), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements. A review includes primarily applying analytical review procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provided a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Ira Marc Miller & Co., P.A.

November 9, 2019

THE INTERNATIONAL PARURESIS ASSOCIATION, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2018

ASSETS

CURRENT ASSETS

Cash in bank	\$ 69,698
Cash - Money market fund	<u>131,946</u>

Total current assets	201,644
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Office furniture, net of accumulated depreciation of \$2,000	<u>-</u>
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Total assets	\$ <u><u>201,644</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

	\$ <u>-</u>
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Total current liabilities	<u>-</u>
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NET ASSETS

Without donor restrictions	<u>201,644</u>
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Total net assets	<u>201,644</u>
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Total liabilities and net assets	\$ <u><u>201,644</u></u>
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THE INTERNATIONAL PARURESIS ASSOCIATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

	With Donor Restrictions	Without Donor Restrictions	Total
REVENUE			
Contributions	\$ -	\$ 139,967	\$ 139,967
Workshops	-	26,822	26,822
Book sales and other	-	2,264	2,264
Dividend income	-	2,539	2,539
Interest income	-	6	6
	-	171,598	171,598
FUNCTIONAL EXPENSES			
Program services	-	109,598	109,598
Management and general	-	12,262	12,262
Fundraising	-	9,395	9,395
	-	131,255	131,255
Total functional expenses	-	131,255	131,255
Increase in net assets	-	40,343	40,343
NET ASSETS			
Beginning of year	-	161,301	161,301
End of year	\$ -	\$ 201,644	\$ 201,644

See accompanying notes and independent accountants' review report

THE INTERNATIONAL PARURESIS ASSOCIATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Program services</u>	<u>Management and general</u>	<u>Fundraising</u>	<u>Total</u>
FUNCTIONAL EXPENSES				
Insurance	\$ 4,681	\$ 826	\$ -	\$ 5,507
Meetings and conferences	5,919	-	-	5,919
Office and administrative	1,875	804	-	2,679
Advertising and fundraising	-	-	3,736	3,736
Payroll processing fees	1,864	350	116	2,330
Payroll taxes	3,566	669	223	4,458
Postage and mailings	605	-	151	756
Professional fees	2,202	551	2,148	4,901
Professional affiliations	2,138	-	-	2,138
Rent	1,920	360	120	2,400
Salaries	44,640	8,370	2,790	55,800
Telephone and internet	1,772	332	111	2,215
Website related costs	12,019	-	-	12,019
Workshop expenses	<u>26,397</u>	<u>-</u>	<u>-</u>	<u>26,397</u>
	<u>\$ 109,598</u>	<u>\$ 12,262</u>	<u>\$ 9,395</u>	<u>131,255</u>

See accompanying notes and independent accountants' review report

THE INTERNATIONAL PARURESIS ASSOCIATION, INC.(IPA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in net assets	\$ <u>40,343</u>
Adjustments to reconcile increase in net assets to net cash provided by operating activities	
Total adjustments	<u>-</u>
Net cash provided by operating activities	<u>40,343</u>
Net increase in cash	40,343
CASH	
Beginning of year	<u>161,301</u>
End of year	<u><u>\$ 201,644</u></u>

THE INTERNATIONAL PARURESIS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 1 - ORGANIZATION

The International Paruresis Association, Inc. (IPA) is a nonprofit organization whose purpose is to help those afflicted with paruresis overcome the stigma, embarrassment and isolation associated with the condition by educating the public, advocating effective treatments and advancing related research. The Shy Bladder Center is a program of IPA.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of accounting – The financial statements of The International Paruresis Association, Inc. have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues are recognized when earned and expenditures when incurred.

B. Basis of presentation - Nets assets of IPA and changes therein are classified and reported as follows:

Net assets without donor restrictions-Net assets that are not subject to donor imposed restrictions.

Net assets with donor restrictions-Net assets subject to donor imposed stipulations that will be met either by actions of the Organization and/or the passage of time or subject to donor imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes.

There were no assets released from donor imposed restrictions for the year ended December 31, 2018.

Revenues are reported as increases in without donor restricted net assets unless use of the related assets is limited by donor-imposed stipulations. Expenses are recorded as decreases in without donor restricted net assets. Gains and losses on assets or liabilities are reported as increases or decreases in without donor restricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of with donor restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated passage of time has elapsed) are reported as without donor restricted net assets released from with donor restrictions.

C. Use of estimates in preparing financial statements - Management uses estimates and assumptions in preparing financial statements in accordance with the cash method of accounting. Those estimates and assumptions affect the reported amounts of assets and

THE INTERNATIONAL PARURESIS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

- D. Income taxes – IPA is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organizations tax exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable organization deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(1). The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Organization and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from such as position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits or recorded as liabilities for the year ended December 31, 2018. IPA is generally not subject to examination by the Internal Revenue Service or the State of Maryland three years after the filing of its latest information returns.
- E. Statement of cash flows - For purposes of the cash flows statement, cash in the checking account and saving account are considered to be cash. No interest or income taxes were paid in the current year.
- F. Property and depreciation - Property is stated at cost at the date of acquisition or fair market value at the date of donation. Major additions and betterments are charged to the asset accounts while maintenance and repairs which do not improve or extend the lives of the assets are expensed currently. Depreciation of office furniture and equipment is provided using the straight line method over 5 years. Depreciation expense for the year ended December 31, 2018 was \$-0-.
- G. Expense allocation - The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 3 – OFFICE FACILITIES

IPA leases its office facilities from an employee of IPA, at their respective residence on a month-to-month basis. Rent expense for the year ended December 31, 2018 was \$2,400.

THE INTERNATIONAL PARURESIS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 4 – LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed regulation within one year of the statement of financial position date.

Financial assets at year-end	\$ 201,644
Less those unavailable for general expenditures within	
One year due to:	0
Contractual or donor-imposed restrictions:	0
Restricted by donor with time or purpose restrictions	0
Subject to appropriation and satisfaction of donor restrictions	0
Board Designations (if any):	<u>0</u>
Financial assets available to meet cash needs for general	
Expenditures within one year	\$ <u>201,644</u>

The Organization is not supported by any donor restricted contributions.

NOTE 5 – INVESTMENTS IN MARKETABLE SECURITIES

IPA has funds invested in the Vanguard Federal Money Market Fund. The Fund invests in short term U.S. Government securities and seeks to preserve shareholders investment by maintaining a share value of \$1, although the share value is not guaranteed. The Fund value as of December 31, 2018 was \$131,946, and is reported at fair value based on quoted market prices in the statement of financial position of IPA.

NOTE 6 – CONCENTRATION OF CREDIT RISK

The Organization maintains its cash in highly rated financial institutions insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2018, the Organization had no funds in excess of the FDIC limit. The Organization as of December 31, 2018, had \$131,946 invested with Vanguard Federal Money Market Fund. The money market fund is not insured by the FDIC.

NOTE 7 – SUBSEQUENT EVENTS

Events that occur after the statement of financial position date, but before the financial statements were available to be issued, must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of financial position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of financial position date require disclosure in the accompanying notes. Management evaluated the activity of IPA through November 9, 2019 and concluded that no subsequent events have occurred that would require recognition or disclosure in the financial statements.