

**WISCONSIN SOCIETY OF EMERGENCY  
SERVICES INSTRUCTORS, INC.**

FINANCIAL STATEMENTS

December 31, 2020

**WISCONSIN SOCIETY OF EMERGENCY  
SERVICES INSTRUCTORS, INC.  
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**Independent Accountant's Review Report**

To the Board of Directors  
Wisconsin Society of Emergency Services Instructors, Inc.  
Oshkosh, Wisconsin

We have reviewed the accompanying financial statements of Wisconsin Society of Emergency Services Instructors, Inc. (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical 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 and fair presentation of the 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 as a basis for reporting whether we are aware of any 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 provide 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.

*Nigl Accounting LLP*

January 15, 2021

**WISCONSIN SOCIETY OF EMERGENCY  
SERVICES INSTRUCTORS, INC.  
STATEMENT OF FINANCIAL POSITION  
December 31, 2020**

**ASSETS**

	Unrestricted	Permanently restricted	Total
<b>Current Assets</b>			
Cash and cash equivalents	\$ 11,491	\$ 110,213	\$ 121,704
Marketable securities, at market value	-	63,494	63,494
Receivables	10,325	-	10,325
Inventory	27,479	-	27,479
Total Current Assets	49,295	173,707	223,002
<b>TOTAL ASSETS</b>	<b>\$ 49,295</b>	<b>\$ 173,707</b>	<b>\$ 223,002</b>

**LIABILITIES AND NET ASSETS**

<b>Current Liabilities</b>			
Accounts payable	\$ 9,628	\$ -	\$ 9,628
Total Current Liabilities	9,628	-	9,628
<b>Net Assets</b>			
Unrestricted	39,667	-	39,667
Permanently restricted	-	173,707	173,707
Total Net Assets	39,667	173,707	213,374
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 49,295</b>	<b>\$ 173,707</b>	<b>\$ 223,002</b>

See Accompanying Notes and Independent Accountant's Review Report

**WISCONSIN SOCIETY OF EMERGENCY  
SERVICES INSTRUCTORS, INC.  
STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2020**

	Unrestricted	Permanently restricted	Total
<b>Revenue</b>			
Dues	\$ 5,875	\$ -	\$ 5,875
Annual conference	4,222	-	4,222
Instructor course	5,225	-	5,225
Training materials	27,787	-	27,787
Sales tax	38	-	38
WSFSI merchandise	331	-	331
Reward credits	450	-	450
Miscellaneous	1,222	-	1,222
Dividends and interest	-	2,606	2,606
Return of principal	-	15,997	15,997
Realized gains (losses)	-	(1,840)	(1,840)
Unrealized gains (losses)	-	(13,107)	(13,107)
Total Revenue	<u>45,150</u>	<u>3,656</u>	<u>48,806</u>
<b>Expenses</b>			
Annual conference	6,056	-	6,056
Instructor course	5,430	-	5,430
Other events costs	171	-	171
Training material - cost	28,853	-	28,853
Training material - expense	2,631	-	2,631
Sales tax	58	-	58
Dispatcher	1,650	-	1,650
Accounting and tax services	3,165	-	3,165
ID merchandise and gifts	1,949	-	1,949
Office supplies	311	-	311
Credit card fees	600	-	600
Printing	489	-	489
Postage	195	-	195
Insurance	446	-	446
Software and updates	1,592	-	1,592
Miscellaneous	394	-	394
Scholarships	-	2,506	2,506
Total Expenses	<u>53,990</u>	<u>2,506</u>	<u>56,496</u>
<b>CHANGE IN NET ASSETS</b>	<b>(8,840)</b>	<b>1,150</b>	<b>(7,690)</b>
<b>Net Assets, Beginning of Year</b>	<u>48,507</u>	<u>172,557</u>	<u>221,064</u>
<b>Net Assets, End of Year</b>	<u>\$ 39,667</u>	<u>\$ 173,707</u>	<u>\$ 213,374</u>

See Accompanying Notes and Independent Accountant's Review Report

**WISCONSIN SOCIETY OF EMERGENCY  
SERVICES INSTRUCTORS, INC.  
STATEMENT OF CASH FLOWS  
For the Year Ended December 31, 2020**

	<u>Unrestricted</u>	<u>Permanently restricted</u>	<u>Total</u>
<b>Cash Flows From Operating Activities:</b>			
Change in Net Assets	\$ (8,840)	\$ 1,150	\$ (7,690)
Adjustments to reconcile net income to net cash provided by operating activities:			
Net unrealized losses on investments	-	13,107	13,107
Net realized losses on sales of investments	-	1,840	1,840
(Increase) decrease in:			
Receivables	(5,011)	-	(5,011)
Inventory	(2,748)	-	(2,748)
Increase (decrease) in:			
Accounts payable	9,628	-	9,628
	<u>          </u>	<u>          </u>	<u>          </u>
Net Cash Provided (Used) By Operating Activities	(6,971)	16,097	9,126
<b>Cash Flows From Investing Activities:</b>			
Proceeds from sale of securities	<u>          </u>	<u>3,262</u>	<u>3,262</u>
Net Cash Provided By Investing Activities	-	3,262	3,262
<b>Cash Flows From Financing Activities:</b>			
Net Cash Provided By Financing Activities	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net Increase (Decrease) in Cash</b>	(6,971)	19,359	12,388
<b>Cash at Beginning of Year</b>	<u>18,462</u>	<u>90,854</u>	<u>109,316</u>
<b>CASH AT END OF YEAR</b>	<u><u>\$ 11,491</u></u>	<u><u>\$ 110,213</u></u>	<u><u>\$ 121,704</u></u>

See Accompanying Notes and Independent Accountant's Review Report

**WISCONSIN SOCIETY OF EMERGENCY  
SERVICES INSTRUCTORS, INC.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2020**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization and Nature of Activities**

On July 26, 2016, the corporation changed its name from "Wisconsin Society of Fire Service Instructors, Inc." to "Wisconsin Society of Emergency Services Instructors, Inc."

This summary of significant accounting policies of Wisconsin Society of Emergency Services Instructors, Inc. is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of Wisconsin Society of Emergency Services Instructors, Inc.'s management, who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements. The accounting records of Wisconsin Society of Emergency Services Instructors, Inc. are maintained on the accrual basis.

Wisconsin Society of Emergency Services Instructors, Inc. is a not-for-profit organization that provides necessary information to assist emergency service instructors in their personal development and in bringing quality education and programs to their agencies.

On October 16, 2007, the Wisconsin Society of Fire Service Instructors, Inc. became trustees of The William E. Clark Memorial Education Endowment Fund Charitable Trust. The Charitable Trust funds are managed according to a Declaration of Trust agreement and are included in the financial statements as Permanently Restricted Assets.

**Date of Management's Review**

Management has evaluated subsequent events through January 15, 2021, the date on which the financial statements were available to be issued.

**Financial Statement Presentation**

Wisconsin Society of Emergency Services Instructors, Inc. is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. There are no temporarily restricted net assets as of December 31, 2020.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, Wisconsin Society of Emergency Services Instructors, Inc. considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**Securities Owned**

Securities owned are valued at market using quoted market prices, with the resulting gains or losses reflected in income for the current year. (See Note 3 for further details on Securities)

**WISCONSIN SOCIETY OF EMERGENCY  
SERVICES INSTRUCTORS, INC.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2020**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**Receivables**

The Organization considers receivables to be fully collectible; accordingly, no allowance for doubtful accounts is required. If accounts become uncollectible, they will be charged to operations when that determination is made.

**Inventory**

The Organization's inventory is valued at the lower of cost (first in, first out) or market.

**Contributions and Presentation**

Contributions are generally available for unrestricted use in the related year unless specifically restricted by the donor.

Resources are classified for reporting purposes into two net asset categories: unrestricted and permanently restricted net assets, according to the existence or absence of donor-imposed restrictions. Permanently restricted net assets are those for which donors require the principal of the gift to be maintained in perpetuity.

**Advertising Costs**

All advertising costs are expensed as incurred. Advertising expense was \$0 for the year ended December 31, 2020.

**Income Taxes**

Wisconsin Society of Emergency Services Instructors, Inc. is a not-for-profit organization and is exempt from income and excise taxes under Internal Revenue Code section 501(C)3. There was no unrelated business income for the year ended December 31, 2020.

**Use of Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Accordingly, actual results could differ from those estimates.

**WISCONSIN SOCIETY OF EMERGENCY  
SERVICES INSTRUCTORS, INC.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2020**

**NOTE 2. RESTRICTIONS ON NET ASSETS**

Permanently restricted net assets at December 31, 2020 consist of an endowment fund established on October 16, 2007 to support scholarships to members of the fire service and dependents and support for educational programs. Contributions to the endowment fund are subject to the provisions of a Declaration of Trust agreement that stipulates the original principal of the gift is to be held and invested by the Organization indefinitely and direction as to how income can be expended. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence of donor-imposed restrictions.

The Organization has adopted investment and spending policies for endowment assets that attempt to subject the fund to low investment risk and provide its scholarship and educational programs with current income. Endowment assets are invested in Unit Investment Trusts and a money market account.

**NOTE 3. SECURITIES OWNED**

The estimated fair values of Wisconsin Society of Emergency Services Instructors, Inc.'s securities owned are as follows:

	<u>ORIGINAL COST</u>	<u>FAIR VALUE</u>	<u>CARRYING VALUE</u>
<u>December 31, 2020</u>			
Marketable securities	<u>\$ 76,824</u>	<u>\$ 63,494</u>	<u>\$ 63,494</u>

In accordance with SFAS No. 157, the Organization groups its financial assets measured at fair value in three levels, based on markets in which these assets are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1 - Valuation is based upon quoted prices for identical instruments traded in active markets.

Level 2 - Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques which all significant assumptions are observable in the market.

Level 3 - Valuation is generated from model-based techniques that use significant assumptions not observable in the market. These unobservable assumptions reflect the Organization's own estimates of assumptions market participants would use in pricing the asset or liability. Valuation techniques include use of discounted cash flow models, option pricing models and similar techniques.

The components of securities owned are as follows at:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<u>December 31, 2020</u>			
Marketable securities	<u>\$ 63,494</u>	<u>\$ -</u>	<u>\$ -</u>

**WISCONSIN SOCIETY OF EMERGENCY  
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NOTES TO FINANCIAL STATEMENTS  
December 31, 2020**

**NOTE 4. INCOME TAXES**

The Organization files a Short Form Return of Organization Exempt From Income Tax with the Department of Treasury Internal Revenue Service. The Organization is no longer subject to U.S. federal income tax examinations by tax authorities for years before 2017.

**NOTE 5. CONCENTRATIONS**

The Organization maintains its cash balances in two financial institutions located in Wisconsin. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Organization had no uninsured cash balances at December 31, 2020.