

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Audited Financial Statements
Year Ended March 31, 2026

With Summarized Totals for the
Year Ended March 31, 2025

Table of Contents

	<u>Page(s)</u>
Independent Auditors' Report	1 - 2
Statements of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7 - 20



Independent Auditors' Report

The Board of Directors
Prevent Blindness Wisconsin, Inc.
Milwaukee, Wisconsin

Opinion

We have audited the accompanying financial statements of Prevent Blindness Wisconsin, Inc., which comprise the statement of financial position as of March 31, 2026, and the related statements of activities, functional expenses and cash flows for the year 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 Prevent Blindness Wisconsin, Inc. as of March 31, 2026, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

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 Statements section of our report. We are required to be independent of Prevent Blindness Wisconsin, Inc. 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 these financial statements in accordance with U.S. 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 Prevent Blindness Wisconsin, Inc.'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 Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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.

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

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 Prevent Blindness Wisconsin, Inc.'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 Prevent Blindness Wisconsin, Inc.'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.

Report on Summarized Comparative Information

We have previously audited Prevent Blindness Wisconsin, Inc.'s financial statements, and our report dated June 26, 2025, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2025 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Ridley, Penner & Butler LLP

June 25, 2026
Milwaukee, Wisconsin

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Statements of Financial Position
March 31, 2026 and 2025

ASSETS	<u>2026</u>	<u>2025</u>
Current Assets:		
Cash and equivalents	\$ 222,259	\$ 267,216
Certificate of deposit	74,365	71,471
Investments	884,269	784,864
Promises to give, current portion	200,000	200,000
Prepaid expenses	31,389	33,257
Total current assets	1,412,282	1,356,808
Noncurrent Assets:		
Promises to give (non-current portion), net of discount	-	89,871
Property and Equipment:		
Furniture and equipment	55,131	55,131
Less: accumulated depreciation	(53,252)	(51,797)
Net property and equipment	1,879	3,334
Other Assets:		
Operating lease right-of-use asset	40,323	73,122
Finance lease right-of-use asset, net of amortization	2,798	4,477
Total other assets	43,121	77,599
Total assets	<u>\$ 1,457,282</u>	<u>\$ 1,527,612</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 24,400	\$ 19,715
Due to Prevent Blindness America	28,766	21,739
Deferred revenue	15,853	14,575
Operating lease liability - current portion	37,785	35,902
Finance lease liability - current portion	1,758	1,702
Total current liabilities	108,562	93,633
Noncurrent Liabilities:		
Operating lease liability, net of current portion	7,036	44,822
Finance lease liability, net of current portion	1,205	2,963
Total noncurrent liabilities	8,241	47,785
Total liabilities	116,803	141,418
Net Assets:		
Without donor restrictions:		
Undesignated, available for general activities	586,218	444,428
Designated by the Board of Directors for specific purposes	206,381	206,381
Board designated endowment - Legacies	253,241	253,241
Total net assets without donor restrictions	1,045,840	904,050
With donor restrictions:		
Purpose restrictions	83,337	180,971
Time-restricted for future periods	200,000	289,871
Endowment fund	11,302	11,302
Total net assets with donor restrictions	294,639	482,144
Total net assets	1,340,479	1,386,194
Total liabilities and net assets	<u>\$ 1,457,282</u>	<u>\$ 1,527,612</u>

The accompanying notes to financial statements
are an integral part of these statements.

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Statement of Activities

Year Ended March 31, 2026

With Summarized Information for the Year Ended March 31, 2025

			TOTALS	
	Without Donor	With Donor	Years Ended March 31,	
	Restrictions	Restrictions	2026	2025
Revenue, Gains, and Other Support:				
Nonexchange transactions:				
Contributions and grants	\$ 420,503	\$ 214,065	\$ 634,568	\$ 687,462
Contributed nonfinancial assets	7,918	-	7,918	13,200
Total nonexchange transactions	428,421	214,065	642,486	700,662
Exchange transactions:				
Program service revenue	6,000	-	6,000	10,935
Special events:				
Special events revenue - exchange transactions	167,100	-	167,100	154,587
Special events - contributions	121,466	-	121,466	143,499
Less: Costs of direct benefits to donors	(69,449)	-	(69,449)	(73,207)
Net special events revenue	219,117	-	219,117	224,879
Other:				
Investment income (net)	35,705	-	35,705	40,029
Unrealized gain on investments	66,594	-	66,594	7,866
Other income	45	-	45	-
Total other	102,344	-	102,344	47,895
Net Assets Released From Restrictions:				
Satisfaction of restrictions	401,570	(401,570)	-	-
Net revenue, gains and other support	1,157,452	(187,505)	969,947	984,371
Expenses:				
Program Services:				
Public health education	41,613	-	41,613	66,171
Professional education and training	93,715	-	93,715	98,034
Community services	576,201	-	576,201	603,095
Total program services	711,529	-	711,529	767,300
Supporting Services:				
General and administrative	92,034	-	92,034	79,392
Fund-raising	123,676	-	123,676	117,230
Total functional expenses	927,239	-	927,239	963,922
Affiliate Support of National Programs	88,423	-	88,423	103,311
Total expenses	1,015,662	-	1,015,662	1,067,233
Excess (deficit) of revenue, gains and other support over expenses	141,790	(187,505)	(45,715)	(82,862)
Change in net assets	141,790	(187,505)	(45,715)	(82,862)
Net assets, beginning of year	904,050	482,144	1,386,194	1,469,056
Net assets, end of year	\$ 1,045,840	\$ 294,639	\$ 1,340,479	\$ 1,386,194

The accompanying notes to financial statements
are an integral part of these statements.

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Statement of Functional Expenses
Year Ended March 31, 2026
With Summarized Information for the Year Ended March 31, 2025

	PROGRAM SERVICES				SUPPORTING SERVICES		COSTS OF DIRECT BENEFITS TO DONORS	TOTALS Years Ended March 31,	
	Public Health Education	Professional Education & Training	Community Services	Total	General & Administration	Fund-Raising		2026	2025
Salaries and related expenses:									
Salaries	\$ 24,606	\$ 65,376	\$ 338,424	\$ 428,406	\$ 51,265	\$ 65,128	\$ -	\$ 544,799	\$ 548,799
Employee benefits	4,459	11,848	61,330	77,637	9,290	11,803	-	98,730	109,632
Payroll taxes	1,763	4,685	24,251	30,699	3,674	4,667	-	39,040	41,627
Total salaries and related expenses	30,828	81,909	424,005	536,742	64,229	81,598	-	682,569	700,058
Professional fees and outside services	4,213	1,500	64,570	70,283	5,679	18,368	-	94,330	78,028
Office supplies	509	300	12,092	12,901	1,285	1,420	-	15,606	12,663
Telephone	245	97	4,190	4,532	826	679	-	6,037	6,025
Postage and shipping	116	130	3,641	3,887	375	520	-	4,782	4,135
Building occupancy	407	1,082	5,602	7,091	849	1,078	-	9,018	11,850
Office equipment and maintenance	167	42	2,655	2,864	10,685	400	-	13,949	35,938
Operating lease expense	1,564	4,155	21,511	27,230	3,259	4,140	-	34,629	34,629
Printing and publications	-	-	-	-	-	3,049	-	3,049	4,489
Travel and meetings	1,850	121	15,416	17,387	1,363	4,373	-	23,123	28,958
Insurance	331	880	4,556	5,767	691	877	-	7,335	8,226
Public education	-	-	-	-	-	-	-	-	3,870
Depreciation	131	175	757	1,063	188	204	-	1,455	1,455
Amortization of right-of-use asset	76	201	1,043	1,320	158	201	-	1,679	1,679
Interest on finance lease right-of-use asset	6	15	75	96	11	15	-	122	176
Other	1,170	3,108	16,088	20,366	2,436	6,754	-	29,556	31,743
Costs of direct benefits to donors	-	-	-	-	-	-	69,449	69,449	73,207
Total expenses	41,613	93,715	576,201	711,529	92,034	123,676	69,449	996,688	1,037,129
Less expenses included with revenues on the statement of activities:									
Costs of direct benefits to donors	-	-	-	-	-	-	(69,449)	(69,449)	(73,207)
Total functional expenses included in the expense section on the statement of activities	\$ 41,613	\$ 93,715	\$ 576,201	\$ 711,529	\$ 92,034	\$ 123,676	\$ -	\$ 927,239	\$ 963,922

The accompanying notes to financial statements
are an integral part of these statements.

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Statements of Cash Flows
Years Ended March 31, 2026 and 2025

	<u>2026</u>	<u>2025</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ (45,715)	\$ (82,862)
Adjustment to reconcile change in net assets to net cash used by operating activities:		
Depreciation	1,455	1,455
Amortization of right of use asset	1,679	1,679
Unrealized gain on investments	(66,594)	(7,866)
Changes in assets and liabilities:		
Trade receivables	-	2,500
Promises to give	89,871	(9,900)
Prepaid expense	1,868	245
Accounts payable and accrued expenses	4,685	469
Due to Prevent Blindness America	7,027	21,739
Operating lease assets and liabilities	(3,104)	(2,509)
Deferred revenue	1,278	9,015
Net cash used by operating activities	<u>(7,550)</u>	<u>(66,035)</u>
Cash Flows From Investing Activities:		
Purchases of investments	(35,705)	(85,028)
Proceeds from sale of investments	-	45,000
Net cash and equivalents used by investing activities	<u>(35,705)</u>	<u>(40,028)</u>
Cash Flows From Financing Activities:		
Principal payments of finance lease	(1,702)	(1,648)
Net change in cash and equivalents	(44,957)	(107,711)
Cash and equivalents, beginning of year	<u>267,216</u>	<u>374,927</u>
Cash and equivalents, end of year	<u><u>\$ 222,259</u></u>	<u><u>\$ 267,216</u></u>
Supplementary Disclosures:		
Interest paid	\$ 122	\$ 176
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	<u>\$ 37,732</u>	<u>\$ 37,138</u>
Operating cash flows from finance leases	<u>\$ 126</u>	<u>\$ 181</u>
Financing cash flows from finance leases	<u><u>\$ 1,698</u></u>	<u><u>\$ 1,643</u></u>

The accompanying notes to financial statements
are an integral part of these statements.

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
March 31, 2026

1. Summary of Significant Accounting Policies

Nature of Activities

Prevent Blindness Wisconsin, Inc. (the "Organization") informs the general public about eye care, health and safety. As part of its services, the Organization provides adult and children vision screenings, eye health and safety seminars, public and professional education, and information/referral services. The Organization primarily serves the state of Wisconsin. The Organization fulfills its mission by focusing in three primary service areas.

Public Health Education – The Organization provides public education to teach the general public about vision health topics such as: the importance of healthy vision, common vision problems and their signs, vision safety, the prevention of eye disease, and how to access vision care. Vision health education is provided through presentations to parents, educators, community groups and others, mass media advertising, distribution of educational materials, and the Organization's website.

Professional Education and Training – The Organization builds local vision screening infrastructure and makes vision health a priority in communities across Wisconsin through professional education and vision screener training. Vision screener trainings certify volunteers and partners to provide vision screening for three years using the most up-to-date vision screening support as well as vision health education and resources to move individuals to further care after a failed vision screening.

Community Services – The Organization's vision screening program harnesses the collective efforts of hundreds of volunteers and thousands of partners to support vision health for hundreds of adults and hundreds of thousands of children across the state. Certified vision screenings detect children and adults with potential vision problems and refer them to further vision care.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

Financial statement presentation follows accounting principles generally accepted in the United States of America ("U.S. GAAP"). Under U.S. GAAP, 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 (or certain grantor) restrictions. As described in footnote 6, the governing board has designated, from net assets without donor restrictions, net assets for an operating reserve.

Net Assets With Donor Restrictions - Net assets subject to donor- (or certain grantor-) 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.

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
March 31, 2026
(Continued)

1. Summary of Significant Accounting Policies (Continued)

Cash and Equivalents

For purposes of the statements of cash flows, the Organization considers all demand deposits and time deposits with an original maturity of three months or less to be cash and equivalents.

Certificate of Deposit

The Organization has a certificate of deposit totaling \$74,365 (\$71,471 at March 31, 2025) presented in the accompanying financial statements. The certificate bears interest of 2.250% (4.135% at March 31, 2025) and has a term of six months, with penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements. The certificate matures on June 15, 2026 and is carried at cost plus accrued interest, which approximates fair value.

Investments

Under U.S. GAAP, investments in marketable securities with readily determinable fair value and all investments in debt securities are valued at their fair value in the statement of financial position. Unrealized gains and losses are included in the change of net assets. Purchases and sales of investments are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest income is recorded when received.

U.S. GAAP defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. This clarifies that the exchange price is the price in an orderly transaction between market participants to sell an asset or transfer a liability at the measurement date. It emphasizes that fair value is a market-based measurement and not an entity-specific measurement. Adoption of this standard has not had a material impact on the Organization's financial statements. U.S. GAAP establishes a fair value hierarchy that prioritizes the inputs, which are summarized as follows:

Level 1 – Quoted prices in active markets, e.g. NYSE, NASDAQ, etc. for assets identical to the securities to be valued. If a Level 1 input is available, it must be used.

Level 2 – Inputs other than quoted prices that are observable for securities, either directly or indirectly. Examples include matrix pricing utilizing yield curves, prepayment speeds, credit risks, etc.; quoted prices for similar assets in active markets; and inputs derived from observable market data by correlation or other means.

Level 3 – Unobservable inputs, which contain assumptions by the party valuing those assets. For level 3 inputs, there is no market data or correlation with market assumptions. Examples would include limited partnership interests, closely held stock, etc.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at March 31, 2026 and 2025.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Organization are deemed to be actively traded.

Exchange traded funds: Valued at the closing price reported on the active market on which the individual securities are traded.

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
March 31, 2026
(Continued)

1. Summary of Significant Accounting Policies (Continued)

Risks and Uncertainties

The Organization has investments in various equities and fixed income securities. These investments are exposed to various risks of loss such as market and credit risks. Due to the level of risk associated with these investments, it is at least reasonably possible that changes in value of these investment securities will occur in the near term and those changes could affect the amounts reported on the statements of financial position.

Trade Receivables and Allowance for Credit Losses

Trade receivables are recorded at contract value. The trade receivables primarily represent amounts due from others for program services provided by the Organization.

The Organization estimates expected credit losses on trade receivables based on historical credit loss experience, current economic conditions, and reasonable and supportable forecasts that affect the collectability of the trade receivables. The Organization has determined that no allowance for credit loss on trade receivables is necessary for the years ending March 31, 2026 and 2025, based on management's review of outstanding trade receivables, historical collection information, and existing economic conditions.

The Organization writes off trade receivables when there is information that indicates the debtor is facing significant financial difficulty and there is no possibility of recovery. If any recoveries are made from any accounts previously written off, they will be recognized in income or an offset to credit loss expense in the year of recovery, in accordance with the Organization's accounting policy election. No trade receivables were written off for the years ending March 31, 2026 and 2025.

The Organization had trade receivables and allowance for credit loss balances as follows:

	<u>April 1, 2024</u>		<u>March 31, 2025</u>		<u>March 31, 2026</u>
Trade receivables	\$ 2,500	\$	-	\$	-
Allowance for credit losses	-		-		-
Net trade receivables	<u>\$ 2,500</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>-</u>

Promises to Give

Unconditional promises to give are recognized as revenues in the period the pledge is received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Promises to give that are expected to be collected within one year are recorded at a net realizable value. 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 at a discount rate which is based on the 10-year treasury rates at the time the promise is made. Amortization of the discounts is included in contribution and grants revenue. Management has evaluated the promises and determined that an allowance is not necessary.

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
March 31, 2026
(Continued)

1. Summary of Significant Accounting Policies (Continued)

Revenue Recognition

The Organization recognizes revenue based on the existence or absence of an exchange transaction. The Organization recognizes revenue from exchange transactions when it satisfies a performance obligation by providing a service to a customer or member or by transferring control over a product to a customer or member. Revenue from performance obligations satisfied at a point in time consists of the following:

- **Program service revenue** – The Organization has program service revenue in the form of publication sales and professional services (providing educational training to individuals or third-party entities). The Organization recognizes revenue at the point in time in which the sale takes place, which is when the publications transfer to the buyer, or when the professional services have been performed.

Revenue from non-exchange transactions consist of the following:

- **Contributions of cash, legacies, and promises to give** – gifts received without donor stipulations are reported as revenue and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor-stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as revenue and net assets without donor restriction. Conditional promises are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met.
- **Contributed nonfinancial assets (goods and services)** – The Organization received various types of contributed goods and professional services support. Contributed professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributed tangible goods are recognized at fair market value as of the date of the donation. The amounts reflected in the accompanying financial statements as contributed nonfinancial assets are offset by like amounts included in expenses.
- **Federal and state grants** – Federal and state grants are conditional upon the incurrence of allowable qualifying expenses. Revenue is recorded as allowable qualifying expenses are incurred.

Revenue that has characteristics of both exchange and non-exchange transactions consist of the following:

- **Special event revenue** – recognized equal to the cost of direct benefits to donors, and contribution revenue for the difference. Special event exchange revenue is recognized when the event takes place.

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
March 31, 2026
(Continued)

1. Summary of Significant Accounting Policies (Continued)

Property and Equipment

The Organization capitalizes all expenditures in excess of \$2,000 for property and equipment at cost. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the assets' useful lives.

Expenditures for maintenance and repairs are charged against income as incurred. The cost and accumulated depreciation of property and equipment disposed of are removed from the accounts and the corresponding gains and losses are included in the statement of activities.

Income Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(1). None of the Organization's current activities are subject to taxation as unrelated business income.

Under U.S. GAAP, management is required to evaluate any uncertain tax positions taken, if any, and provide additional disclosures. At this time, the Organization does not believe it has taken any uncertain tax positions that may have a material effect on its financial statements or note disclosures.

Leases

The Organization leases office space, a copy machine, and a postage meter and determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, current operating lease liabilities, and long-term operating lease liabilities on the Organization's statements of financial position. Finance leases are included as finance lease right-of-use (ROU) assets, current finance lease liabilities, and long-term finance lease liabilities on the Organization's statement of financial position.

The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on a short-term basis.

The weighted-average discount rate is based on the discount rate implicit in the lease. The Organization has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. The Organization has applied the risk-free rate option to its leases.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Operating and finance lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The operating and finance lease ROU asset also includes any lease payments made and excludes lease incentives. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Operating lease expense for lease payments is recognized on a straight-line basis over the lease term. Amortization expense for finance lease ROU asset is recognized on a straight-line basis over the lease term.

The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
March 31, 2026
(Continued)

1. Summary of Significant Accounting Policies (Continued)

Deferred Revenue

Deferred revenue consists of receipts for future events that are conditional on the event taking place. Deferred revenue was \$15,853 and \$14,575 as of March 31, 2026 and 2025, respectively.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and on a natural basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited on the basis of estimates of time and effort. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Use of Estimates

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

Subsequent Events

The Organization evaluated its March 31, 2026 financial statements for subsequent events through June 25, 2026, the date the financial statements were available for issuance. There were no subsequent events that required recognition or disclosure.

2. Concentration of Credit Risk

Cash and equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits. The Organization has never experienced any losses related to these balances. As of March 31, 2026, the amount of insurance coverage was \$250,000 per depositor at each financial institution.

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
March 31, 2026
(Continued)

3. Investments

The following summarizes the classification of investments by classification and method of valuation in accordance with U.S. GAAP as of March 31, 2026:

		Fair Value Measurement at Reporting Date Using			
<u>Description</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Mutual funds/ETFs:					
Money market mutual funds	\$ 406	\$ 406	\$ -	\$ -	
Total stock market ETF	239,364	239,364	-	-	
Balance funds – moderate growth	416,133	416,133	-	-	
Total bond market ETF	109,098	109,098	-	-	
Federal bond fund	119,268	119,268	-	-	
Total mutual funds/ETFs	\$ 884,269	\$ 884,269	\$ -	\$ -	

The statement of activities includes \$66,594 in unrealized gains for the year ended March 31, 2026.

The following summarizes the classification of investments by classification and method of valuation in accordance with U.S. GAAP as of March 31, 2025:

		Fair Value Measurement at Reporting Date Using			
<u>Description</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Mutual funds/ETFs:					
Money market mutual funds	\$ 401	\$ 401	\$ -	\$ -	
Total stock market ETF	202,672	202,672	-	-	
Balance funds – moderate growth	362,571	362,571	-	-	
Total bond market ETF	104,661	104,661	-	-	
Federal bond fund	114,559	114,559	-	-	
Total mutual funds/ETFs	\$ 784,864	\$ 784,864	\$ -	\$ -	

The statement of activities includes \$7,866 unrealized gains for the year ended March 31, 2025.

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
March 31, 2026
(Continued)

4. Property and Equipment

As of March 31, 2026 and 2025, the recorded value of property and equipment was as follows:

	<u>As of March 31,</u>	
	<u>2026</u>	<u>2025</u>
Furniture and equipment	\$ 55,131	\$ 55,131
Less accumulated depreciation	(53,252)	(51,797)
Net	<u>\$ 1,879</u>	<u>\$ 3,334</u>

Depreciation expense amounted to \$1,455 and \$1,455 for the years ended March 31, 2026 and 2025, respectively.

5. Promises to Give

Included in promises to give are unconditional promises to give in the amount of \$200,000 and \$289,871 at March 31, 2026 and 2025, respectively. Because the entire balance of promises to give outstanding at March 31, 2026 is expected to be collected within the following fiscal year, no present value discount was recorded as of March 31, 2026. The March 31, 2025 balance included a present value discount calculated using a discount rate of 3.48%. Management has determined, based on historical experience, that all amounts are fully collectible and no allowance for doubtful accounts is necessary.

6. Designated Net Assets

Designations are voluntary Board approved segregations of net assets for specific purposes, projects or investments. The Board of Directors may approve designations as an aid in planning future expenditures. Designations may be reversed by the Board of Directors at any time and, accordingly, designated portions of net assets are not considered restricted. Designations are reported as classifications of net assets without donor restrictions on the statements of financial position. As of March 31, 2026 and 2025, the Board of Directors had approved the following designations:

	<u>2026</u>	<u>2025</u>
Board designated – specific purposes	\$ 206,381	\$ 206,381
Board designated endowment – operating reserve from legacies	253,241	253,241
Total designated net assets	<u>\$ 459,622</u>	<u>\$ 459,622</u>

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
March 31, 2026
(Continued)

7. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods as of March 31:

	<u>2026</u>	<u>2025</u>
Restricted to expenditure for a specific purpose:		
Adult Program	\$ 1,683	\$ 20,756
Birnschein – Training videos	36	6,000
Calumet County Program	403	1,967
Calumet and Winnebago County	2,000	1,000
Children's Vision Program – Racine County	11,407	73,445
Chippewa County Program	38	154
Dane County Program	-	3,180
Doolittle – Information Technology Upgrades	-	3,693
Eau Claire County Program	5,084	2,189
Greater Milwaukee Program	21,205	38,362
Head Start Program – Green Bay Area	2,296	709
Marathon County Program	4,132	-
Northern Wisconsin Program	1,512	644
Oconomowoc Program	4,043	3,592
Oshkosh Program	-	3,492
PB National – Healthy Eyes and Diabetes	20,423	15,849
Pierce, Polk, St. Croix Counties Programs	-	255
Preschool Screening	-	900
Rock County Program	3,244	142
Vision 4 WI – Milwaukee County Program	1,603	-
Waukesha County Program	2,512	-
Winnebago County Program	500	-
Your Amazing Eyes Storytime Program	1,216	4,642
Total restricted to expenditure for a specific purpose	83,337	180,971
Subject to passage of time:		
Promises to give, net of discount	200,000	289,871
Total time restricted	200,000	289,871
Endowments:		
Beneficial interests in perpetual funds	11,302	11,302
Total	\$ 294,639	\$ 482,144

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
March 31, 2026
(Continued)

8. Net Assets – Beneficial Interest in Perpetual Trust

Endowment

The Organization's endowment fund consists of assets that are commingled with other funds within a brokerage account at a Wisconsin area financial institution. Income from the funds can be used to support the Organization's general activities.

As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Organization has interpreted the State Prudent Management of Institutional Funds Act ("SPMIFA") 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 as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value 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 portion of the donor-restricted endowment fund that is not required to be maintained in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by the State Prudent Management of Institutional Funds Act (SPMIFA). In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

Endowment net assets by type of fund as of March 31, 2026 and 2025 are as follows:

	<u>With Donor Restrictions</u>	<u>Without Donor Restrictions</u>	<u>Total Endowment</u>
<u>March 31, 2026</u>			
Board designated endowment funds	\$ -	\$ 253,241	\$ 253,241
Donor-restricted endowment Funds:			
Original donor-restricted gift amount required to be maintained in perpetuity by donor	11,302	-	11,302
Total	\$ 11,302	\$ 253,241	\$ 264,543
<u>March 31, 2025</u>			
Board designated endowment funds	\$ -	\$ 253,241	\$ 253,241
Donor-restricted endowment Funds:			
Original donor-restricted gift amount required to be maintained in perpetuity by donor	11,302	-	11,302
Total	\$ 11,302	\$ 253,241	\$ 264,543

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
March 31, 2026
(Continued)

9. Affiliation Agreement

The Organization has entered into an affiliation agreement with Prevent Blindness of America ("National"). Under the terms of the affiliation agreement, the Organization agrees to comply with the national/affiliate support formula as may, from time to time, be prescribed by National's Board of Directors.

Affiliate support of National is provided through the affiliation fee. The fee is a percentage of prior year traditional income. Traditional income includes all revenue elements except those that are excluded under Section 3; Section 3 exclusions include legacies and bequests, special events direct expenses, endowments and funds permanently restricted by donor, donor restricted capital campaign gifts, purchase of National educational materials, investment income, gifts in kind, National sub-recipient grants, and other various items. The sharing policy for traditional income is 10%.

The sharing policy for unrestricted legacies, inter-vivos trusts, and testamentary trusts shall be as follows:

- A. All unrestricted income from legacies, inter-vivos trusts and testamentary trusts received from affiliate territory after January 1, 1996, from wills or codicils dated January 1, 1996, and after are shared 67% to the affiliate and 33% to the national organization after deducting the first 3% to fund the nationwide planned giving program.
- B. All unrestricted income from legacies, inter-vivos trusts and testamentary trusts which come from unaffiliated areas and which do not name an existing affiliate as beneficiary belong solely to the national organization, but the first 3% of each such gift will be used to fund the nationwide planned giving program.
- C. All unrestricted income received after January 1, 1996, from wills or codicils dated prior to January 1, 1996, is shared in accordance with the prior legacy sharing formula after deducting the first 3% to fund the nationwide planned giving program.

On October 30, 2020, National provided an update to the sharing policy for unrestricted legacies, inter-vivos trusts, and testamentary trusts. The update eliminates the requirement to deduct the first 3% of such gifts to fund the nationwide planned giving program. During the year ended March 31, 2024, the revenue sharing formula was again updated so that going forward, all legacy gifts are to be shared as follows: 90% to the affiliate and 10% to National.

The total support provided to National for the years ended March 31, 2026 and 2025 is summarized below:

	<u>2026</u>	<u>2025</u>
Affiliation fee - At rate of 10% in 2026 and 2025	\$ 88,423	\$ 103,311
Legacy sharing	-	-
Total support to National Programs	<u>\$ 88,423</u>	<u>\$ 103,311</u>

10. Pension Plan

403(b) Retirement Plan

The Organization participates in a defined contribution retirement plan sponsored by National covering all eligible employees who join. Regular employees who work at least 20 hours per week and are at least 18 years of age are eligible to participate on their second anniversary of employment. Employees who join must contribute 5% of their salary per pay period to the plan to receive the match. The Organization will then contribute 7% of the employee's salary. All contributions are fully vested. Total employer contributions under the plan for the years ended March 31, 2026 and 2025 were \$29,159 and \$23,974, respectively.

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Notes to Financial Statements

March 31, 2026

(Continued)

11. Leases

The Organization has operating leases for office space and a postage meter and a finance lease for a copier machine.

The office space lease agreement had a commencement date of April 1, 2018 and expires on May 31, 2027. The lease called for monthly base rental payments, which include a \$94 electricity charge, start at \$1,987 and incrementally increases from \$1,987 to \$2,355 for the remainder of the lease term. During the year ended March 31, 2023, the office lease was amended to include an additional 517 rentable square feet. As a result of the amendment, on September 1, 2022, monthly base rental payment increased from \$2,152 to \$2,210 (which includes a \$127 electricity charge), with incremental increases from \$2,210 to \$3,160 for the remainder of the lease term.

The postage meter lease had a commencement date of May 1, 2023 and calls for quarterly payments of \$184. The lease agreement expires on April 30, 2028.

The copier lease had a commencement date of September 1, 2022, and calls for monthly rental payments of \$152. The lease term is 63 months.

As of March 31, 2026, assets recorded under finance leases were \$8,814 and accumulated amortization of \$6,016. As of March 31, 2025, assets recorded under finance leases were \$8,814 and accumulated amortization of \$4,337.

The components of lease expense for the year ended March 31 were as follows:

	<u>2026</u>	<u>2025</u>
Operating lease expense	\$ 34,629	\$ 34,629
Finance lease cost:		
Amortization of right of use assets	1,679	1,679
Interest on lease liabilities	122	176
Total	<u>\$ 36,430</u>	<u>\$ 36,484</u>

The following summarizes the weighted average remaining lease term and discount rate for leases as of March 31, 2026:

	<u>Finance Leases</u>	<u>Operating Leases</u>
Weighted Average Remaining Lease Term	1.67 years	1.20 years
Weighted Average Discount Rate	3.26%	2.99%

The maturities of operating and finance lease liabilities as of March 31, 2026 are as follows:

<u>Years ending March 31,</u>	<u>Operating Leases</u>	<u>Finance Leases</u>
2027	\$ 38,518	\$ 1,824
2028	7,056	1,216
Total future minimum lease payments	<u>45,574</u>	<u>3,040</u>
Less: present value discount	(753)	(77)
Total lease liabilities	<u>\$ 44,821</u>	<u>\$ 2,963</u>

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Notes to Financial Statements
March 31, 2026
(Continued)

12. Liquidity and Availability

The Organization strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures. Financial assets in excess of daily cash requirements are maintained in checking or savings accounts.

The following table reflects the Organization's financial assets as of March 31, 2026 and 2025, reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date. Amounts not available to meet general expenditures within one year include net assets with donor restrictions.

	<u>2026</u>	<u>2025</u>
Cash and equivalents	\$ 222,259	\$ 267,216
Certificate of deposit	74,365	71,471
Investments	884,269	784,864
Promises to give, current portion	200,000	200,000
Total financial assets	<u>1,380,893</u>	<u>1,323,551</u>
Funds designated by the Board of Directors for specific purposes	(206,381)	(206,381)
Board designated endowment - Legacies	(253,241)	(253,241)
Donor-restricted endowments	(11,302)	(11,302)
Donor-imposed purpose restricted net assets	<u>(83,337)</u>	<u>(180,971)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 826,632</u>	<u>\$ 671,656</u>

Endowment funds consist of donor-restricted endowments (\$11,302 at March 31, 2026 and 2025) and funds designated by the board as endowments (\$253,241 at March 31, 2026 and 2025). Income from donor-restricted endowment is not restricted for specific purposes. Donor-restricted endowment funds are not available for general expenditure.

Although, the Organization does not intend to spend from the board-designated endowment (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available if necessary.

13. Concentrations

During the year ended March 31, 2026, approximately 14% of total revenues and other support were received from one donor. During the year ended March 31, 2025, approximately 11% of total revenues and other support were received from one donor.

14. Commitments

The Organization entered into an agreement for ongoing accounting services beginning October 1, 2024. The agreement automatically renews on March 31 of each year unless either party provides written notice of termination at least 30 days prior to the renewal date. The agreement provides for monthly payments of \$2,000, with an annual increase of 3% beginning April 1, 2025, rounded to the nearest \$5.

PREVENT BLINDNESS WISCONSIN, INC.
Milwaukee, Wisconsin

Notes to Financial Statements

March 31, 2026

(Continued)

15. Contributed Nonfinancial Assets

Contributed nonfinancial assets of goods and services are recorded as revenue and expenses or additions to property and equipment at their fair value. Contributed services are reported in the financial statements for voluntary donations of professional services when those services create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and typically would be purchased if not provided by donation. The amounts reflected in the accompanying financial statements as contributed nonfinancial assets are offset by like amounts included in expenses or as additions to property and equipment. The statement of activities includes the following contributed nonfinancial services recognized by category for the years ended March 31:

<u>Type</u>	<u>2026</u>	<u>Utilization in Programs/Activities</u>
Printed materials for special event	\$ 2,318	Fundraising
Promotional video for special event	5,600	Fundraising (\$3,733); Public health education (\$1,867)
Total	<u>\$ 7,918</u>	

<u>Type</u>	<u>2025</u>	<u>Utilization in Programs/Activities</u>
Printed materials for special event	\$ 3,200	Fundraising
Promotional video for special event	10,000	Fundraising (\$6,667); Public health education (\$3,333)
Total	<u>\$ 13,200</u>	

The Organization used the following valuation techniques and inputs to recognize contributed nonfinancial assets:

Printed materials, promotional video, marketing services – Valued at the estimated fair value based on retail rates for similar goods and services.

In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization in the furtherance of its exempt purpose. The values of these services are not recorded in the financial statements.