



**Texas Society to Prevent
Blindness, Inc.**
(d/b/a Prevent Blindness Texas)

Financial Statements
Years Ended March 31, 2022 and 2021

Texas Society to Prevent Blindness, Inc.
(d/b/a Prevent Blindness Texas)

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Independent Auditor's Report

The Board of Directors
Texas Society to Prevent Blindness, Inc.
(d/b/a Prevent Blindness Texas)
Houston, Texas

Opinion

We have audited the financial statements of Texas Society to Prevent Blindness, Inc. (d/b/a Prevent Blindness Texas) (the Society), which comprise the statements of financial position as of March 31, 2022 and 2021, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as of March 31, 2022 and 2021, 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.

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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Society 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 accounting principles generally accepted in the United States of America, 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 Society's ability to continue as a going concern within one year after the date that the Society's financial statements are issued or available to be issued.



Auditor's 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 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 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 Society'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 Society'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

BDO USA, LLP

August 16, 2022

Financial Statements

Texas Society to Prevent Blindness, Inc.
(d/b/a Prevent Blindness Texas)

Statements of Financial Position

<i>March 31,</i>	2022	2021
Assets		
Current Assets		
Cash and cash equivalents	\$ 380,908	\$ 1,954,318
Investments	1,760,241	488,382
Contributions and grants receivable	175,849	108,798
Other assets	32,841	40,975
Total Current Assets	2,349,839	2,592,473
Property and Equipment, net carrying amount	82,223	59,142
Total Assets	\$ 2,432,062	\$ 2,651,615
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 2,430	\$ 12,224
Accrued vacation	28,163	31,258
Deferred revenue	8,925	-
Current maturities of Paycheck Protection Program loan	-	107,199
Total Current Liabilities	39,518	150,681
Paycheck Protection Program Loan, net of current maturities	-	151,798
Total Liabilities	39,518	302,479
Net Assets		
Without donor restriction	1,666,934	1,656,128
With donor restriction	725,610	693,008
Total Net Assets	2,392,544	2,349,136
Total Liabilities and Net Assets	\$ 2,432,062	\$ 2,651,615

See accompanying notes to financial statements.

Texas Society to Prevent Blindness, Inc.
(d/b/a Prevent Blindness Texas)

Statements of Activities and Changes in Net Assets

Year ended March 31,

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public Support and Operating Revenue						
Contributions	\$ 9,182	\$ 10,313	\$ 19,495	\$ 22,980	\$ 27,055	\$ 50,035
Foundation grants	-	430,775	430,775	-	470,163	470,163
Government grants	85,428	23,400	108,828	18,325	9,936	28,261
Received indirectly - combined service campaigns	2,097	-	2,097	2,004	-	2,004
Special events, net of direct costs of \$73,823 in 2022 and \$49,145 in 2021	69,652	-	69,652	22,472	-	22,472
Interest and dividend income, net	26,483	-	26,483	10,352	-	10,352
Miscellaneous	313	-	313	13,082	-	13,082
Net assets released from restrictions	431,886	(431,886)	-	171,502	(171,502)	-
Total Public Support and Operating Revenue	625,041	32,602	657,643	260,717	335,652	596,369
Expenses						
Program services	647,670	-	647,670	688,686	-	688,686
General and administrative	38,098	-	38,098	40,511	-	40,511
Fundraising	76,197	-	76,197	81,022	-	81,022
Total Program and Support Services	761,965	-	761,965	810,219	-	810,219
Unallocated affiliate support of national programs	55,596	-	55,596	60,115	-	60,115
Total Expenses	817,561	-	817,561	870,334	-	870,334
Increase (Decrease) in Net Assets, before non-operating revenue, gains, and losses	(192,520)	32,602	(159,918)	(609,617)	335,652	(273,965)
Non-Operating Revenue, Gains, and Losses						
Gain on sale of fixed assets	-	-	-	705,351	-	705,351
Gain on forgiveness of Paycheck Protection Program (PPP) loan	258,997	-	258,997	-	-	-
Realized and unrealized (losses) gains on investments	(55,671)	-	(55,671)	68,684	-	68,684
Increase in Net Assets	10,806	32,602	43,408	164,418	335,652	500,070
Net Assets, beginning of year	1,656,128	693,008	2,349,136	1,491,710	357,356	1,849,066
Net Assets, end of year	\$ 1,666,934	\$ 725,610	\$ 2,392,544	\$ 1,656,128	\$ 693,008	\$ 2,349,136

See accompanying notes to financial statements.

Texas Society to Prevent Blindness, Inc.
(d/b/a Prevent Blindness Texas)

Statements of Functional Expenses

Year ended March 31, 2022

	Program Services					Support Services			Unallocated Affiliate Support of National Programs	Total
	Research	Public Health Education	Professional Education and Training	Community Services	Total Program Services	General and Administrative	Fundraising	Total Support Services		
Salaries	\$ 4,351	\$ 208,863	\$ 65,270	\$ 91,378	\$ 369,862	\$ 21,756	\$ 43,513	\$ 65,269	\$ -	\$ 435,131
Employee benefits	853	40,955	12,798	17,918	72,524	4,266	8,533	12,799	-	85,323
Payroll taxes	365	17,517	5,474	7,663	31,019	1,825	3,649	5,474	-	36,493
Total Salaries and Related Expenses	5,569	267,335	83,542	116,959	473,405	27,847	55,695	83,542	-	556,947
Building occupancy	306	14,702	4,594	6,432	26,034	1,533	3,063	4,596	-	30,630
Depreciation of building and equipment	105	5,031	1,572	2,201	8,909	524	1,048	1,572	-	10,481
Dues and subscriptions	90	4,341	1,357	1,899	7,687	452	904	1,356	-	9,043
Insurance	95	4,561	1,425	1,996	8,077	475	950	1,425	-	9,502
Office equipment maintenance	80	3,859	1,206	1,688	6,833	402	804	1,206	-	8,039
Office supplies	75	3,612	1,129	1,580	6,396	376	753	1,129	-	7,525
Other	78	3,746	1,171	1,639	6,634	390	780	1,170	-	7,804
Postage and shipping	109	5,247	1,640	2,296	9,292	547	1,093	1,640	-	10,932
Printing and publications	32	1,558	487	682	2,759	162	325	487	-	3,246
Professional fees and outside services	530	25,433	7,948	11,127	45,038	2,649	5,299	7,948	-	52,986
Telephone	106	5,040	1,575	2,205	8,926	525	1,050	1,575	-	10,501
Travel and meetings	191	9,110	2,847	3,985	16,133	949	1,898	2,847	-	18,980
Visual aids and eye clinic	254	12,168	3,802	5,323	21,547	1,267	2,535	3,802	-	25,349
Unallocated affiliate support of national programs	-	-	-	-	-	-	-	-	55,596	55,596
Total Expenses	\$ 7,620	\$ 365,743	\$ 114,295	\$ 160,012	\$ 647,670	\$ 38,098	\$ 76,197	\$ 114,295	\$ 55,596	\$ 817,561

See accompanying notes to financial statements.

Texas Society to Prevent Blindness, Inc.
(d/b/a Prevent Blindness Texas)

Statements of Functional Expenses

Year ended March 31, 2021

	Program Services					Support Services			Unallocated Affiliate Support of National Programs	Total
	Research	Public Health Education	Professional Education and Training	Community Services	Total Program Services	General and Administrative	Fundraising	Total Support Services		
Salaries	\$ 4,537	\$ 217,792	\$ 68,060	\$ 95,284	\$ 385,673	\$ 22,687	\$ 45,373	\$ 68,060	\$ -	\$ 453,733
Employee benefits	1,007	48,359	15,112	21,157	85,635	5,037	10,075	15,112	-	100,747
Payroll taxes	377	18,105	5,658	7,921	32,061	1,886	3,772	5,658	-	37,719
Total Salaries and Related Expenses	5,921	284,256	88,830	124,362	503,369	29,610	59,220	88,830	-	592,199
Building occupancy	428	20,559	6,425	8,995	36,407	2,142	4,283	6,425	-	42,832
Depreciation of building and equipment	182	8,720	2,725	3,815	15,442	908	1,817	2,725	-	18,167
Dues and subscriptions	86	4,111	1,285	1,799	7,281	428	857	1,285	-	8,566
Insurance	142	6,840	2,137	2,992	12,111	712	1,425	2,137	-	14,248
Office equipment maintenance	203	9,741	3,044	4,262	17,250	1,015	2,029	3,044	-	20,294
Office supplies	95	4,563	1,426	1,996	8,080	475	951	1,426	-	9,506
Other	113	5,416	1,692	2,369	9,590	564	1,128	1,692	-	11,282
Postage and shipping	68	3,272	1,023	1,432	5,795	341	682	1,023	-	6,818
Printing and publications	50	2,376	743	1,040	4,209	248	495	743	-	4,952
Professional fees and outside services	550	26,419	8,256	11,558	46,783	2,752	5,504	8,256	-	55,039
Telephone	125	6,014	1,880	2,631	10,650	627	1,253	1,880	-	12,530
Travel and meetings	48	2,326	727	1,017	4,118	242	484	726	-	4,844
Visual aids and eye clinic	87	4,186	1,308	1,831	7,412	436	872	1,308	-	8,720
Volunteer expenses	2	107	33	47	189	11	22	33	-	222
Unallocated affiliate support of national programs	-	-	-	-	-	-	-	-	60,115	60,115
Total Functional Expenses	\$ 8,100	\$ 388,906	\$ 121,534	\$ 170,146	\$ 688,686	\$ 40,511	\$ 81,022	\$ 121,533	\$ 60,115	\$ 870,334

See accompanying notes to financial statements.

Texas Society to Prevent Blindness, Inc.
(d/b/a Prevent Blindness Texas)

Statements of Cash Flows

<i>Year ended March 31,</i>	2022	2021
Cash Flows from Operating Activities		
Increase in net assets	\$ 43,408	\$ 500,070
Adjustments to reconcile increase in net assets to net cash used in operating activities:		
Depreciation	10,481	18,167
Realized and unrealized loss (gain) on investments	55,671	(68,864)
Gain on forgiveness of Paycheck Protection Program (PPP) loan	(258,997)	-
Gain on sale of fixed assets	-	(705,351)
Change in operating assets and liabilities:		
Contributions and grants receivable	(67,051)	(406)
Interest receivable	1,245	276
Other assets	6,889	17,938
Accounts payable and accrued expenses	(9,794)	(34,182)
Accrued vacation	(3,095)	(3,541)
Deferred revenue	8,925	(15,000)
Net Cash Used in Operating Activities	(212,318)	(290,893)
Cash Flows from Investing Activities		
Capital expenditures	(33,562)	(20,385)
Proceeds from sale of fixed assets	-	1,212,355
Purchases of investments	(1,391,467)	(179,542)
Proceeds from sales of investments	63,937	169,440
Net Cash (Used in) Provided by Investing Activities	(1,361,092)	1,181,868
Cash Flows from Financing Activities		
Proceeds from Economic Injury Disaster Loan	-	150,000
Payments on Economic Injury Disaster Loan	-	(150,000)
Proceeds from Paycheck Protection Program loan	-	258,997
Net Cash Provided by Financing Activities	-	258,997
Net (Decrease) Increase in Cash and Cash Equivalents	(1,573,410)	1,149,972
Cash and Cash Equivalents, beginning of year	1,954,318	804,346
Cash and Cash Equivalents, end of year	\$ 380,908	\$ 1,954,318

See accompanying notes to financial statements.

Texas Society to Prevent Blindness, Inc.
(d/b/a Prevent Blindness Texas)

Notes to Financial Statements

1. Summary of Accounting Policies

Nature of Organization

Texas Society to Prevent Blindness, Inc. (d/b/a Prevent Blindness Texas) (the Society), an affiliate of the National Society to Prevent Blindness, is a not-for-profit organization that began its program in the state of Texas in 1956 and was incorporated in 1965. The Society is concerned with preventing blindness and visual impairment through a comprehensive program of screening and public and professional education in the state of Texas. Program services, including research, public health education, and professional education and teachings, are provided through offices located in major metropolitan areas, including Dallas, Houston, and San Antonio.

Basis of Presentation

The financial statements of the Society have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

Cash and Cash Equivalents

The Society considers all highly liquid investments purchased with maturity of three months or less to be cash equivalents.

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 and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk

The Society maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Society has not experienced any losses in such accounts and management does not believe the Society is exposed to any significant credit risk on cash.

Contributions and Grants Receivable

The Society's contributions and grants receivables are comprised primarily of grants and allocations committed from various funding agencies, corporations, and individuals for use in the Society's activities. Contributions and grants receivable at March 31, 2022 and 2021 are expected to be collected within one year. The Society has not recorded a provision for doubtful accounts since it is the opinion of management that those receivables are collectible in full.

Investments

The investments of the Society are reported at fair value. The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (the exit price). The investments

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Notes to Financial Statements

of the Society have fair values determined by quoted prices in active markets for identical assets (Level 1 classification), and by significant other observable inputs (Level 2 classification). Cash and cash equivalents held with the broker are included in investments.

Mutual Funds

Mutual funds' fair values are determined by reference to the fund's underlying assets, which are principally marketable equity and fixed-income securities. Shares held in mutual funds that trade on national securities exchanges are valued at their trading price and are classified within Level 1 of the valuation hierarchy, as described in Note 2.

Equities

Equity funds consist of shares held at publicly traded companies. Shares held in equity funds that trade on national securities exchanges are valued at their trading prices and are classified within Level 1 of the valuation hierarchy, as described in Note 2.

Municipal Bonds

Municipal bonds consist of government and agency securities traded in markets that are not considered active and are valued based on quoted market prices or alternative pricing sources with reasonable levels of price transparency. Securities that trade infrequently and, therefore, have little or no price transparency are valued using management's best estimates. These investments are classified within Level 2 of the valuation hierarchy, as described in Note 2.

Corporate Bonds

Corporate bonds consist of securities traded in markets that are not considered active and are valued based on quoted market prices, broker or dealer quotations, or alternative pricing sources with reasonable levels of price transparency. Securities that trade infrequently and, therefore, have little or no price transparency are valued using management's best estimates. These investments are classified within Level 2 of the valuation hierarchy, as described in Note 2.

Property and Equipment

Property and equipment are recorded at cost or, in the case of gifts, fair value as of the date of the donation and depreciated over estimated useful lives using straight-line, accelerated, and declining-balance methods. Useful lives range from ten to 40 years for buildings and improvements and three to ten years for equipment. It is the policy of the Society to capitalize property and equipment if the cost or value of the item is in excess of \$1,500 and the useful economic life is greater than one year. Costs of repairs and maintenance are charged to expense as incurred.

The Society reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or the fair value less costs to sell.

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Notes to Financial Statements

Deferred Revenue

Cash received in the current year that are applicable to the sponsorship events in the subsequent year are recorded as deferred revenue and recognized as revenue when the sponsorship event takes place.

Net Assets

The Society reports information regarding its financial position and activities according to two classes of net assets—without donor restrictions and with donor restrictions.

Net assets without donor restrictions are resources that are not subject to donor-imposed restrictions plus those resources for which donor-imposed restrictions have been satisfied.

Grants with donor-stipulated purposes are classified as net assets with donor restrictions. Amounts are released from restriction as the funds are spent toward the specific restricted purposes. See Note 6 for purpose of grants.

Public Support and Revenue

Public support and revenue 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 on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or law. 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 applicable classes of net assets.

The Society may be the beneficiary of various wills, the total realizable amount of which is not presently determinable. Such amounts are recorded as legacy revenue when clear title is established, and the proceeds are clearly measurable.

Revenue Recognition

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which is a comprehensive new revenue recognition standard that superseded existing revenue recognition guidance. The Society's accounting policy regarding revenue recognition has been updated to align with Topic 606, and no significant changes to revenue have occurred as a result of the change. On April 1, 2020, the Society adopted Topic 606, applying the modified retrospective method. There was no impact to revenue for the year ended March 31, 2021 as a result of adopting Topic 606.

Contributions and Foundation Grants

Contributions and foundation grants are recognized at a point in time when the donor makes a promise to give the Society that is, in substance, unconditional. Contributions and foundation grants received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. Donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with

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donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions.

Government Grants

The Society engages in various cost-reimbursable contracts with governmental authorities with varying terms. Federal government contracts are not recorded until expended for the purpose of the grants, since they have been evaluated as conditional promises to give and are not recognized until the condition has been met in accordance with ASU 2018-08. Amounts received are recognized as revenue when the Society has incurred expenditures in compliance with specific contract or grant provisions.

Special Events

Special event revenue is recognized in the period that the event occurs.

Investment Income

Realized gains and losses from changes in market values are reflected in the statements of activities and changes in net assets. Investment fees are netted against the total interest and dividends reflected in the statement of activities and changes in net assets.

Donated Services and Assets

Contributions of tangible goods are recognized at fair value when received. Contributed professional services are recognized if the services received (a) create or enhance nonfinancial 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.

A substantial number of volunteers have donated significant amounts of their time to the Society's program services and fundraising campaigns. No amounts have been recognized in the statements of activities and changes in net assets because the criteria for recognition of those goods and services in accordance with U.S. GAAP have not been satisfied.

Functional Allocation of Expenses

The costs of providing various programs and support services are presented on a functional basis in the statements of activities and changes in net assets. The costs that are directly associated with a particular program or supporting service are allocated directly to that functional category. Additionally, certain costs have been allocated among the programs and supporting services benefited based on staff time devoted to the functional areas or other appropriate allocation methods determined by management. All other expenses are allocated based on actual expense for programs and various other criteria.

Tax Status

The Society is a not-for-profit corporation and is exempt from tax under the provisions of Internal Revenue Code (the Code) Section 501(c)(3). The Society is also subject to tax on any unrelated business income, which was de minimis for the years ended March 31, 2022 and 2021. U.S. GAAP requires management to evaluate tax positions taken by the Society and recognize a tax liability if

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the Society has taken an uncertain position that more-likely-than-not would not be sustained upon examination by the Internal Revenue Service or other applicable taxing authorities. Management has analyzed the tax positions taken by the Society and has concluded that as of March 31, 2022 and 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Society is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Society is still open to examination by U.S. tax authorities from fiscal 2018 forward.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities and changes in net assets. The new standard is effective for the Society for the year ended March 31, 2023.

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*. This update addresses presentation and disclosure of contributed nonfinancial assets. This update will require a nonprofit to present contributed nonfinancial assets as a separate line item in the statements of activities and changes in net assets, apart from contributions of cash and other financial assets, and to disclose contributed nonfinancial assets recognized within the consolidated statements of activities and changes in net assets disaggregated by category that depicts the type of contributed nonfinancial assets, and, for each category of contributed nonfinancial assets recognized, to include the following: qualitative information about whether the contributed nonfinancial assets were either monetized or utilized during the reporting period (if utilized, disclose a description of the programs or their activities in which those assets were used), the Society's policy (if any) about monetizing rather than utilizing contributed nonfinancial assets, a description of any donor-imposed restrictions associated with the contributed nonfinancial assets, a description of the valuation techniques and inputs used to arrive at a fair value measure at initial recognition, and the principal market used to arrive at a fair value measure if it is a market in which the recipient Society is prohibited by a donor-imposed restriction from selling or using the contributed nonfinancial assets. The ASU is to be applied on a retrospective basis and effective for annual periods beginning after December 15, 2021, and interim periods within annual periods beginning after December 15, 2022. Early adoption is permitted. The Society is currently evaluating the impact of this ASU on its financial statements.

Subsequent Events

Subsequent events were evaluated through August 16, 2022, which is the date the financial statements were available to be issued.

2. Fair Value Measurement

The Society performs fair value measurements in accordance with Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, which defines fair value, establishes a framework for measuring fair value in U.S. GAAP, and expands disclosures about fair value measurements.

Fair value is defined in the ASC as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the most advantageous market for the asset or liability in an

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orderly transaction. Fair value measurement is based on a hierarchy of observable or unobservable inputs. The standard describes three levels of inputs that may be used to measure fair value.

Level 1: Quoted Prices in Active Markets for Identical Assets - This level consists of inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date.

Level 2: Significant Other Observable Inputs - This level consists of 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 the fair value can be determined through the use of models or other valuation methodologies.

Level 3: Significant Unobservable Inputs - This level consists of inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity of the asset and liability and the reporting entity makes estimates and assumptions relating to the pricing of the asset or liability, including assumptions regarding risk.

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Society's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The following tables present information about the Society's assets measured at fair value on a recurring basis and the valuation techniques used by the Society to determine those fair values.

At March 31, 2022 and 2021, the Society had no investments that were required to be classified as Level 3.

March 31, 2022

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance
Investments:				
Government bonds	\$ -	\$ 166,004	\$ -	\$ 166,004
Corporate bonds	-	68,443	-	68,443
Equities	210,422	-	-	210,422
Mutual funds	1,094,013	-	-	1,094,013
Total Investments	\$ 1,304,435	\$ 234,447	\$ -	\$ 1,538,882

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March 31, 2021

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance
Investments:				
Municipal bonds	\$ -	\$ 156,121	\$ -	\$ 156,121
Corporate bonds	-	103,632	-	103,632
Equities	197,019	-	-	197,019
Mutual funds	22,002	-	-	22,002
Total Investments	\$ 219,021	\$ 259,753	\$ -	\$ 478,774

Not included in the previous tables are \$221,359 and \$9,608 in cash and cash equivalents held in brokerage accounts as of March 31, 2022 and 2021, respectively.

3. Property and Equipment

The cost of property and equipment is summarized as follows:

<i>March 31,</i>	2022	2021	Depreciable Life (Years)
Property and Equipment	\$ 612,930	\$ 579,368	3-10
Total Cost	612,930	579,368	
Less: accumulated depreciation	(530,707)	(520,226)	
Net Carrying Amount	\$ 82,223	\$ 59,142	

In December of 2020, the Society sold the Houston building and land for total net proceeds of \$1,212,355.

4. Employee Benefit Plans

The Society sponsors a 403(b) retirement plan covering substantially all employees who meet certain eligibility requirements. The amount contributed by the Society to the plan is dependent on the contribution of each employee. Total contributions to the plan were \$8,876 and \$8,796 for the years ended March 31, 2022 and 2021, respectively.

The Society also maintains a tax deferred annuity (TDA) plan. Employee contributions are made on a tax-deferred basis pursuant to a salary reduction agreement, in accordance with the requirements of the Code Section 403(b). All employees are eligible to participate in the TDA. The Society does not make contributions to the TDA.

5. Lease Commitments

The Society occupies certain operating facilities under various operating lease agreements expiring at various dates through 2027, where monthly rent expense range from \$3,358 to \$2,019.

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Substantially all of these leases require that the Society pay real estate taxes, utilities, and maintenance expenses.

As of March 31, 2022, the minimum future rent payments due under operating leases with non-cancelable lease terms in excess of one year are as follows:

Year ending March 31,

2023	\$	42,237
2024		29,199
2025		27,160
2026		27,922
2027		9,392
Total	\$	135,910

Total rent expense under all operating leases was approximately \$30,630 and \$31,600 for the years ended March 31, 2022 and 2021, respectively.

6. Net Assets with Donor Restrictions

The Society's net assets with donor restrictions are as follows:

<i>March 31,</i>	2022		2021	
Restricted for use within 100 miles of Crosbyton, Texas	\$	269,914	\$	269,914
Restricted by time		455,696		423,094
Total Net Assets with Donor Restrictions	\$	725,610	\$	693,008

7. Net Assets Released from Donor Restrictions

Net assets are released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time. The net assets released from restrictions for 2022 and 2021 amounted to \$431,886 and \$171,502 respectively.

8. Debt

Paycheck Protection Program

On April 26, 2020, the Society executed, in good faith, a Paycheck Protection Program (PPP) loan totaling \$144,700, with an interest rate of 1%. No payments are due on this loan for six months from the date of the loan. Interest will continue to accrue during the deferment period. Loan payments of principal and interest are due monthly over the remaining 18 months of the loan. The Small Business Association (SBA) will forgive the loan if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities. While the Society anticipates the full portion of the loan to be forgiven, the Society must comply with the stipulations of the loan and the SBA will have to authorize any forgiveness of part or all of the outstanding loan balances. On May 5, 2021, the Society received forgiveness of \$144,700 from the SBA.

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On February 5, 2021, the Society received a second draw PPP loan in the amount of \$114,297 under the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (Economic Aid Act). The loan has an interest rate of 1%. The Society has ten months after the last day of the covered period, as defined by the act, to apply for forgiveness of the loan. If forgiveness is applied for in that period of time, to the extent the loan amount is not forgiven, payments begin on the date on which the amount forgiven is remitted to the lender by the SBA in equal monthly payments of principal, interest and fees until the maturity date. If forgiveness is not applied for in that period of time, payments begin ten months after the last day of the covered period in equal monthly payments of principal until the maturity date. Interest will accrue beginning on the date of the loan. The Society could qualify for loan forgiveness if certain criteria are met. There are uncertainties surrounding the extent to which the Society may be eligible for loan forgiveness, but management continues to analyze and monitor the criteria under the program. On October 26, 2021, the Society received forgiveness of \$114,297 from the SBA.

Economic Injury Disaster Loan

On June 25, 2020, the Society executed an Economic Injury Disaster Loan (EIDL) provided by the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) totaling \$150,000, with an interest rate of 2.75% and a maturity date in June 2050. On January 12, 2021, the Society paid the EIDL in full including interest incurred to date.

9. Communities Foundation of Texas, Inc.

Communities Foundation of Texas, Inc. (CFT) holds and controls assets for the benefit of the Dallas branch of the Society. Investments are restricted for office and business expenses at the Dallas branch and are released to the Society upon approval by CFT. The Society is not recording the value of the assets in the financial statements, as the Society currently does not have the unconditional right to receive the benefits. The investment balances were \$425,605 and \$394,338 as of March 31, 2022 and 2021, respectively.

10. Related Party Transactions

The Society is part of an affiliate agreement with the National Society to Prevent Blindness. This affiliate agreement includes a profit-sharing policy where the National Society to Prevent Blindness receives 10% on donor restricted contributions and records it as dues income. The affiliate dues are included in the Society's schedule of functional expenses.

To assist with the impacts of the new coronavirus strain on the Society, the National Society to Prevent Blindness granted approximately \$30,000 to be used by the Society for general expenditures in fiscal year 2021. The funds are included as foundation grants in the statement of activities and changes in net assets.

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11. Liquidity and Availability of Resources

The Society's financial assets available within one year of the statements of financial position date for general expenditures are as follows:

<i>March 31,</i>	2022	2021
Cash and cash equivalents	\$ 380,908	\$ 1,954,318
Investments	1,760,241	488,382
Contributions and grants receivable	175,848	108,798
Interest receivable	-	1,245
Total Financial Assets Available Within One Year	2,316,997	2,552,743
Less:		
Amounts unavailable for general expenditures within one year, due to:		
Restricted by donors with purpose restrictions	269,914	269,914
Restricted by donors with time restrictions	455,696	423,094
Total Amounts Unavailable for General Expenditures Within One Year	725,610	693,008
Total Financial Assets Available to Management for General Expenditures Within One Year	\$ 1,591,387	\$ 1,859,735

The Society maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations are due. Investments are included in the table above as these assets are available to be used should the Society deem necessary; however, the investments are not expected to be used within one year.