Guiding Eyes for the Blind, Inc.

Financial Statements
Year Ended September 30, 2021

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Guiding Eyes for the Blind, Inc.

Contents

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Independent Auditor's Report

The Board of Directors
Guiding Eyes for the Blind, Inc.
Yorktown Heights, New York

Opinion

We have audited the financial statements of Guiding Eyes for the Blind, Inc. (Guiding Eyes), which comprise the statement of financial position as of September 30, 2021, 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 accompanying financial statements present fairly, in all material respects, the financial position of Guiding Eyes as of September 30, 2021, 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.

Basis for Opinion

We conducted our audit 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 Guiding Eyes and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 Guiding Eyes' ability to continue as a going concern within one year after the date that the 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 Guiding Eyes' 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 Guiding Eyes' 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 Guiding Eyes' 2020 financial statements, and our report, dated February 23, 2021, 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 September 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

BDO USA, LLP

February 17, 2022

Guiding Eyes for the Blind, Inc.

Statement of Financial Position
(with comparative totals for 2020)

September 30,		2021		2020
Assets				
Current Assets				
Cash and cash equivalents (Notes 2 and 3)	$	**16,320,675**	$	10,348,437
Cash equivalents held by investment managers (Notes 2 and 3)		**1,164,055**		909,295
Total Cash and Cash Equivalents		**17,484,730**		11,257,732
Investments, at fair value (Notes 2, 3, 4, and 5)		**81,170,593**		69,058,027
Bequest receivable (Notes 2 and 3)		**1,775,118**		1,755,230
Contributions receivable (Note 2)		**75,000**		24,500
Prepaid expenses and other assets		**464,347**		741,287
Right-of-use asset - operating lease, current portion (Notes 2 and 8)		**39,840**		-
Total Current Assets		**101,009,628**		82,836,776
Contributions Receivable, net of current portion (Note 2)		**219,000**		-
Deferred Compensation Plan Asset (Notes 4 and 9)		**331,460**		211,629
Right-of-Use Asset - Operating Lease, net of current portion (Notes 2 and 8)		**142,196**		-
Fixed Assets, Net (Notes 2, 6, and 7)		**20,418,343**		21,443,955
Total Assets	$	**122,120,627**	$	104,492,360
Liabilities and Net Assets				
Current Liabilities				
Accounts payable and accrued expenses	$	**1,224,823**	$	597,036
Payroll and payroll taxes payable		**1,227,996**		1,117,213
Bonds payable, current portion (Notes 2 and 7)		**425,000**		415,000
Operating lease liability, current portion (Notes 2 and 8)		**39,840**		-
Total Current Liabilities		**2,917,659**		2,129,249
Deferred Compensation (Notes 4 and 9)		**331,460**		211,629
Reserve for Health Insurance (Note 2)		**390,000**		300,000
Gift Annuity Reserve (Notes 3 and 5)		**1,588,347**		1,561,193
Bonds Payable, less current portion and net of bond issuance costs (Notes 2 and 7)		**808,059**		1,209,079
Operating Lease Liability, less current portion (Notes 2 and 8)		**142,196**		-
Loan Payable - Paycheck Protection Program (Note 18)		**-**		2,808,592
Accrued Pension Obligation (Note 9)		**473,657**		842,969
Total Liabilities		**6,651,378**		9,062,711
Commitments and Contingencies (Notes 7, 8, 9, 11, 12, and 13)				
Net Assets (Notes 2, 3, 11, 12, and 13)				
Without donor restrictions		**104,514,481**		85,585,115
With donor restrictions (Notes 11, 12 and 13)		**10,954,768**		9,844,534
Total Net Assets		**115,469,249**		95,429,649
Total Liabilities and Net Assets	$	**122,120,627**	$	104,492,360

See accompanying notes to financial statements.

Guiding Eyes for the Blind, Inc.

Statement of Activities
(with comparative totals for 2020)

	Without Donor Restrictions	With Donor Restrictions	Total 2021	Total 2020
Public Support and Revenue				
Contributions (Notes 2 and 13)	$ 21,656,674	$ 600,232	**$ 22,256,906**	$ 20,101,470
Bequests (Notes 2 and 16)	12,596,445	-	**12,596,445**	12,193,521
Special events, net of direct donor benefits of $117,203 and $0 in 2021 and 2020, respectively	44,366	-	**44,366**	2,000
Net investment income (Note 13)	10,780,497	1,556,908	**12,337,405**	3,925,932
Other income	367,340	-	**367,340**	455,177
Net assets released from restrictions (Notes 10 and 12)	1,046,906	(1,046,906)	**-**	-
Total Public Support and Revenue	46,492,228	1,110,234	**47,602,462**	36,678,100
Expenses				
Program services:				
Guide dog training and student services	8,835,011	-	**8,835,011**	8,615,013
Residential and graduate services	1,192,042	-	**1,192,042**	705,857
Veterinary hospital and kennel	6,476,342	-	**6,476,342**	5,851,634
Canine breeding	926,364	-	**926,364**	577,814
Facilities management	2,552,752	-	**2,552,752**	2,206,001
Enrichment and education	1,636,521	-	**1,636,521**	2,628,372
Total Program Services	21,619,032	-	**21,619,032**	20,584,691
Supporting services:				
Management and general	2,094,849	-	**2,094,849**	1,345,674
Fundraising	6,414,677	-	**6,414,677**	5,342,982
Total Supporting Services	8,509,526	-	**8,509,526**	6,688,656
Total Expenses	30,128,558	-	**30,128,558**	27,273,347
Change in Net Assets, before pension-related changes other than net periodic pension cost, gain on disposal of fixed assets, and PPP loan forgiveness	16,363,670	1,110,234	**17,473,904**	9,404,753
Pension-Related Changes, other than net periodic pension cost (Note 9)	(242,896)	-	**(242,896)**	(332,874)
Gain on Disposal of Fixed Assets	-	-	**-**	11,109
Forgiveness of Paycheck Protection Program Loan (Note 18)	2,808,592	-	**2,808,592**	-
Change in Net Assets	18,929,366	1,110,234	**20,039,600**	9,082,988
Net Assets, beginning of year	85,585,115	9,844,534	**95,429,649**	86,346,661
Net Assets, end of year	$ 104,514,481	$ 10,954,768	$ 115,469,249	$ 95,429,649

See accompanying notes to financial statements.

Guiding Eyes for the Blind, Inc.

Statement of Functional Expenses
(with comparative totals for 2020)

Year ended September 30,

	Program Services							Supporting Services			Total	
	Guide Dog Training and Student Services	Residential and Graduate Services	Veterinary Hospital and Kennel	Canine Breeding	Facilities Management	Enrichment and Education	Total Program Services	Management and General	Fundraising	Total Supporting Services	**2021**	2020
Salaries and Related Expenses												
Salaries	$ 5,216,098	$ 370,869	$ 2,563,216	$ 466,725	$ 603,661	$ -	$ 9,220,569	$ 952,951	$ 1,001,571	$ 1,954,522	**$ 11,175,091**	$ 11,008,373
Employee health and retirement benefits	1,607,409	66,401	1,198,260	114,162	168,090	-	3,154,322	247,628	94,915	342,543	**3,496,865**	2,948,368
Payroll taxes	400,908	26,394	188,886	35,177	48,718	-	700,083	67,510	76,264	143,774	**843,857**	824,824
Total Salaries and Related Expenses	7,224,415	463,664	3,950,362	616,064	820,469	-	13,074,974	1,268,089	1,172,750	2,440,839	**15,515,813**	14,781,565
Other Expenses												
Data processing and mailing services	-	-	-	-	-	203,046	203,046	83,819	583,031	666,850	**869,896**	816,535
Postage and shipping	4,588	370	2,871	49	-	335,812	343,690	4,048	1,403,734	1,407,782	**1,751,472**	1,721,843
Printing and publications	1,500	51,067	-	-	-	1,097,663	1,150,230	-	2,285,227	2,285,227	**3,435,457**	3,397,247
Veterinarian fees and supplies	-	-	1,016,092	-	-	-	1,016,092	-	-	-	**1,016,092**	1,028,331
Telephone and utilities	115,274	16,643	243,401	8,226	18,188	-	401,732	1,868	16,277	18,145	**419,877**	416,942
Insurance	107,175	19,391	317,951	5,811	10,341	-	460,669	39,083	8,152	47,235	**507,904**	463,943
Transportation and lodging	178,915	321	3,122	-	210	-	182,568	6,580	4,014	10,594	**193,162**	241,027
Professional fees	462	150,000	-	-	-	-	150,462	587,425	525,991	1,113,416	**1,263,878**	879,216
Dog food and supplies	129,451	-	125,567	6,268	1,452	-	262,738	-	-	-	**262,738**	413,382
Office expenses	432,254	434,957	257,653	71,437	161,963	-	1,358,264	41,885	220,350	262,235	**1,620,499**	766,853
Food and entertainment	-	-	-	-	397,522	-	397,522	-	196	196	**397,718**	130,934
Repairs and maintenance	-	-	19,141	-	605,837	-	624,978	-	-	-	**624,978**	408,685
Vehicle expense	-	-	-	-	181,741	-	181,741	-	-	-	181,741	289,361
Conferences, subscriptions, and dues	26,766	934	10,564	202	345	-	38,811	52,324	44,788	97,112	**135,923**	98,668
Interest expense	13,443	2,432	39,880	728	348	-	56,831	1,297	1,022	2,319	**59,150**	67,841
Miscellaneous	49,514	-	230	-	-	-	49,744	937	25,061	25,998	**75,742**	32,483
Bad debt expense	-	-	-	-	-	-	-	7,016	-	7,016	**7,016**	585
Total Expenses, before depreciation and amortization	8,283,757	1,139,779	5,986,834	708,785	2,198,416	1,636,521	19,954,092	2,094,371	6,290,593	8,384,964	**28,339,056**	25,955,441
Depreciation and Amortization	551,254	52,263	489,508	217,579	354,336	-	1,664,940	478	124,084	124,562	**1,789,502**	1,317,906
Total Expenses	$ 8,835,011	$ 1,192,042	$ 6,476,342	$ 926,364	$ 2,552,752	$ 1,636,521	$ 21,619,032	$ 2,094,849	$ 6,414,677	$ 8,509,526	**$ 30,128,558**	$ 27,273,347

See accompanying notes to financial statements.

Guiding Eyes for the Blind, Inc.

Statement of Cash Flows
(with comparative totals for 2020)

Year ended September 30,	2021	2020
Cash Flows from Operating Activities		
Change in net assets	**$ 20,039,600**	$ 9,082,988
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	**1,789,502**	1,317,906
Bad debt expense	**7,016**	585
Interest expense	**23,980**	23,981
Contributions with restrictions - perpetual in nature	**(12,000)**	(774,400)
Net realized (gains) losses on sale of investments	**(2,022,382)**	700,088
Net unrealized gains on investments	**(8,518,445)**	(3,052,318)
Donated investments	**(512,773)**	(136,991)
Loss (gain) on disposal of fixed assets	**211,065**	(11,109)
Change in unfunded pension obligation	**242,896**	332,874
Forgiveness of Paycheck Protection Loan	**(2,808,592)**	-
Changes in assets and liabilities:		
Decrease (increase) in:		
Contributions receivable	**(276,516)**	(24,500)
Bequests receivable	**(19,888)**	(659,868)
Prepaid expenses and other assets	**276,940**	(422,649)
Increase (decrease) in:		
Accounts payable and accrued expenses	**627,787**	26,560
Payroll and payroll taxes payable	**110,783**	238,559
Reserve for insurance	**90,000**	-
Accrued pension obligation	**(612,208)**	(538,562)
Deferred compensation	**119,831**	62,495
Gift annuity reserve	**27,154**	155,649
Net Cash Provided by Operating Activities	**8,783,750**	6,321,288
Cash Flows from Investing Activities		
Assets limited as to use	**(119,831)**	(62,495)
Proceeds from sale of investments	**21,254,065**	25,272,624
Purchases of investments	**(22,313,031)**	(27,472,616)
Purchases of fixed assets	**(974,955)**	(1,558,226)
Net Cash Used in Investing Activities	**(2,153,752)**	(3,820,713)
Cash Flows from Financing Activities		
Contributions with restrictions - perpetual in nature	**12,000**	774,400
Proceeds of loan payable - Paycheck Protection Program	**-**	2,808,592
Principal payments of bond payable	**(415,000)**	(405,000)
Net Cash (Used in) Provided by Financing Activities	**(403,000)**	3,177,992
Net Increase in Cash and Cash Equivalents	**6,226,998**	5,678,567
Cash and Cash Equivalents, beginning of year	**11,257,732**	5,579,165
Cash and Cash Equivalents, end of year	**$ 17,484,730**	$ 11,257,732
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	**$ 35,170**	$ 43,860

See accompanying notes to financial statements.

1. Description of Organization

Guiding Eyes for the Blind, Inc. (Guiding Eyes) is a 501(c)(3) nonprofit organization established in 1954, which provides guide dogs to people with vision loss and others with additional disabilities. Guiding Eyes is passionate about connecting exceptional dogs with individuals for greater independence. Professional instructors offer on-campus and at-home training to individuals who are blind or visually impaired and to those with vision loss accompanied by additional disabilities. Specialized programs include matching guide dogs with veterans and individuals who are deafblind. Guiding Eyes dogs are specially bred and prepared for their roles. The dogs, instruction, veterinary care, and a lifetime of support are provided free of charge.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of Guiding Eyes have been prepared using the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). In the statement of financial position, assets and liabilities are presented in order of liquidity or conversion to cash and their maturity resulting in the use of cash, respectively.

Financial Statement Presentation

The classification of a not-for-profit organization's net assets and its support, revenue, and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the classes of net assets—with donor restrictions and without donor restrictions—be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes of net assets are defined as follows:

With Donor Restrictions – This class consists of net assets resulting from contributions and other inflows of assets whose use by Guiding Eyes is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of Guiding Eyes, pursuant to those stipulations. When such stipulations end or are fulfilled, such donor-restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities. Net assets resulting from contributions and other inflows of assets whose use by Guiding Eyes is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of Guiding Eyes are classified as net assets with donor restrictions - perpetual in nature.

Without Donor Restrictions – This class consists of the part of net assets that is not restricted by donor-imposed stipulations.

Income from investment gains and losses, including unrealized gains and losses, dividends, and interest, should be reported as increases (or decreases) in net assets without donor restrictions, unless the use of the income received is limited by donor-imposed restrictions.

Cash and Cash Equivalents

Cash equivalents represent short-term investments with original maturities of three months or less.

Securities and other assets that are part of Guiding Eyes' investment holdings that meet the definition of cash and cash equivalents above are presented as cash equivalents held by investment managers on the statement of financial position and are included in end-of-year cash and cash equivalents balances.

Investments

Investments primarily consist of marketable equity securities, fixed income securities, limited partnership, mutual funds, and certificates of deposit with original maturities greater than three months.

Investments are adjusted to their fair market value at the statement of financial position date, resulting in either an unrealized gain or loss.

Investment income is recognized when earned and consists of interest, dividends, and both realized and unrealized gains and losses. Dividends are recorded at the ex-dividend date. Purchases and sales are recorded on a trade-date basis. Net investment income is net of direct external investment expenses. Guiding Eyes had no internal investment expenses for the year ended September 30, 2021.

Investments donated to Guiding Eyes are recorded at fair market value at date of receipt.

Fair Value Measurements and Disclosures

U.S. GAAP establishes a three-level hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that inputs that are most observable be used when available. Observable inputs are inputs that market participants operating within the same marketplace as Guiding Eyes would use in pricing Guiding Eyes' asset or liability based on independently derived and observable market data. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets or liabilities identical or similar to those of Guiding Eyes are traded. Guiding Eyes estimates the price of any assets for which there are only unobservable inputs by using assumptions that market participants with investments in the same or similar assets would use, as determined by the money managers for each investment, based on best information available in the circumstances. The input hierarchy is broken down into three levels based on the degree to which the exit price is independently observable or determinable, as follows:

Level 1 – Valuations are based on unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis. Valuation adjustments and block discounts are not applied to Level 1 instruments.

Level 2 – Valuations are based on (i) quoted prices – those investments, or similar investments, in active markets; (ii) quoted prices – those investments, or similar investments, in markets that are not active; or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date. Level 2 assets include those investments or similar investments that are redeemable at or near the balance sheet date and for which a model was derived for valuation.

Level 3 – Valuations are based on inputs that are unobservable and significant to the overall fair value measurement.

Revenue Recognition

Contributions and unconditional promises to give are recorded as revenue when either unsolicited cash is received or when donors make a promise to give. Contributions and promises to give are classified within public support and revenue as with or without donor restrictions.

Conditional promises to give, including those received under multi-year grant agreements, are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. A promise is considered conditional only if the donor has stipulated one or more barriers that must be overcome before Guiding Eyes is entitled to the assets transferred or promised, and there also exists a right of return to the donor of any assets transferred or a right of release of the donor's obligation to honor the promise. A transfer of assets from a donor that contains donor conditions is accounted for as a refundable advance until the conditions have been substantially met or explicitly waived by the donor.

Bequests are recorded for items for which Guiding Eyes has received written notification from the estate executor stating an irrevocable right and a defined sum. Bequests are classified within public support and revenue as with or without donor restrictions.

Special events income is reported net of the cost of direct donor benefits. Income and expense are directly attributable to a fundraising activity or event held by Guiding Eyes to raise additional funds other than contributions.

Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional 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 using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Receivables

Receivables are stated at net realizable value. Management reviews its receivables on a regular basis to determine if any of the receivables may not be realized. Account balances are charged off after all means of collection have been exhausted and potential for recovery is considered remote.

Fixed Assets

All acquisitions of land, buildings, equipment, and vehicles in excess of $5,000 are capitalized at cost. Donated property, equipment, and vehicles are recorded at the fair market value at the date of the gift. Depreciation of buildings and equipment is provided on the straight-line basis over the estimated useful lives of the assets. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful life of the related assets.

The estimated useful lives of the assets are as follows:

	Years
Building and leasehold improvements	15-30
Furniture, fixtures, and equipment	5-15
Vehicles	4

Impairment of Long-Lived Assets

Guiding Eyes reviews long-lived assets, including property and equipment and intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. As of September 30, 2021, there have been no such losses.

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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information. With respect to the statement of activities, the prior-year information is presented in total, not by net asset class. With respect to the statement of functional expenses, the prior-year expenses are presented by expense classification in total rather than by functional category. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with Guiding Eyes' financial statements for the year ended September 30, 2020, from which the summarized information was derived.

Income Taxes

Guiding Eyes was incorporated in the state of New York and is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code) and, therefore, has made no provision for income taxes in the accompanying financial statements. In addition, Guiding Eyes has been determined by the Internal Revenue Service not to be a "private foundation" within the meaning of Section 509(a) of the Code. There was no unrelated business income for the year ended September 30, 2021.

Under U.S. GAAP, an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not the position will be sustained upon examination by a taxing authority. Guiding Eyes does not believe it has taken any material uncertain tax positions and, accordingly, it has not recorded any liability for unrecognized tax benefits. Guiding Eyes has filed for and received income tax exemptions in the jurisdictions where it is required to do so. For the year ended September 30, 2021, there were no interest or penalties recorded or included in the statement of activities. Guiding Eyes is subject to routine audits by a taxing authority, but as of September 30, 2021, there were no examinations in progress.

Concentration of Credit Risk

Financial instruments that potentially subject Guiding Eyes to concentration of credit risk consist primarily of cash and cash equivalents. At various times, Guiding Eyes has cash deposits at financial institutions, which exceed the Federal Deposit Insurance Corporation insurance limits. These financial institutions have strong credit ratings and management believes that credit risk related to these accounts is minimal.

Employee Medical and Dental Benefits

Guiding Eyes is self-insured for all employee medical and dental benefits. The provisions for estimated medical and dental claims include estimates for both reported claims and estimates of the ultimate cost of claims incurred but not reported as of September 30, 2021. Guiding Eyes has protected itself against catastrophic claims by purchasing a stop-loss insurance policy with a deductible of $85,000, per covered individual.

Net Asset Classifications

Guiding Eyes follows U.S. GAAP related to *Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), and Enhanced Disclosures for all Endowment Funds*, which requires that disclosures be made on Guiding Eyes' endowments by net asset classifications.

On September 17, 2010, New York State enacted the New York Prudent Management of Institutional Funds Act (NYPMIFA). This law, which is a modified version of UPMIFA, made significant changes to the rules governing how New York not-for-profit organizations may manage, invest, and spend their endowment funds. The law is designed to allow organizations to cope more easily with fluctuations in the value of their endowments and to afford them greater access to funds needed to support their programs and services in difficult financial times. It also expands the options available to organizations seeking relief from donor restrictions on funds that have become obsolete, impracticable, or wasteful. NYPMIFA applies to New York not-for-profit, educational and religious corporations, associations organized and operated exclusively for charitable purposes, and certain trusts.

Debt Issuance Costs

U.S. GAAP requires that unamortized debt issuance costs be presented as a direct reduction from the carrying amount of the related debt liability, consistent with the presentation of debt discounts. Total debt issuance costs presented as direct reductions were $71,941 as of September 30, 2021.

Recently Adopted Accounting Pronouncements

Accounting for Leases

On February 25, 2016, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) 2016-02, *Leases*, which requires lessees to recognize a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. Management adopted this ASU as of October 1, 2020. See Note 8 for additional information regarding the impact.

Fair Value Measurement

ASU 2018-13, *Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*, was issued as part of the FASB disclosure framework project to improve the effectiveness of disclosures about fair value measurements required under Accounting Standards Codification (ASC) 820. The ASU amends the disclosure requirements for recurring and nonrecurring fair value measurements by removing, modifying and adding certain disclosures. The guidance is effective for Guiding Eyes' fiscal year 2021, and the adoption of this update did not have a material impact on the Guiding Eyes' financial statements.

Accounting Pronouncements Issued but Not Yet Adopted

Not-for-Profit Entities (Topic 958)

The FASB issued ASU 2020-07, *Not-for-Profit Entities (Topics 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, the update to clarify the presentation and disclosure of contributed nonfinancial assets, including land, buildings, and other items.

The enhanced presentation and disclosure requirements include the contributed nonfinancial assets as separately stated as an individual line item in the statement of activities, distinct from contributions of cash or other financial assets. The contributed nonfinancial assets are also disaggregated in a footnote by category that shows the type of contributed nonfinancial assets in the statement of activities. For each type of contributed nonfinancial assets recognized, a not-for-profit will disclose the not-for-profit's policy (if any) on liquidating rather than using contributed nonfinancial assets; qualitative considerations on whether the contributed nonfinancial assets were liquidated or used during the reporting period, and, if used, a description of how the asset was employed should be included; any donor-imposed restrictions related to the contributed nonfinancial assets; and the valuation methods and inputs utilized to determine a fair value. In accordance with Topic 820, *Fair Value Measurement*, it should be measured at initial recognition. The principal or most advantageous market is utilized to calculate fair value if it is market in which the not-for-profit is restricted by the donor from selling or utilizing the contributed nonfinancial assets. The update does not change existing recognition and measurement requirements for contributed nonfinancial assets and is effective for annual reporting periods beginning after June 15, 2021 with early adoption permitted. Guiding Eyes is currently evaluating the impact of the adoption of the ASU on its financial statements.

Financial Instruments - Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments*. This update, along with ASU 2018-19, Codification Improvements to Topic 326, *Financial Instruments - Credit Losses,* changes the impairment model for most financial assets that are measured at amortized cost and certain other instruments from an incurred loss model to an expected loss model. Entities will be required to estimate credit losses over the entire contractual term of an instrument. The ASU is effective for organization's fiscal years beginning after December 15, 2022. An entity must apply the amendments in the ASU through a cumulative-effect adjustment to net assets as of the beginning of the first reporting period in which the guidance is effective, except for certain exclusions. Management is currently evaluating the impact of this ASU on its financial statements.

3. Liquidity and Availability of Resources

Guiding Eyes' financial assets available for use within one year of the statement of financial position date for general expenditure are as follows.

September 30, 2021		
Cash and cash equivalents	$	16,320,675
Investments and cash equivalents held by investment managers		82,334,648
Bequest receivable		1,775,118
Contributions receivable		294,000
Financial Assets, at year end		100,724,441
Less: those unavailable for general expenditures within one year, due to:		
Donor-imposed restrictions:		
Purpose		878,396
Perpetual in nature		10,076,372
Liability for gift annuity reserve		1,588,347
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	$	88,181,326

Guiding Eyes' investment portfolio consists, in part, of donor-restricted amounts. Income from the donor-restricted amounts can be either available for general expenditures or restricted for a specific purpose, in accordance with the agreement between the donor and Guiding Eyes.

As part of Guiding Eyes' liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. In addition, Guiding Eyes invests cash in excess of daily requirements in short-term investments.

4. Investments, at Fair Value

Guiding Eyes' assets recorded at fair value have been categorized based upon a fair value hierarchy, in accordance with U.S. GAAP. See Note 2 for a discussion of Guiding Eyes' policies regarding this hierarchy. A description of the valuation techniques applied to Guiding Eyes' major categories of assets measured at fair value are as follows:

Equity and Fixed-Income Mutual Funds - Guiding Eyes has investments in mutual funds, which are invested primarily in investment-grade bonds and large and mid-capitalization equity securities. For these investments, Guiding Eyes has ownership interest in the mutual fund but not in the individual securities held by the fund. The assets of each mutual fund consist primarily of shares of the underlying holdings. Each mutual fund net asset value (NAV) is the value of a single share that is actively traded on national securities exchanges. The mutual funds are valued on a daily basis at the close of business day. These funds are valued primarily on the basis of market quotation or on the basis of information furnished by a nationally recognized pricing service, based on observable market data, and are classified as Level 1 within the fair value hierarchy.

Fixed-Income Securities - Guiding Eyes has investments in fixed-income securities, which consist of corporate bonds. Guiding Eyes' custodian prices these investments using nationally recognized pricing services, which are carried at their market value, as determined by quoted market prices. These investments can be liquidated daily. These investments are classified as Level 1 within the fair value hierarchy.

Limited Partnerships - Guiding Eyes has an investment in a limited partnership, which is valued based on Level 3 inputs within the investment hierarchy used in measuring fair value. Given the absence of market quotations, its fair value is estimated using information provided to Guiding Eyes by the investment manager and general partners. Because of the inherent uncertainty of valuation, it is reasonably possible that estimated values may differ significantly from the values that would have been used had a ready market for the security existed.

The following table shows, by level within the fair value hierarchy, Guiding Eyes' financial assets that are accounted for at fair value on a recurring basis as of September 30, 2021. The financial assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Guiding Eyes' assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement within the fair value hierarchy levels.

September 30, 2021

	Fair Value Measurement Using			
	Level 1	Level 2	Level 3	Total
Investments				
Equity mutual funds	$ 61,610,181	$ -	$ -	$ 61,610,181
Fixed-income mutual funds	17,891,158	-	-	17,891,158
Fixed-income securities	1,661,945	-	-	1,661,945
Limited partnership	-	-	7,309	7,309
Total Investments	81,163,284	-	7,309	81,170,593
Assets Limited as to Use[a]				
Equity mutual funds	331,460	-	-	331,460
Total Assets Limited as to Use	331,460	-	-	331,460
Total	$ 81,494,744	$ -	$ 7,309	$ 81,502,053

[a] Assets whose use is limited relates to the deferred compensation plan assets. See Note 9 for additional information.

Guiding Eyes had no financial assets or financial liabilities that were measured at fair value on a non-recurring basis during the year ended September 30, 2021. In addition, there were no transfers between levels during the year ended September 30, 2021.

5. Split-Interest Agreements

Guiding Eyes administers the following type of split-interest agreement:

Charitable Gift Annuity

Under the Charitable Gift Annuity Agreement (the Agreement), donors make contributions in exchange for a promise to receive a fixed amount over a specified period of time, usually life of donor or beneficiary. During the term of the Agreement, Guiding Eyes acts as a custodian of these funds, whereby the asset and the net present value of related liability are reflected in the statement of financial position. After the term of the Agreement, the remaining asset belongs to Guiding Eyes. At September 30, 2021, the Charitable Gift Annuity Investment Account had a fair market value of $3,525,130, and the related liability amounted to $1,588,347.

6. Fixed Assets, Net

Fixed assets, net, consist of the following:

September 30, 2021		
Land	$	358,155
Building improvements		33,458,332
Furniture, fixtures, and equipment		7,415,304
Vehicles		2,719,451
Leasehold improvements		277,592
		44,228,834
Less: accumulated depreciation and amortization		(23,810,491)
	$	20,418,343

Depreciation and amortization expense for the year ended September 30, 2021 was $1,789,502.

7. Bond Payable

September 30, 2021		
On August 11, 2015, Guiding Eyes entered into an agreement with Westchester County Industrial Development Agency and received proceeds totaling $3,444,177, net of $215,823 bond issuance cost, the fees of which are amortized over the life of the bonds. These bonds are payable in annual installments through August 15, 2024, the maturity date. Interest payments are payable in semi-annual installments at the rate of 2.08% per annum. The bond is secured by the related property and equipment.	$	1,305,000

At September 30, 2021, the bond payable consisted of the following:

Westchester County Industrial Development Agency bonds, bearing interest rate at 2.08%	$	1,305,000
Less: bond issuance costs		(71,941)
Bond Payable	$	1,233,059

The bond payable matures as follows:

Year ended September 30,		
2022	$	425,000
2023		435,000
2024		445,000
	$	1,305,000

8. Leases

As detailed in Note 2, Guiding Eyes adopted the provisions of ASU 2016-02 effective October 1, 2020. Guiding Eyes leases certain property and equipment under finance and operating leases. Leases are classified as either finance or operating leases based on the underlying terms of the agreement.

For leases with initial terms of greater than one year, Guiding Eyes records the related right-of-use assets and liabilities at the present value of the remaining lease payments to be paid over the life of the related lease. Lease payments related to periods subject to renewal options are excluded from the amounts used to determine the present value of the remaining lease payments unless Guiding Eyes is reasonably certain to exercise the option to extend the lease. The present value of the lease payments is calculated by utilizing the discount rate stated in the lease, when readily determinable. For leases for which a discount rate is not readily available, Guiding Eyes has elected to use the incremental borrowing rate based on the information available at the lease inception date. Guiding Eyes has made an accounting policy election not to separate lease components from non-lease components in contracts when determining its lease payments for all of its asset classes. As such, Guiding Eyes accounts for the applicable non-lease components together with the related lease components when determining the right-of-use asset and liability. Guiding Eyes has made an accounting policy election not to record leases with an initial term of less than one year as right-of-use assets and liabilities in the statement of financial position.

The following tables summarize information related to the lease asset and liability:

Year ended September 30, 2021		
Lease costs:		
Operating lease cost	$	26,714
Total Lease Cost	$	26,714

September 30, 2021		
Right-of-use assets and liabilities:		
Operating lease right-of-use asset	$	182,036
Operating lease liability		182,036

Year ended September 30, 2021		
Other information:		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating lease	$	9,960

Weighted-average remaining lease term – operating lease	5 years
Weighted-average discount rate – operating lease	2.08%

For operating leases, right-of-use assets are recorded in operating lease right-of-use assets and lease liabilities are recorded in lease liability in the accompanying statement of financial position.

The following table reconciles the undiscounted operating lease payments to the lease liabilities recorded on the accompanying statement of financial position at September 30, 2021:

Year ending September 30,		
2022	$	39,840
2023		40,421
2024		41,432
2025		42,467
2026		17,876
	$	182,036

9. Pension Plan

Guiding Eyes offers two pension plans that cover substantially all of its employees. The defined benefit pension plan was frozen on December 31, 2014. No new participants entered the plan after that date, nor did further benefits accrue. Years of service continue to count toward early retirement eligibility and vesting of previously earned benefits. On January 1, 2015, the Guiding Eyes Defined Contribution Plan came into effect and provides discretionary contributions into the plan based on compensation and years of service. The defined benefit pension plan's funding policy is to make cash contributions to the plan in amounts computed by the plan's actuary to provide sufficient funds to pay benefits as they become payable under the plan and to exceed the minimum funding requirement under the Employee Retirement Income Security Act of 1974, as amended (ERISA). The amount of the contribution may vary from year-to-year, depending on eligible participants receiving benefit payments and investment gains or losses.

Guiding Eyes is in the process of evaluating the possibility of terminating the defined benefit pension plan which may occur in the near future. If the termination should occur, it is expected the projected benefit obligation may settle at an amount different than the amounts noted within these financial statements. As the defined benefit pension plan has not been terminated as of the date these financials were available to be issued, the amounts disclosed are shown as if the defined benefit pension plan continues in its current status. Accordingly, actual results could differ from those estimates.

The following tables set forth the plan's funded status, and other amounts recognized in Guiding Eyes' financial statements.

Actuarial present value of obligations:

September 30, 2021		
Projected benefit obligation for service rendered to date	$	25,821,685
Plan assets at fair value, primarily with pooled investment vehicles		25,348,028
Projected Benefit Obligation Over Plan Assets	$	473,657

Net periodic pension income includes the following components:

September 30, 2021		
Interest cost	$	622,631
Expected return on plan assets		(1,386,263)
Amortization of net loss		151,424
Net Periodic Pension Income	$	(612,208)

Change in pension net assets included in pension-related changes, other than net periodic pension cost, is as follows:

September 30, 2021		
Pension net assets at prior measurement date	$	7,058,880
Pension net assets at current measurement date		7,301,776
Measurement Date Pension-Related Changes, as included within change in net assets, without donor restrictions, in the statement of activities	$	242,896

During the year ended September 30, 2021, Guiding Eyes recognized income of $612,208 in its total salaries and related expenses within the statement of functional expenses and has recognized a reduction of $242,896 as pension-related changes other than net periodic pension cost. The net amount recognized in net assets without donor restrictions at September 30, 2021 was $369,312.

The following table sets forth the plan's change in assets available for benefits:

September 30, 2021		
Fair Value of Plan Assets, beginning of year	$	23,575,983
Actual return on plan assets		2,518,469
Employer contributions		-
Benefits paid		(746,424)
Fair Value of Plan Assets, end of year	$	25,348,028

The plan's assets are invested in publicly traded, moderate allocation large blend institution mutual funds and FDIC-insured cash. Guiding Eyes' investment policies are designed to ensure adequate plan assets are available to provide future payments of pension benefits to eligible participants of the plan. Guiding Eyes sets target allocations of assets at the discretion of the investment committee in conjunction with investment advisors to achieve this goal. Amounts are compared to benchmarks of the fund in the portfolio for reasonableness. Guiding Eyes' target plan assets allocation is 100% pooled investment vehicles.

The fair value of Guiding Eyes' pension plan assets by asset category is as follows:

September 30, 2021

	Fair Value Measurement at Reporting Date Using			
	Level 1	Level 2	Level 3	Balance
Cash	$ 135,950	$ -	$ -	$ 135,950
Pooled investment vehicles*				25,212,078
Total				$ 25,348,028

* Certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy table. The fair value amounts presented in the preceding table are intended to permit reconciliation of the fair value hierarchy to the accompanying statement of financial position.

As Guiding Eyes is in the process of evaluating the possibility of terminating the defined benefit pension plan which may occur in the near future, payments noted below are shown as currently due. Accordingly, actual results could differ from those estimates.

The estimated future benefit payments are as follows:

Fiscal Year Ending	
2022	$ 26,948,658
2023-2031	-
Total for Next Ten Years	$ 26,948,658

There were no employer contributions required to be paid into the plan during the fiscal year ended September 30, 2021.

The weighted-average discount rate used to determine interest expense in 2021 was 2.60%. The weighted-average discount rate used to determine the pension benefit obligation at September 30, 2021 was 2.80%, which will be used to determine interest expense in fiscal year 2022. The expected long-term rate of return on plan assets used to determine the expected return on plan assets for 2021 was 6.0%.

Guiding Eyes maintains an investment portfolio, which is managed by professional investment managers.

Mortality Table

The Society of Actuaries (SOA) issued two final reports that update the mortality assumptions that private defined benefit retirement plans in the United States (U.S.) use in the actuarial valuations that determine a plan sponsor's pension obligations. Affected pension plan sponsors should expect the value of the actuarial obligations to increase, but the rate of increase will depend on the specific demographic characteristics of the plan participants and the types of benefits provided.

The plan is not sufficiently large to have credible mortality experience. The Pri-2012 mortality tables were released in October 2019 based upon a mortality study with the central year of 2012. Pri-2012 is the most recent study of private-sector mortality experience developed by the SOA's Retirement Plans Experience Committee (RPEC). The Pri-2012 report provides three approaches for implementation of the distinct contingent survivor tables in section 12.4; this valuation implements Approach 3 to reflect underlying differences in expected mortality before and after the death of the primary annuitant. The population covers a mix of white and blue-collar workers. RPEC released Mortality Improvement Scale MP-2021 in October 2021 as an update to the MP-2020 scale. The MP-2021 scale includes an additional year (2019) of experience compared to the experience considered in the development of Scale MP-2020, which included experience through 2018. Therefore, Scale MP-2021 incorporates the most current information available from the Social Security Administration (SSA), extended further by RPEC using a similar methodology to that used by SSA. No changes have been made to the mortality assumption due to the demographic impact of the ongoing new strain of coronavirus (the COVID-19 outbreak) pandemic for the following reasons:

- At this point, significant uncertainty remains regarding the long-term impact of the COVID-19 outbreak to recommend a general adjustment to the mortality assumption. There is also significant variation between geographies, age profile, socioeconomic status, and other factors that could lead the direct impact to vary significantly across plans.
- The excess in observed mortality is unlikely to have significant impact on pension liabilities. For example, even doubling normal mortality rates for one year, which is more impactful than COVID-19 (which has roughly led to around 15% increase in mortality in the U.S. during 2020), would reduce benefit liabilities by less than 1% in a typical plan. This modest impact on the liabilities is further reinforced by the concentration of deaths in the elderly and those with pre-existing conditions. The large potential change in liabilities would come from assumed future mortality. This depends entirely on factors not yet understood (and for which necessary data is not yet available). We believe more information is needed before long-term assumptions can be definitively changed.

The SOA committee that developed the tables recommends consideration of their use, effective immediately, for measuring private pension plan obligations. Their use also will affect the measurement of plan obligations associated with private employer postretirement health and life insurance plans.

Deferred Compensation Plan - 403(b)

On January 1, 2015, Guiding Eyes established a Defined Contribution Plan covering all eligible employees under Section 403(b) of the code. From January 1, 2015, to September 30, 2020, Guiding Eyes provided discretionary contributions on behalf of all eligible employees in the amount of up to 14% of the participant's compensation for the year, based on the participant's years of service. Effective October 1, 2020, Guiding eyes provides a discretionary (immediately vested) contribution on behalf of all eligible employees of 4% and in addition, Guiding Eyes will match employee contributions into the plan up to 6% of salary. Guiding Eyes' matching contributions will vest 20% per year of completed service and be 100% vested after the completion of 5 years of service. For the year ended September 30, 2021, the amount charged to operations for employer contributions to the plan amounted to $987,069.

Deferred Compensation Plan - 457(b)

During fiscal year 2018, Guiding Eyes established an eligible deferred compensation plan, as described in Section 457(b) of the Code, for the benefit of the CEO and directors of Guiding Eyes. During the year ended September 30, 2021, Guiding Eyes contributed $78,000 to the plan. Investments associated with the plan are comprised of publicly traded mutual funds, which are recorded at their fair value as an asset limited as to use and as a corresponding deferred compensation liability on the statement of financial position. The value of the asset and liability as of September 30, 2021 was $331,460.

10. Allocation of Joint Activity Costs

During 2021, Guiding Eyes incurred joint activity costs of $5,516,072 for informational materials and activities that included fundraising appeals. Of these costs, $3,879,551 was allocated to fundraising expense and $1,636,521 was allocated to the Enrichment and Education Program.

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11. Net Assets with Donor Restrictions

Donor-imposed restricted net assets that are perpetual in nature and purpose restricted consist of the following:

Year ended September 30, 2021

	With Donor Restriction				
	Perpetual in Nature Principal	Earnings on Perpetual in Nature Purpose Restricted	Purpose Restricted	Total Purpose Restricted	Total
Special Needs Endowment	$ 2,108,730	$ 2,519,823	$ -	$ 2,519,823	$ 4,628,553
Guiding Eyes Strategic Growth Fund	-	-	3,381,154	3,381,154	3,381,154
The Ann MacCarthy Parke Endowment Fund	756,400	-	-	-	756,400
The Ethel S. Abbott Endowment Fund	525,000	-	-	-	525,000
Lilian Feder Foundation	270,000	-	-	-	270,000
Other - Perpetual in Nature	154,876	-	-	-	154,876
Grace Kennedy Fund	101,708	-	-	-	101,708
The Doris E. Harrington Fund	96,530	-	-	-	96,530
The Russell E. Whitmyer Endowment Fund	50,000	-	-	-	50,000
The Dorothea Jacobs Grant Fund	43,148	-	-	-	43,148
The Frances Howe Dwight Memorial Fund	35,032	-	-	-	35,032
The Paul V. Hurley Endowment Fund	33,971	-	-	-	33,971
Vilma Donnelly Carriage House	-	-	276,156	276,156	276,156
Development Various Project	-	-	151,929	151,929	151,929
Lions Project	-	-	147,029	147,029	147,029
MRI Building Renovation	-	-	50,000	50,000	50,000
Veterinary Equipment	-	-	43,420	43,420	43,420
Hockenmeyer Veterinary Fund	-	-	41,306	41,306	41,306
Puppy Regions	-	-	40,021	40,021	40,021
Cryopreservation	-	-	30,108	30,108	30,108
Other Programs - Purpose Restricted	-	-	29,440	29,440	29,440
Hadden Student Help Fund	-	-	22,558	22,558	22,558
Keymer Technoogy Fund	-	-	19,978	19,978	19,978
Keymer Miscellaneous Projects	-	-	13,376	13,376	13,376
Kennel Enrichment	-	-	10,767	10,767	10,767
Milton Scholarship	-	-	2,308	2,308	2,308
	$ 4,175,395	$ 2,519,823	$ 4,259,550	$ 6,779,373	$ 10,954,768

12. Net Assets Released from Restrictions

Net assets with donor restrictions released from restrictions are as follows:

Year ended September 30, 2021

	With Donor Restrictions		
	Purpose Restricted	Related to Earnings from Perpetual in Nature	Total
Vilma Donnelly Carriage House	$ 274,694	$ -	$ 274,694
Special Needs Endowment	-	242,410	242,410
Guiding Eyes Strategic Growth Fund	-	177,147	177,147
Capacity Building Expansion Plan	150,956	-	150,956
Other programs	65,553	-	65,553
Puppy Regions	34,788	-	34,788
Genetic Various	32,922	-	32,922
Veterinary Equipment	31,799	-	31,799
Gooter Fund	24,003	-	24,003
Development Various Projects	7,464	-	7,464
Lions Project	3,828	-	3,828
Puppy Program	961	-	961
Cryopreservation	261	-	261
Keymer Technology Fund	80	-	80
Keymer Miscellaneous Projects	40	-	40
	$ 627,349	$ 419,557	$ 1,046,906

Investment earnings of $419,557 that relate to perpetual-in-nature donor-restricted endowments were released in accordance with the terms of the donors' agreements. Such earnings are kept in the investment portfolio as a portion of net assets without donor restrictions.

13. Endowments – Net Asset Classifications

Guiding Eyes' endowments consist of investments that are donor restricted. Under U.S. GAAP, the following applies to the endowment funds:

Interpretation of Relevant Law - The spending of endowment funds by a not-for-profit corporation in the state of New York is currently governed by the NYPMIFA, a modified version of UPMIFA, as enacted in 2010 in the New York Not-for-Profit Corporation Law. Guiding Eyes has interpreted NYPMIFA as allowing the governing board of the organization to make available for expenditure as much of an endowment fund, including principal, as the governing board finds prudent, taking into consideration the "uses, benefits, purposes, and duration" for which the fund was established. The governing board must act in good faith and must consider various factors, if relevant, when making decisions, including the organization's investment policy, purposes of the organization and the fund, and general economic conditions.

Investment and Spending Policies – Guiding Eyes has adopted an investment policy to diversify investments among both equity and fixed-income securities so as to provide a balance that will enhance total return while avoiding undue risk concentration in any single asset class or investment category. Guiding Eyes may appropriate for distribution each year 5% of its invested assets based upon their rolling average value over the prior 12 quarters, which is in line with their targeted rate of return. Currently, Guiding Eyes does not spend any of the investment income generated by the endowment funds, in order to enhance the growth of the endowed assets. Endowment assets include those assets of donor-restricted funds that Guiding Eyes must hold in perpetuity, and as directed by the donors, and those assets that are Board-designated, as approved by the Board of Directors of Guiding Eyes. The endowment funds are invested in vehicles, such as money-market funds, mutual funds, and government and equity securities, as well as certificates of deposit.

Guiding Eyes considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the funds.
- The purposes of Guiding Eyes and the donor-restricted endowment funds.
- General economic conditions.
- The possible effect of inflation and deflation.
- The expected total return from income and the appreciation/depreciation of investments.
- The investment policy of Guiding Eyes.
- Other resources of Guiding Eyes.

The following table represents the endowment net asset composition by type of fund:

September 30, 2021

	Donor-Restricted
Perpetual in nature	$ 10,076,372

The following table represents the reconciliation of changes in endowment net assets:

	Donor-Restricted (Perpetual in Nature)
Endowment Net Assets, September 30, 2020	$ 8,927,021
Net investment income	1,556,908
Transfers from endowment:	
Net transfers from endowment to purpose restricted	(419,557)
Contributions	12,000
Endowment Net Assets, September 30, 2021	$ 10,076,372

14. Donated Services and Materials

A substantial number of unpaid volunteers have made significant contributions of their time to develop Guiding Eyes' programs, principally breeding, training, and student programs. The value of this contributed time is not reflected in the financial statements since it is not susceptible to objective measurement or valuation.

15. Methods Used for Allocation of Expenses

The financial statements contain categories of expenses that are attributable to one or more program or support functions of Guiding Eyes. Those areas include depreciation and amortization, the president's office, communications, and information technology departments. Overhead expenses are allocated based on square footage; the president's office salary and benefits allocation is based on estimates of time and effort spent supporting all program functions across the organization. The communications department and the information technology department expenses are allocated based on estimates of time, effort, and costs of specific technology utilized, respectively.

16. Additional Estate Income

Guiding Eyes expects to receive cash, investment, and other assets from various estates of which they have been notified that they are a beneficiary. At present, the terms and amounts of these contributions have not been finalized. Accordingly, no receivable has been recorded in the financial statements.

17. Risks and Uncertainties – COVID-19 and CARES Act

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of the COVID-19 outbreak and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

As a result of the COVID-19 outbreak, Guiding Eyes has incurred, and it is expected to incur for the foreseeable future, incremental and other COVID-19 pandemic-related expenses. COVID-19-related expenses consist of additional costs that Guiding Eyes is incurring to protect its employees, contractors, and consumers, and to support social-distancing requirements resulting from the COVID-19 pandemic. These costs include, but are not limited to, new or added benefits provided to employees, the purchase of additional personal protection equipment and disinfecting supplies, additional facility cleaning services, initiated programs, communications to customers on utility response, and increased technology expenses to support remote working, where possible.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full impact that the pandemic will have on Guiding Eyes' financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) was enacted. The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, deferment of employer-side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest deduction limitations, increased limitations on qualified charitable contributions, and technical corrections to tax depreciation methods for qualified improvement property.

The CARES Act also appropriated funds for the United States Small Business Administration Paycheck Protection Program (PPP) loans that are forgivable in certain situations to promote continued employment, as well as Economic Injury Disaster Loans to provide liquidity to small businesses harmed by the COVID-19 outbreak. See Note 18 for additional information about Guiding Eyes' PPP loan.

On December 27, 2020, Congress enacted the Consolidated Appropriations Act, 2021 (the Act), which includes $900 billion in stimulus relief as a result of COVID-19. To the date these financial statements are available to be issued, Guiding Eyes did not receive any relief under the Act but continues to evaluate.

Management continues to examine the impact that the COVID-19 outbreak and the CARES Act may have on its business. As discussed in Note 18, Guiding Eyes received loan proceeds in the amount of $2,808,592 from a financial institution under the PPP. Management is currently unable to determine any additional impact on its financial condition, results of operation, or liquidity. Although Guiding Eyes cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, if the pandemic continues, it may have a material adverse effect on Guiding Eyes' results of future operations, financial position, and liquidity in fiscal year 2022.

18. Loan Payable - Paycheck Protection Program

In April 2020, Guiding Eyes applied for and received approval for a loan under the PPP administered by the United States Small Business Administration. The receipt of these funds, and the loan forgiveness of the loan attendant to these funds, is dependent on Guiding Eyes having initially qualified for the loan and qualifying for the forgiveness of such loan based on its future adherence to the forgiveness criteria. As mentioned in Note 17, the PPP was legislated as part of the CARES Act, and is a program designed to provide a direct incentive for small businesses to keep their workers on the payroll. In June 2021, the loan was fully forgiven. As such, Guiding Eyes has recorded the forgiveness on the loan in its changes in net assets on the September 30, 2021 statement of activities.

19. Subsequent Events

Guiding Eyes' management has performed subsequent events procedures through February 17, 2022, which is the date the financial statements were available to be issued, and there were no subsequent events requiring adjustments to the financial statements or disclosures.